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**CBSS Member States' Policies on, and Assistance Schemes for, NGO
Co-operation in the Baltic Sea Region**

**compiled by the Working Group on Democratic Institutions (WGDI)
of the Council of the Baltic Sea States**

The Council of the Baltic Sea States (CBSS) embraces a unique spectrum of Member States with varied historic routes, which have consciously chosen to pursue common democratic goals and are currently Members of such organisations as the UN, the OSCE and the Council of Europe. In the list of issues outlined in the CBSS Terms of Reference as priority areas for co-operation, '*assistance to new democratic institutions*' comes first. The CBSS can thus serve as a forum of experience exchange, where participating countries are given a common ground for discussing and comparing approaches and practical solutions, which they have identified in the field of co-operation with the non-governmental sector. This could prove to be an effective dialogue mechanism contributing to the creation of a developed democratic scheme of co-operation between the governmental and non-governmental sectors in a given society.

It must be stressed that no universally accepted democratic model of co-operation with NGOs exists. Common efforts of the CBSS Member States under the umbrella of the Council could thus give a boost to the already existing co-operation schemes and encourage the establishment of new ones, inspired by the positive experience of other Member States.

One of the basic documents of the CBSS, the 1996 Kalmar Action Programme, stresses, "*Independent civil organisations are an indispensable element of democratic societies. An adequate role for these organisations in public life, in keeping with the priorities, which they themselves set, must be ensured. Regional co-operation between NGOs will further strengthen them, and such co-operation is an end in itself. The activities of NGOs fall broadly within the private sphere, and should therefore be subjected only to such formalities and regulations as are prescribed by law and are necessary in a democratic society*".

Substantial progress has been made over the past decade towards improving the working conditions for the non-governmental sector in the CBSS Member States. For instance, as stated in the CBSS Commissioner's 1998 Survey on the right to freedom of association, the right to freedom of assembly finds protection in the Constitutions or constitutional practice of all CBSS Member States. The Baltic Sea region has thus positioned itself in the forefront of positive developments in this field.

At the same time, though the right to establish a non-governmental organisation is constitutionally guaranteed in every CBSS Member State and protected by respective national governments, there is no denying the fact that civil society is often far too fragile to protect itself and requires assistance as well as stronger citizens' involvement in the decision-making process. Each Member State government has its own policy and its own scheme of assistance for NGO co-operation. For various historic and cultural reasons, the level of development of civil society and the framework of interaction between democratic institutions and respective governments vary considerably from one Member State to another.

In some Member States, provisions for direct co-operation with the non-governmental sector are stipulated in the already existing legislation. In those countries, governmental agencies

with a mandate to administer assistance to NGOs and to serve as channels for financial assistance and co-ordination of all joint projects involving the non-governmental sector have been established. Official information about their activities exists, and their performance in this capacity can thus be evaluated. Other Member States have chosen a different route, establishing special Public Funds with the aim of addressing particular problems existing in the society, which are acute and require immediate attention and involvement of both governments and non-governmental organisations. Some Member countries prefer to tackle each case individually and have developed an *ad hoc* approach to financial assistance and support to NGOs. In specific cases, various tax reduction or exemption schemes for non-profit organisations have also been made available.

Sometimes the lack of supplementary legislation and the history of democratic traditions in a society, as well as the imperfections of the system for dissemination of information, impede a more active involvement of NGOs in the decision-making process. Yet, a mutually productive dialogue between NGOs and the respective government has gathered momentum in almost every Member State of the CBSS.

Member countries of the Council have provided some specific information regarding their respective policies and assistance mechanisms for NGOs, which is included in the overview attached in Annex I. These national inputs pertain exclusively to support schemes for international co-operation among and with NGOs and do not include assistance programmes for domestic NGO activities. Wherever possible, the overview includes specific guidance on programmes and responsible contact persons for NGOs seeking support for a concrete activity. The main elements of the study are reflected in a compound table (Annex II).

