The construction and operationalisation of NGO accountability: Directing Dutch governmentally funded NGOs towards quality improvement

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7.1 Introduction

This chapter analyses the evolution of the co-financing scheme throughout the 1980s up to the late 1990s. The first section discusses how the increased budget for co-financing NGOs, concerns about too much concentration of development cooperation within the Dutch government, and increasing anxiety about insight into and control of the co-financing NGOs led to a shift from project financing (financing of individual NGO projects) to programme financing (financing of combinations of projects - termed programmes). This section also analyses how a revised programme of government and new (accountability) technologies emerged as a result of this shift. The second section examines how increased public scrutiny of development cooperation in general and NGO activities in particular led to a (further) reorientation of the programme of government which had direct implications for the way the co-financing NGOs organised themselves.

7.2 Moving from project to programme financing

7.2.1 The distinction between project and programme financing

Prior to 1980 co-financing NGOs were required to apply for governmental funding by submitting project proposals to the Ministry of Foreign Affairs for approval (see section 6.2.2). Based on the assessment of submitted proposals, co-financing NGOs received funding for specific projects – termed project financing. Programme financing is different from project financing in that co-financing NGOs receive a predetermined amount of funding, based on a percentage of the total governmental budget available for development cooperation, for the execution of combinations of projects (programmes) without having to submit individual project proposals. Rather than directing co-financing NGOs through an ex-ante project assessment procedure, the Ministry now sought to direct NGO behaviour and activities through an ex-post assessment of executed activities.
7.2.2 The desire to move to programme financing

Three co-financing NGOs argued that programme financing was desirable since it would allow them greater flexibility in determining their strategic direction thereby improving the quality of aid delivery. In 1979 the Ministry of Foreign Affairs and the co-financing NGOs explored the possibilities of programme financing. It was suggested that the Ministry would assess, on an ex-post basis, whether the combination of funded projects was aligned with the five co-financing criteria outlined in section 6.4.2.

The Ministry argued that by delegating part of the funds available for development cooperation to NGOs through programme (as opposed to project) financing, the risk of further concentration of development cooperation within the Dutch government would decrease, due to the increased amount of autonomy offered to NGOs. It was largely assumed that this would lead to quality improvements. In early 1980, the Dutch government started a four year trial period for programme financing with the existing four co-financing NGOs, i.e. ICCO, Cordaid (then named Cebemo), Oxfam Novib and Hivos. This new approach to the co-financing program used the criteria and objectives developed in previous frameworks, including the five funding criteria set out in section 6.4.2, to conduct ex-post evaluations of NGO activity (Tweede Kamer, 1980). The shift from project to programme financing was unique, since at this time there were very few countries where development NGOs were allowed this amount of autonomy in spending governmental funding (Eerste Kamer, 1982).

7.2.3 A new programmatic aim: retrospective oversight on a policy level

While the rationale of quality improvement remained the core rationale underpinning the co-financing program, the shift to programme financing required adjustments in the programme of government aimed at linking quality improvement with frameworks for intervention. Until 1980 the Ministry was formally responsible for the approval of projects submitted by co-financing NGOs, with almost all of the proposals being approved. With the introduction of programme financing, a new programmatic aim, i.e. retrospective governmental oversight on a policy level, was put forward by a group of politicians. In this revised programme, the task of the Ministry became one of retrospective supervision, while the co-financing NGOs were now responsible for their own policies regarding the selection, approval and execution of
projects. Co-financing NGOs therefore received an increased amount of autonomy, within the boundaries set by the Minister of Development Cooperation (Tweede Kamer, 1980)\textsuperscript{36}.

The revised programme was put forward by the Minister of Development Cooperation in an adjusted co-financing program. This indicated that while the Minister still had political responsibility for the co-financing program. The focus would, however, due to positive experiences with the ‘pilot’ programme evaluation executed in 1978 (section 6.5.2), shift towards the ex-post evaluation and inspection of the co-financing program as a whole. The NGOs were allocated funding with no ex-ante assessment being undertaken and they were instructed to use the co-financing criteria previously used by the government to assess project proposals (see section 6.4.2) as part of their (the NGOs’) internal decision making on which projects to fund. The ex-ante formal approval of individual projects was thus replaced by ex-post assessments of the implemented policies within NGOs that were supposed to ensure alignment of combinations of projects (programmes) undertaken with these co-financing criteria.