ANNEX I

Denmark

The government of Denmark has developed a variety of ways to co-operate with the non-governmental sector. Joint projects are either administered by the relevant Danish line ministries or by the Ministry of Foreign Affairs. When a project is international by nature, the initiative may come either from interested parties in Denmark or directly from recipient countries. However, typically there will be a Danish partner involved and responsible to the funding ministry. Projects can be both bilateral (involving only one recipient side) or multilateral (where more than one country excluding Denmark is involved, typically in cross-border projects). Limited direct support to local NGOs in recipient countries is also available through the Danish embassies.

The most prominent schemes of financial assistance to NGOs and co-operation with the non-governmental sector are The Programme for Democracy Support, The Social Initiative, The Democracy Fund, The Programme for Support of Transport of Humanitarian Goods, and the different NGO programmes within DANCEE (Danish Co-operation for Environment in Eastern Europe).

The Programme for Democracy Support:

The purpose of this programme, which started in 1994, is to enhance the development of democracy and to promote the respect for human rights in the countries in Central and Eastern Europe.

The programme aims at strengthening capacity building and supporting the creation of institutions in the recipient countries. In this respect, issues such as rule of law, strengthening of human rights, integration of minorities, support of independent media and development of NGOs are emphasized. It is important that the various projects can generate sustainability and contribute to the democratic development in the recipient country.

As part of this programme highly successful projects, including cross-border projects, were implemented in the Baltic Sea region, i.a. in Estonia, Latvia and the Russian Federation. In 2001 an amount of 7,7 Mln. DKK (approximately 1,030 mln €)¹ has been allocated to the Programme for Democracy Support.

The Social Initiative

The Social Initiative was established in June 1998 in order to increase Danish assistance to relieve social distress in the Eastern European countries of the Baltic Sea region and was prolonged for another three years until mid-2004. Altogether 105 Mln. DKK (approximately 670,000 €) have been earmarked over a six year period for the implementation of initiatives towards socially marginalized groups, of which as a minimum 15 Mln. DKK (approximately 2 mln €) for action in support of children at risk for the period 2001 – 2004.

The Programme for Support of Transport of Humanitarian Goods:

Under this programme, which amounts to 4 Mln. DKK (approximately 535, 000 €) in 2001, NGOs can apply for support to transport of humanitarian goods collected in Denmark to partner NGOs, hospitals, kindergartens, and other institutions in the countries in Central and Eastern Europe.

The Democracy Fund:

The Democracy Fund was established in August 1990 with the aim of rendering assistance to the countries in Central and Eastern Europe and to supporting countries in their efforts to promote and consolidate societies based upon democratic principles and respect for human rights. By establishing the Fund, the Danish Parliament wanted to give individual citizens in Denmark the possibility of direct participation in the Danish assistance programmes to the countries in question.

Activities supported include - but are not limited to - the following areas:

- development of associations and voluntary organizations,

¹ Exchange rate as of 6 March 2001-Danish kroner vs. Euro is 0,133799

- development and creation of independent trade unions and NGOs,
- modernization of central and local authorities' political and administrative functions by promoting decentralization (local self-government), transfer of know-how within the sphere of public administration as well as the development of a democratic and service-minded administration,
- strengthening of the freedom of speech, promotion of a free press and independent media,
- establishment of legal systems through the development of police authorities, courts, legal aid, independent elections, referenda, and abolition of corruption,
- development of political institutions, parties and parliaments,
- promotion of respect for human rights, including civic, political, economic and social rights, promotion of sexual equality,
- promotion of respect for minorities, protection of minorities, and the fight against racism and xenophobia,
- strengthening of international relations, including certain forms of cultural exchanges.

Since 1990 the Fund has granted 21 Mln. DKK (approximately 2,8 mln €) to cross-border projects, i.e. projects involving at least two countries in the Baltic Sea region. Unfortunately, statistical information as to the character of the recipient organization in the receiving countries is not readily available. The Fund has, furthermore, supported projects for 220 Mln. DKK (approximately 29,4 mln €) in the individual countries in the Baltic Sea region with a Danish and a local partner as follows: Estonia 37,5 Mln. DKK (approximately 5 mln €), Latvia 49,6 Mln. DKK (approximately 6,6 mln €), Lithuania 43,4 Mln. DKK (approximately 5,8 mln €), Poland 54 Mln. DKK (approximately 7,2 mln €), the St. Petersburg region 16,1 Mln. DKK (approximately 2,2 mln €), and the Kaliningrad region 3,2 Mln. DKK (approximately 428,000 €).

Danish Co-operation for Environment in Eastern Europe (DANCEE)

The Danish Co-operation for Environment in Eastern Europe (DANCEE) also carries out programmes in co-operation with the non-governmental sector.

From 1991 to 1999 the Environmental Assistance Programme to Eastern Europe supported 26 projects to a total amount of approx. 50 Mln DKK (approximately 6,7 mln €) and with NGOs as the primary contract holder.

The main areas for NGO support have been nature protection, Aarhus Convention projects, training and education projects, as well as institutional support from Danish to Central and Eastern European NGOs. From the year 2000, new NGO projects have been initiated, and, as a new initiative, three small grant NGO programmes have been established.

The Danish Ministry of Foreign Affairs should be contacted for further information on the programmes and conditions for obtaining support:

<http://www.um.dk/udenrigspolitik/oesteuropa/oeststoette> or

Udenrigsministeriet
StN.2
Asiatisk Plads 2
DK-1448 Copenhagen K

Phone: (+45) 33 92 00 00
Fax: (+45) 33 92 19 71
E-mail: stn2@um.dk

Estonia

The Estonian Government is increasingly providing financial schemes for humanitarian aid and assistance programmes, as well as for trans-border NGO activities. However, the government does not have a special agency to deal with NGO co-operation issues, and assistance to non-governmental sector is usually based on a case-by-case basis and is focused more on thematic areas rather than on specific NGOs. The government is also keen on concentrating efforts to further develop civil society institutions through both financial assistance schemes and providing training and education of NGO staff and publishing of NGO documents.

Stimulating cross-border co-operation is also one of the main priorities: in the year 2000 different programmes were run by the Estonian Government to assist in training civil servants in different neighbouring countries. In 1999 Red Cross has become the first NGO to be directly supported by the Government. *'In 2000 there were several more: support of Pskov Centre of sub-regional development-300,000 EEK (approximately 19,000 €)²; Estonian cultural societies abroad - ca 102,000 EEK (approximately 6,500 €), Stipend and grants for students (program for assisting relational Finno-Ugric nations) - ca 2,000,000 EEK (approximately 128,000 €)*'. The experiment was a success, and Estonian Government is planning to continue its support for non-governmental sector operating both within the borders of the country and beyond them.

Finland

The Division for Eastern Affairs of the Ministry of Foreign Affairs of Finland, through the Unit for Co-operation with Neighbouring Areas (Tel: +358 9 134 151, Fax: +358 9 134 155 66) co-ordinates its strategies and policies that are part of the Northern Dimension of the European Union. This Unit specifically deals with co-operation at both governmental and non-governmental levels with North-west Russia, Estonia, Lithuania, Latvia and other CEE countries. Finland is actively participating in efforts to support the political and economic process in those regions and is a big investor into creating a network of co-operation in this area.

Finland pays due attention to the non-governmental sector and its development both in Russia and in the countries soon to join the European Union. In the report of the Unit for Co-operation with Neighbouring Areas of 26 March 2000, it was specifically stressed that *'the consolidation of democracy and strengthening of public institutions in the countries that Finland deals with in this region are crucial'*. It is further highlighted in the report that a well-developed civil society with roots in all fields is of vital importance. Thus, Finland is prepared to financially assist and support democratic procedures and civil society both in Russia and in other countries included in the scheme of Co-operation with the Neighbouring Areas. Meeting certain economic and political criteria is expected from the countries that have recently applied for EU membership. According to the report, *'the development of civil society will be*

² Exchange rate as of 6 March 2001-Estonian krooni vs. Euro is 0,063858

supported by the means of assistance to co-operation between non-governmental organisations’.