There were, however, also some changes to the co-financing criteria that the NGOs were expected to apply. For example, they now had to show how the combination of projects they selected contributed to social justice, self-reliance and society-building in the most disadvantaged groups as opposed to social and economic development. The required approval of the developing country in which projects were executed was toned down to requiring all projects to be acceptable in the receiving country. In order to ensure a fit with the development plan in the country of execution, projects were now also required to come under local management and planning with execution and financing of projects complementing local initiatives. An indication also had to be provided as to whether projects were continued by private organisations or the government of the receiving country after Dutch NGO involvement had ended (Tweede Kamer, 1980).

\textsuperscript{36} Priorities for certain activities developed by the Ministry determined the boundaries and freedom of NGOs in funding projects by defining target groups and activities. Priority was given to ‘projects that support processes rather than incidental developments’, ‘indigenous groups and initiatives that are initiated within the local society’, projects that are aimed at developing local leadership and creating a frame that supports citizens and leads them to self-reliance’, activities that are aimed at the most deprived groups in society’, ‘projects that require a low amount of investment’, and ‘projects that complement existing activities’ if these activities are not perceived as too closed or being in an impasse (Tweede Kamer, 1980, p. 8).
While this changed role of the Ministry and co-financing NGOs was perceived positively by the majority of political parties represented in the Dutch House of Representatives, some politicians expressed concerns. They questioned the decision by the Minister of Development Cooperation to fully abandon the ex-ante assessment of proposals (Tweede Kamer, 1980). The Minister contended that while the focus of the adjusted co-financing program was on giving more responsibility and freedom to co-financing NGOs, it did not imply that the government had lost all forms of control. He explained that rather than making decisions and steering co-financing NGOs based on the ex-ante assessment of individual projects, the government would now have ‘effective’ control over NGOs on a (broad) policy level which would benefit parliamentary control over activities performed within the co-financing program. This claimed control through retrospective oversight was made operational with the introduction of several ex-post accountability technologies. These are outlined in the next sub-section.

7.2.4 Technological changes enabling retrospective oversight

In order to accomplish the programmatic aim of retrospective oversight ex-post accountability technologies were introduced. These focused on assessing whether governmental funds used for projects were being ‘well spent’, i.e. according to the expanded co-financing criteria (see previous section), and whether the objectives of the organisations executing projects on behalf of the co-financing NGOs (termed ‘counterparts’37) were aligned with broader Dutch development policy. These technologies included more detailed annual reporting by co-financing NGOs, programme evaluations and (external) inspections. These technologies were supported by intensive consultations between the Ministry and the co-financing NGOs.

The annual reporting required from co-financing NGOs became more demanding, requiring them to provide information on how they tried to operationalise policy objectives reflected in the co-financing criteria, provide an indication of any changes in their policy, and short sketches of projects approved in the reporting period, in addition to the existing requirement of providing basic information on approved and executed projects, such as amounts budgeted

37 The Dutch co-financing NGOs do not directly execute projects with beneficiaries in developing countries, they work together with local NGOs who are referred to as their counterparts.
and amounts spent on individual projects (see section 6.4.3). Annual reporting and discussions of the submitted annual reports provided the Minister of Development Cooperation with better insight into the extent to which co-financing NGOs were behaving in line with the co-financing criteria, which was assumed to enable him to correct NGO behaviour and thereby steer NGOs based on the provided information (Tweede Kamer, 1980). Additionally, annual reporting provided insight into the co-financing activities to the Dutch parliament for this part of the governmental expenditures.