It is also stressed that *‘neighbouring area co-operation contributes to the evolution of cross-border contacts between regional and local authorities and other institutions in Finland and the partner countries’.*

The Unit for Co-operation With Neighbouring Countries has published ‘Guidelines for Project Planning, Monitoring and Reporting’ where it highlights the main objectives and strategies and outlines *‘encouraging citizen-level co-operation between Finnish and partner countries’ non-governmental organisations’* as one of the top priorities of all co-operation schemes in the region. This document should also be referred to for further information for NGOs on project proposals and application for financial assistance. According to financial information made available by the MFA of Finland, 4,3 mln FMK (approximately 723,000 Euro)³ was spent on NGO co-operation with the Neighbouring Areas. This sum is expected to increase in the future. The total amount of money spent on NGO co-operation since 1997 amounts to 22,3 mln FMK (approximately 3,7 mln Euro). See Appendix 1 for further statistical information.

However, in some cases ‘non-governmental organisations, which take part in the neighbouring area co-operation, are expected to be capable of participating in the financing of the planned activities’.

Germany

The German government channels its assistance to the non-governmental sector through various routes. Due to the federal structure of Germany there are different ways of support to NGOs in the Baltic Sea region from public funds. The North German Länder have successfully carried out many projects in co-operation with NGOs from the Baltic Sea region. However, the decisions on financing those projects were often made on an ad hoc basis and, thus, cannot be used as guidelines for future applications. However, there exist schemes of co-operation with NGOs at the federal level as well. In many cases the government channel its support through various foundations to the non-governmental sector. DAAD and Alexander von Humboldt-Foundation cover academic co-operation. ‘The overall amount of federal support for the academic sector in the Baltic Sea region amounts up to 20,6 Mln. DEM (approximately 10,5 mln €)⁴ annually. The geographical focus within the Baltic Sea region is set on the Russian Federation and Poland. Contact points for further information are:

Deutscher Akademischer Auslandsdienst

Kennedyallee 50

53175 Bonn

Phone: +49 228 882 0

Fax: +49 228 882 444

Alexander von Humboldt-Foundation

Jean-Paul-Str. 12

53173 Bonn

Phone: +49 228 833 0

Fax: +49 228 833 199’

³ Exchange rate as of 6 March 2001-Finnish markkaa vs. Euro is 0,168188

⁴ Exchange rate as of 6 March 2001- German Deutsche Mark vs. Euro is 0,512118

The German government has also been largely involved in projects concerning crisis prevention and conflict resolution, spending as much as 20 Mln. DEM (approximately 10,2 mln €) on those projects worldwide. The Ministry of Foreign Affairs is at the moment looking for ways to improve its activities in this field. Information on the new support concept will be soon available on their web site www.auswaertiges-amt.de

There also exist schemes for co-operation with NGOs in other fields, especially if it concerns promotion of civil society, democratic institutions building, political education, development of independent media. In those cases assistance is also channelled through various foundations such as:

Konrad-Adenauer-Stiftung

Mr. Jan Senkyr
Rathausallee 12
D-53757 Sankt Augustin
Phone: +49 2241 246-369
Fax: +49 2241 246-591

*Funds are provided mainly for conferences, workshops and other events.
The overall amount of federal funds channelled through this way to NGOs in the Baltic Sea region are DM 130.000 - in 2001.*

Hanns-Seidel-Stiftung

Mr. H. Höller
Lazarettstr. 33
D-80636 München
Phone +49 89 1258-204
Fax +49 89 1258-356

*Funds are provided mainly for conferences, workshops and other events in the Russian Federation and the three Baltic Countries.
The overall amount of federal funds channelled through this way to NGOs in the Baltic Sea region is DM 50.000 - in 2001.*

Heinrich-Böll-Stiftung

Mrs. J. Scherf
Rosenthaler Str. 40-41
D-10178 Berlin
Phone +49 30 285 34-0
Fax: +49 30 28534-109

*Funds are provided mainly for conferences, workshops and other events.
The overall amount of federal funds channelled through this way to NGOs in the Baltic Sea region is DM 30.000 - in 2001.*

Friedrich-Naumann-Stiftung

Mrs. Thebaud
Alt Nowawes 67
D-14482 Potsdam
Phone: +49 331 7019-0

Fax: +49 331 7019-188

Iceland

A number of Icelandic NGO's are involved in trans-boundary co-operation in the Baltic Sea region. Financing of these activities comes from different sources. The Icelandic government does not have in place a systemic support for NGO trans-boundary co-operation in the Baltic Sea region or to NGOs in other CBSS countries. Direct governmental support to the financing of NGO activities is generally decided on an ad hoc basis, although there are exceptions to this. In many instances government support to NGOs consists of permits for means of financing, e.g. different kinds of fundraising. NGO's in Iceland or other CBSS countries do not get support from the Icelandic International Development Agency (ICEIDA), since the Agency shall promote co-operation between Iceland and developing countries.

Further information can be obtained from the Ministry for Foreign Affairs (Internet: <http://utn.stjr.is>)

Latvia

The Latvian Government supports NGOs in various ways, including the special income tax rebate system that stimulates companies' contribution to, and participation in, NGOs activities and work. In particular, the Law on income tax was designed to provide for the special order of how donors supporting NGOs can have their income tax rebates. *'According to the Law, the State Revenue Service grants companies a right to have an income tax rebate of 85 per cent of the sum contributed to NGOs and funds in the fields of culture, science, education, health, environment protection and religion'*.

Along with the scheme of income tax rebate, the government has launched a number of state foundations to tackle different problems that arise in the society. The Culture Capital Foundation supports projects in the field of culture proposed both by governmental and non-governmental sectors. One of its main tasks is *'to popularise Latvian culture abroad and to promote trans-boundary co-operation in the field of culture'*. The Culture Capital Foundation *'is comprised of 8 branch councils that evaluate the development of the respective field, decide about the funding of concrete projects and also supervise the use of awarded grants'*. The Culture Capital Foundation annually supports about 400 projects, which include those proposed by NGOs, and is in possession of 800,000 LV per year to be invested into such activities.

The Latvian Environmental Protection Fund is another state foundation largely involved in joint projects with NGOs. It is *'used to finance and credit measures and projects of environmental protection (including NGO activities), repaying amounts of taxes received from goods and products harmful to the environment to business utilising or recycling leftovers of these goods and products, financing programmes of environmental studies and projects, training and continued education of specialists in the environment protection area, and other environmental protection purposes laid down in the Founding Law of the Fund adopted in 1996. The Board of Trustees manages the Fund'*.

Another example of Latvian Government co-operation with NGOs is the process of establishment of the Integration Fund. This Fund *'will seek to promote civic participation by supporting formation and activities of NGOs. It will attract resources from the Latvian Government and international donors. The Fund will be the first foundation for supporting only NGOs activities'*.

Norway

Co-operation between the Norwegian authorities and the NGOs is funded on fundamental trust and on the understanding that the organisations shall maintain their identity, independence and uniqueness. Support to NGOs is not geographically circumscribed. It is nevertheless emphasised that a significant proportion given through NGOs should be channelled to priority areas for Norwegian action programmes and co-operation.

The main purpose of the Norwegian Government's co-operation programme in Eastern Europe is to contribute to a fundamental restructuring, which would result in a democratic and sustainable development in Eastern Europe. NGO participation in this programme is wanted and appreciated. Norwegian Government support to activities and projects in the Baltic Sea Region channelled through Norwegian NGOs amounted to approx. NOK 7 mln (over 860.000 €) in 2000. The level of support has been of that magnitude the last couple of years. Norwegian NGOs co-operate closely with local counterparts and institutions.

Government support to Norway's co-operation with Eastern Europe will be channelled through NGOs also during the years to come, as it is important draw on the know-how and dedication of NGOs in their fields of competence. There are no specific planning figures, however, regarding the future level of NGO participation.