In addition to annual reporting, *programme evaluations* (introduced as an experiment in the late 1970s, see section 6.5.2) became a key accountability technology. These evaluations were to be undertaken by the Ministry of Foreign Affairs together with the co-financing NGOs. The nature of programme evaluations was made more explicit (compared to the late 1970s), involving an examination of specific aspects of the co-financing program, such as participation of target groups or segregation of duties between co-financing NGOs and counterparts. Programme evaluations involved an in-depth and systematic analysis of projects at a policy level, which allowed the Ministry and co-financing NGOs to safeguard the quality of the programmes (combinations of projects), and assisted in setting priorities for the activities of co-financing NGOs (Tweede Kamer, 1980). The programme evaluation reports, accompanied by comments from the Minister, were to be sent to the Dutch House of Representatives.

The last accountability technology introduced involved *inspections by the ‘Inspectie Ontwikkelingssamenwerking en Beleidsevaluatie’ or IOB*\(^{38}\). The IOB is the independent policy and operations evaluation department of the Ministry of Foreign Affairs and carries out independent evaluations of the efficiency, effectiveness, relevance and consistency of Dutch foreign policies\(^{39}\). These IOB inspections in the co-financing program involved investigations of individual projects approved and executed by counterparts under the supervision of the co-financing NGOs. They did not focus on the co-financing NGOs but on the execution of projects by their counterparts, i.e. local NGOs in developing countries. IOB inspections were aimed at providing recommendations to the Minister regarding the

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\(^{38}\) Note that at this stage the IOB was named ‘Inspectie Ontwikkelingssamenwerking te Velde’ or IOV, but for consistency reasons it will be referred to as IOB throughout this and succeeding chapters.

\(^{39}\) For more detailed information on the IOB, see http://www.rijksoverheid.nl/ministeries/bz/organisatie/beleidsevaluatie/iob
functioning of the co-financing program, which was supposed to enable him to improve the quality of the co-financing program and co-financing NGO activities (Tweede Kamer, 1980).

Regular meetings between the directors of co-financing NGOs and the Minister of Development Cooperation were organised in order to discuss the functioning of the technologies above in order to continuously improve the co-financing program and prevent co-financing NGO behaviour and activities diverting from the goals set by the government. Meetings were also aimed at discussing the execution and results of evaluations, relations between NGO activities and broader Dutch development cooperation, and the amount of governmental budget made available for the co-financing program. Information from annual reporting, programme evaluations and IOB inspections (referred to above) were used as input for these meetings. Rather than focusing on the effectiveness and efficiency of individual projects, discussions now moved to a policy level which better allowed the Ministry to govern or direct NGO behaviour (Eerste Kamer, 1982). At this stage, the co-financing program was perceived as ‘very positive’ (Tweede Kamer, 1982, p. 134) by both the Ministry (Tweede Kamer, 1983b), due to the decreased amount of administrative work resulting from abandoning individual project assessment, and co-financing NGOs, due to the increased amount of autonomy and flexibility offered in executing their activities.

To summarise, the shift to programme financing was perceived by both the Ministry and co-financing NGOs as leading to quality improvement within the co-financing program, due to the increased autonomy and flexibility offered to NGOs in determining their strategic direction. In order to direct the behaviour and activities of co-financing NGOs towards quality improvement in the shift to programme financing, a revised programme was developed with a core aim of delivering *retrospective governmental oversight on a policy level*. This programme described how the task of the government was to assess NGO activities on an ex-post basis, while NGOs received more autonomy in the selection and execution of projects. In order to operationalise the programme, several ex-post accountability technologies were introduced such as *annual reporting, programme evaluations and external inspections*. 
7.2.5 Reflecting on the programmatic and technological changes in the 1980s

The functioning of the revised co-financing program was positively perceived in the mid-1980s. For example, a study on the functioning of the program in 1983 and the annual reports submitted by the co-financing NGOs in 1982, led the Minister of Development Cooperation to conclude that the accountability technologies provided a good insight into the functioning of the co-financing program:

The image created by the 27 completed project inspections and 16 completed programme evaluations, has convinced us that the co-financing program is a valuable part of Dutch development cooperation. (Tweede Kamer, 1983b, p. 39)

In addition to providing better insight into the co-financing program, the co-financing NGOs were considered to have reported adequately on the financial aspects of their activities, such as the amount of funding acquired from sources other than the Dutch government and the relationship between administrative costs and project expenditures (Tweede Kamer, 1983a). Despite these positive comments, a desire to make the accountability technologies more ‘systematic’ emerged in discussions between the Minister and members of the House of Representatives in the mid-1980s. This involved systematising the processing of information in annual reports and evaluations to improve the uniformity of information provided to the Minister and to enable the collection of more specific information on how costs were being allocated to projects by co-financing NGOs. Systematised information processing and uniformity was deemed necessary by the Minister in order improve the comparability of the information provided by co-financing NGOs.