Further information regarding programmes and action programmes can be found at the Home pages of the Royal Norwegian Ministry of Foreign Affairs: www.odin.dep.no. Particular reference is made to pages:

- www.odin.dep.no/ud/norsk/stipend/index-b-n-a.html (in Norwegian), which provides specific information as to how Norwegian NGOs may apply for support.
- www.odin.dep.no/ud/engelsk/publ/rappporter/index-b-n-a.html, which gives information regarding Norwegian co-operation programmes.

Poland

The Polish government sees co-operation with NGOs as one of the most important and effective instruments of both domestic and foreign policies. Provisions are laid down in the Polish Constitution and legal system to enable various forms of co-operation between governmental administration and the non-governmental sector. Such co-operation lies in the field of exchange of information, expressing opinions about governmental activities and authorising non-governmental organizations to perform the tasks of local administration.

'The most important principles of this co-operation are as follows:

- 1) Government administration should respect the independence of NGOs although the government has the right to expect reports from NGOs*
- 2) The governmental policy should enable NGOs to act as an advocate of public affairs*
- 3) General rules concerning co-operation with NGOs should be clearly specified in order to ensure the clarity of co-operation*
- 4) NGOs should put their aims first*
- 5) NGOs should inform about their activities and their financial situation*
- 6) NGOs should be democratically governed'*

The Polish government outlines the following as priority areas of co-operation with the non-governmental sector:

- expert and analytical work*
- building partnership and exchanging information*
- establishing the rules concerning the functioning of NGOs and their co-operation with public administration*
- educational activities*
- realization of common promotion programmes*
- financing special non-governmental activities'*

Some NGOs were listed by the Polish Ministry for Foreign Affairs as main partners in trans-border co-operation in the year 2000:

'Caritas Polska, Polish Humanitarian Action Foundation, Foundation for the Development of Local Democracy, Development of Civil Society Foundation, Foundation of Lodz University'.

Often regional constituencies carry out a lot of work in co-operation with the non-governmental sector. For example, in Pomorskie Voivodship 735,000 PZL (approximately 196,500 €)⁵ were assigned to projects in social sphere involving NGOs in 2000. Further 580,000 PZL (approximately 155,000 €) were assigned to co-operation in the field of education. For the year 2001 this sum has increased to 830,000 PZL (approximately 221,900 €). In Warminsko-Mazurskie Voivodship's budget 200,000 PZL (approximately 53,500 €) were allocated for social work involving NGOs and further 493,000 PZL (approximately 131,800 €) were planned to be spent on children programmes.

In Zachodniopomorskie Voivodship 374,000 PZL (approximately 100,000 €) were allocated for social programmes to be carried out in co-operation with the non-governmental sector. 612,000 PZL (approximately 163,600 €) were spent there on projects in the sphere of education.

Since the beginning of reforms the non-governmental sector has become a major partner for the local governments in Poland. If NGOs require financial assistance in trans-boundary co-operation they can apply for voivodships' help, as their foreign affairs departments are very active in supporting such projects.

Russia

The relations between the government and non-governmental sector are regulated by the Law on public associations, which was adopted on 14 April 1995. This law stipulates that all public associations must be registered by the Ministry of Justice. At the same time, non-governmental organisations act independently from the governmental authorities, which presupposes that they do not receive any financial support from the state budget on a regular basis. However, in the existing Law there are no provisions, which prohibit NGOs from applying for financial support from state or local budgets for their activities. There is thus a possibility of financing many non-governmental initiatives from public sources.

In the spring of 1996, on the recommendation of the State Duma – the lower house of the Russian parliament – the Consultative Council on Non-Governmental Organisations (CCNGO) was established under the auspices of the Duma Foreign Relations Committee. The Council strives to ensure maximum involvement of NGO in the lawmaking process, co-ordination of their interaction with state/government institutions and with other voluntary

⁵ Exchange rate as of 16 February 2001-Polish Zloty vs. Euro is 0,374

structures, thus promoting civil society development in Russia. The Consultative Council comprises over 150 NGOs, which have sufficient experience of international co-operation in political, economic, environmental, humanitarian, cultural and educational fields. The Consultative Council closely co-ordinates its activities with the Ministry for Foreign Affairs and other state structures of the Russian Federation.