The Minister argued that the co-financing NGOs had already started to implement changes in order to operationalise this desire for systematisation by developing more uniform and standardised reports. In 1984, programme financing was continued for another 4 year period and in the period from 1984 until 1988 there were no significant changes in programmes and technologies. The functioning of the co-financing program and the behaviour and activities of co-financing NGOs was positively perceived, leading to a lot of trust and respect for the co-financing NGOs’ work (Tweede Kamer, 1983a).
In general, all prior Ministers responsible for Development Cooperation have expressed their trust in co-financing [NGOs] [within] the co-financing policy. This trust was not being misused. […] I am of the opinion that the close involvement of these [co-financing] organisations in Dutch development cooperation has contributed significantly to the quality of our development cooperation policies (Tweede Kamer, 1988, p. 2).

This apparent trust and appreciation of the NGOs’ work resulted in a decision by the Minister of Development Cooperation to initiate a third programme financing scheme from 1989 onwards. However, as the next section reveals, this trust began to dissipate somewhat in the 1990s.

**7.3 Entering the 1990s - Increased public scrutiny of development cooperation**

**7.3.1 Further debates on the role of co-financing NGOs**

Increasing international scrutiny of NGOs emerging in the late 1980s influenced policy debates in The Netherlands. This led to major debates on the role of co-financing NGOs in Dutch development cooperation policy in the early 1990s, increased attention to the meaning of quality improvement and demands for more and better NGO accountability. While the rationale of quality improvement prior to the 1990s was somewhat vague, despite being unpacked into the notions of effectiveness and efficiency, it was made more specific in the early 1990s when it was reconceived by linking it to the ideal of *structural (sustainable) poverty reduction* reflecting a longer term approach to development cooperation. The reminder of this chapter discusses this unpacking of the quality improvement ideal and the related programmatic and technological changes that ensued, focusing mainly on the changes that affected the role and nature of accountability in the relationship between the Dutch government and the co-financing NGOs.
7.3.2 Unpacking the rationale of quality improvement: Structural poverty reduction and sustainable longer term development

The increased scrutiny of NGO accountability that emerged internationally during the late 1980s (Lloyd, 2005; O’Dwyer, 2007) led to a reconceptualisation of the quality improvement rationale within the co-financing program. The troubled international economic situation in the late 1980s and early 1990s, involving slow economic growth and low raw material prices in developed countries, and high inflation, limited growth opportunities, high poverty levels and high mortality rates in developing countries indicated that despite development cooperation efforts over a period of 40 years, there was still a significant (and increasing) amount of poverty in developing countries (Tweede Kamer, 1990).

As a result of these developments, the Dutch government refined the conceptualisation of the ideals driving development cooperation. While the rationale of quality improvement remained central, it was unpacked further. While quality improvement was initially conceived of broadly by attaching it to the goals of effectiveness and efficiency, it was now made more specific by introducing the ideal of structural (sustainable) poverty reduction. Working towards structural (sustainable) poverty reduction involved a focus on longer term poverty reduction through projects and activities executed in developing countries that could contribute to structural civil society changes aimed at improving the equal distribution of resources in these countries. The role of co-financing NGOs working towards this ideal was presented as a catalyst in change processes in developing countries aimed at creating more open and democratic societies. This would allow individuals and groups living in poverty to gain structural access to knowledge, steady income and political influence (Tweede Kamer, 1992).

The Minister of Development Cooperation (Pronk) argued that structural poverty reduction required a more coherent co-financing scheme and greater professionalisation within the government. Structural change as the focus of Dutch development cooperation was deemed necessary in order to prevent an unfocused approach to development cooperation (Tweede Kamer, 1990). The need for programmatic and technological changes to realise quality improvement in the form of structural (sustainable) poverty reduction was made visible in two studies on the impact of Dutch development aid.
7.3.3 New programmatic aims: A revised framework of action aimed at achieving quality improvement

Several studies examining the impact and effectiveness of Dutch development aid emerged in the early 1990s (Tweede Kamer, 1992). The two most influential studies were a study performed by the court of audit of the Dutch government (the ‘Rekenkamer’\(^{40}\)) on the functioning of the co-financing program, and a study initiated by the co-financing NGOs focusing on the impacts of their results and the meaning of the co-financing program for Dutch development cooperation. The study by the Rekenkamer focused on whether the accountability technologies introduced in the co-financing scheme - annual reporting, programme evaluations, and external inspections - were sufficient. The Impact study was initiated by the four co-financing NGOs and focused on the meaning of the co-financing program for (Dutch) development cooperation. It conducted an impact assessment of the previous 25 years of the co-financing program. An independent steering group, consisting of politicians and academics, was created and ‘assessed[…] the efficiency, effectiveness, and meaning of the co-financing program and the role of the four participating NGOs’ (Tweede Kamer, 1992, p. 2). The steering group specifically examined the co-financing program efforts from the perspective of disadvantaged groups and individuals in developing countries.

The Rekenkamer study concluded that the statistical presentation and uniformity of co-financing NGO reports was insufficient and that programme evaluations required more attention in order to improve policy development, since executed evaluations did not provide sufficient information on the contribution of examined programmes to the broader objective of quality improvement. The impact study concluded that there was insufficient insight into to the relationship between the costs and benefits of co-financing activities and the financial management of co-financing NGO counterparts, a lack of insight into the effects of co-financing NGO programmes on a macro level, and insufficient cooperation between co-financing NGOs and other national and international institutions (Tweede Kamer, 1992).

The publication of these two studies was followed by a meeting between the Minister of Development Cooperation and the chairmen and directors of ICCO, Cordaid, Oxfam Novib

\(^{40}\) The Rekenkamer is the so called court of audit of the Dutch government, which checks whether public funds are being spent and policies are conducted as intended (Rekenkamer.nl). The aim of the Rekenkamer is to ensure that democratic systems are working properly by performing audits on the Ministries’ annual report and on the effectiveness of policies.
and Hivos. Based on this meeting and several internal and external consultations, the co-financing NGOs responded to the conclusions of the studies in the so-called ‘GOM’ memorandum’. This memorandum was presented to the Minister in 1992 and stated that the NGOs perceived the results of the studies as homework for the future and as a positive contribution to policy developments in the 1990s. In this memorandum and the Minister’s response, three programmatic aims further focused on improving NGO accountability were proposed in order to link the rationale of quality improvement - newly unpacked into structural (sustainable) poverty reduction, effectiveness and efficiency - with frameworks for intervention. These programmatic aims were: a focus on cost consciousness; increased professionalisation of co-financing NGOs; and increased cooperation between co-financing NGOs and other national and international organisations.

7.3.3.1 Programmatic aim 1: A focus on cost consciousness

The most important concern raised in the Impact study and in the Minister’s response was the lack of a ‘culture of cost consciousness’ within co-financing NGOs (Tweede Kamer, 1992, p. 7). There was insufficient insight into the relationship between costs and benefits of projects, and financial management within counterparts working on the ground in developing countries. The Impact study committee argued that it was the task of the co-financing NGOs to embed cost consciousness in their organisations and in their relationship with counterparts. Cost consciousness was assumed to facilitate better decision making, although the Minister pointed to the difficulty of translating financial requirements required in the North to developing countries. The Minister considered adequate financial audits of counterparts as crucial as part of ‘financial accountability’ in the relationship between the co-financing NGOs and their counterparts. In his response to the Impact study and the NGOs’ GOM memorandum the Minister mentioned that he understood the complexity of embedding financial accountability within development cooperation and would therefore ‘support a move towards simplification and harmonisation of financial accountability of co-financing NGOs’ (Tweede Kamer, 1992, p. 7). The extent to which this support for the simplification and harmonisation of accountability was realised in practice can, however, be questioned, as increasingly stringent and demanding accountability technologies emerged in the 2000s, as will be discussed in Chapter 8.

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41 GOM stands for Gemeenschappelijk Overleg Medefinanciering or Joint Consultation Co-financing.
7.3.3.2 Programmatic aim 2: Increased professionalisation of co-financing NGOs

The second programmatic aim agreed upon in discussions following the publication of the Impact study was the professionalisation of co-financing NGOs. According to the Impact study committee and the Minister, greater professionalisation of co-financing NGOs would improve insights into the influence of NGO activities on a broader level and would support the achievement of the intended effects of programmes and projects. Co-financing NGOs concurred with this desire to professionalise, but pointed to the tensions between the necessity for continual analysis and evaluation, and their daily operations. According to the Minister, professionalisation could also be improved through more intensive cooperation between departments in the Ministry and other Dutch institutions involved in development cooperation. Additionally, it was suggested that better coordination between the four co-financing NGOs would lead to quality improvements (Tweede Kamer, 1992).

7.3.3.3 Programmatic aim 3: Increased cooperation between co-financing NGOs and other national and international organisations

Cooperation between co-financing NGOs and other national and international organisations was considered essential for policy development and effective management of the co-financing program. The co-financing NGOs perceived the proposed increase in cooperation as positive and proposed to work together in areas such as training, developing policy documents, and evaluation. The Minister also wanted further cooperation in areas such as executing policy, combined standardisation of project procedures and control processes, and information processing and provision. In addition to the existing cooperation between co-financing NGOs and the Minister, he proposed intensifying their meetings by sharing and discussing information and experiences per country, region and themes in policy dialogues (Tweede Kamer, 1992).

Based on the fact that the four co-financing NGOs voluntarily initiated the Impact study, the Minister decided that they should be offered the flexibility to address the programmatic aims themselves rather than requiring them to implement formal accountability technologies aimed at directing them towards the operationalisation of these aims. Consequently, several reorganisation were undertaken within the four co-financing NGOs, in consultation with the
Ministry of Foreign Affairs, in order to operationalise the aims. These reorganisations are discussed in the next section.

7.3.4 Addressing the revised programmatic aims – NGO reorganisations

In order to operationalise the three programmatic aims above, all co-financing NGOs initiated reorganisations of their financial administration. In order to improve the quality and efficiency of its activities (in the short term), Cordaid revised its organisational structure. This involved a centralisation of its key tasks and responsibilities, increased attention to evaluations (involving the development of an integrated approach to conducting evaluations), and merging with another Dutch NGO, Vastenaktie\(^\text{42}\). The restructuring of Cordaid resulted in a reduction in staff numbers, which was perceived as necessary in order to improve the efficiency of the organisation. The organisation additionally sought to improve dialogue with its counterparts (Tweede Kamer, 1995b; 1996).

ICCO modernised their organisational structure, developing new procedures for project processing, and focusing their efforts on 50 rather than 80 developing countries. Their new project processing requirements involved a more systematic approach to funding projects, taking into consideration the capacity of counterparts, adjusting their relationship with counterparts in the case of negative evaluation results, and increasing the involvement of counterparts in policy development. ICCO also decentralised some responsibilities - such as determining projects to be supported - to regional teams which were responsible for providing financial information on counterparts to the ICCO headquarters in The Netherlands. This allowed the ICCO headquarters to monitor and steer their counterparts from a central level. Additionally, Cordaid and ICCO set up a combined consultancy office aimed at assisting them improve the professionalism of both NGOs and their counterparts (Tweede Kamer, 1995a).

As part of their reorganisation Oxfam Novib implemented new systems for processing information on executed projects received from counterparts, which improved the control of

\(^{42}\) This is another Dutch development NGO working within the Christian belief system. Cordaid, at this stage known as Cebemo, merged with Vastenaktie and continued under a new name, BILANCE (Tweede Kamer, 1995a).
the project processes within their organisations. At this stage, they also joined the Oxfam International Group in order to improve efficiency by sharing capacity on research, project experience, attracting funds, educating the public and coordinating policies, joint financing and field knowledge. Oxfam Novib also developed a system for planning, monitoring and evaluation of projects and programmes and combined this with training of staff and counterparts. Finally, Hivos developed a new strategic plan and worked on installing quality auditing processes aimed at assessing counterparts on their management qualities (Tweede Kamer, 1995a).

The reorganisations of co-financing NGOs can be interpreted as self-regulatory ‘technologies’, whereby the NGOs aligned their ‘personal’ choices, regarding the nature of the reorganisations, with the ends of government, reflected in the programmatic aims discussed earlier (Rose and Miller, 1992; Miller and Rose, 2008b). The changes put through in the reorganisations sought to address the three programmatic aims (7.3.3.1 to 7.3.3.3). Cost consciousness was improved through the reorganisation of administrative organisations, improved internal control, and education and training on financial management and control within the co-financing NGOs and their counterparts (Tweede Kamer, 1995a). The aim of becoming more professional was addressed through adjustments to the management structures of co-financing NGOs and by executing an increased amount of audits of counterparts. The aim of improving cooperation between co-financing NGOs and other national and international organisations was addressed through building international networks, by aligning their activities with other donor organisations in developing countries, and by intensifying meetings between the directors of co-financing NGOs and the Minister of Development Cooperation and meetings between these NGOs and departments of the Ministry of Foreign Affairs specialised in areas such as education (Tweede Kamer, 1996).

Due to the self-regulation of co-financing NGOs through reorganisations, the new programmatic aims did not result in new accountability technologies being introduced in the co-financing scheme. The existing accountability technologies available to the Minister in order to steer the NGOs towards quality improvement - annual reporting, programme evaluations, and external inspections by Inspectie Ontwikkelingssamenwerking te Velde (IOV) - remained in place. In order to align the operationalisation of these accountability

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43 The name Oxfam Novib has already been used throughout previous chapters for reasons of clarity.
44 For example, Oxfam Novib started working together with the Oxfam International group and ICCO started working together with the APRODEV group.
technologies with the revised programmatic aims, monthly meetings took place between the co-financing NGOs. In addition, annual meetings were organised between the directors of co-financing NGOs and the Minister to discuss their annual reports and points of attention for the coming year.

7.4 Chapter summary

This chapter focused on the programmatic changes throughout the 1980s and 1990s and was divided into two sections. The first section analysed how programmatic changes occurred due to a shift from programme to project financing in the early 1980s. In order to allow co-financing NGOs more autonomy and flexibility and decrease the amount of time spent on assessing individual project proposals in the Ministry of Foreign Affairs, a shift towards a programmatic aim of retrospective oversight on policy level was deemed desirable by both the Ministry and NGOs. In order to operationalise this aim, more extensive annual reporting, programme evaluations (which now became a central accountability technology and external IOB inspections were implemented in the co-financing program.

The second section discussed how increasing international scrutiny emerging in the late 1980s resulted in major debates on the role of co-financing NGOs in Dutch development cooperation. This resulted in a more specific articulation of the rationale of quality improvement in the early 1990s, by linking it to the ideal of structural (sustainable) poverty reduction. Further programmatic changes were introduced in order to realise this rearticulated notion of quality improvement. These comprised a focus on cost consciousness, increased professionalisation, and increased cooperation between NGOs and other national and international organisations. However, rather than adjusting or introducing new accountability technologies, NGOs were given the flexibility to independently reorganise in order to operationalise these three programmatic aims. These reorganisations represented self-regulatory attempts by NGOs aimed at aligning their perceptions regarding required organisational changes with the programmatic aims of the Ministry (Rose and Miller, 1992).

However, despite the programmatic changes and NGO reorganisations, the co-financing scheme received further scrutiny in the late 1990s. Members of the House of Representatives started criticising the power of the co-financing organisations and their so-called ‘semi-
monopoly’ position for governmental development cooperation funding. These concerns resulted in the developing of additional programmatic and technological changes, as discussed in the following chapter.