Sweden

Sida is the Swedish government agency dealing with bilateral international development co-operation and the major part of the co-operation with Central and Eastern Europe. Sida is managed by a Governing Board and a Director-General, and, regarding research issues, by Research Council. The Parliament and Government of Sweden determine the economic framework i.e. the countries that co-operation will be undertaken with and the emphasis of that co-operation. Although there does not exist a specific programme on co-operation with NGOs in the Baltic Sea Region, Sida sees co-operation with Central and Eastern Europe and *'deepening the culture of democracy there by providing support to developing civil society'* as one of its top priorities. Sida mainly operates through Swedish NGOs: *'fundamental features of co-operation between NGOs are organisation-building and the transfer of know-how'*. *'The aim is to make it possible for emerging organisations to be the bearers of democratic ideas and to run their operations in a democratic way'*.

Sida recognises that *'organisations, which work on the basis of democratic principles are the bearers and agents of democratic ideas and attitudes'*, as well as that *'civil society can conduct a dialogue with the authorities through these organisations and contribute to enabling marginalized groups to express their views'* At the same time, such dialogue is only possible when governmental structures are open for co-operation. *'This aspect is supported by the continuous dialogue conducted by Sida at different levels'*.

Both organisations in partner countries and Swedish NGOs should benefit from Sida's schemes of support and co-operation. *'The basic principle for programmes of development co-operation via NGOs is that a Swedish organisation enters into and develops close forms of co-operation with a partner in the recipient country. Both parties contribute skills and resources in order to reach a common goal'*.

'The programme shall originate in a local initiative and there shall be a clear division of roles and responsibilities between the parties'. The organisations in aid-recipient countries identify the resources, which are available locally. *'Regardless of the focus of activity, the guiding principles shall be to support and develop the knowledge, understanding and skills of a partner organisation to enable it to take over and run the activity in question itself'*.

The scheme obliges Swedish NGO participating in it to finance at least 20 per cent of the approved cost of the project itself. Forms of input other than financial are not considered here. To channel its contribution Sida has chosen 11 frame organisations (See www.sida.se). Those organisations either run their own development co-operation programmes or administer and assess applications from other organisations. *'Sida does not thus receive applications directly from individual organisations and societies. All applications for Sida grants of this type are addressed to an umbrella organisation. The umbrella organisations are responsible for making an assessment of the application and submitting a request to Sida. The umbrella organisation is then responsible for following up on approved grants and reports to Sida'*.

According to financial information provided by Sida, the size of its contribution to NGO co-operation with Eastern and Central Europe amounted to 59,5 Mln. SEK (approximately 6,5

mln €⁶ in 1998, 66,5 Mln. SEK (approximately 7,3 mln €) in 1999, 66,8 Mln. SEK (approximately 7,3 mln €) in 2000 and is expected to reach 68 Mln. SEK (approximately 7,5 mln €) in the year 2001. Thus, the figure is constantly growing. According to Sida's own evaluation, about 90 per cent of this aid relate to the Baltic Sea region. An evaluation of the NGO co-operation in this area is also available in: '*Sustainability and Partnership: A Study of the Swedish- Baltic NGO Co-operation*' (1997). The major share of aid goes to promote democracy and human rights (as much as 44 %); the rest of it is evenly distributed between such spheres as health, infrastructure, environment, education, social service, institutional development and multi-sector.

Further information is available on the Website of Sida, www.sida.se. There is a version in English, select "sector information" and then "NGO".

European Union

The European Commission is one of the Founding Members of the Council of the Baltic Sea States. The European Union relies on collective capabilities of its Member States, has its own budget different from those of individual Member States and runs its own programmes of assistance to non-governmental sector activities. In fact, the scope of existing co-operation between the EU and NGOs cannot be overestimated. Although different Directorates-General might have their own ways of assisting the non-governmental sector, according to the EIDHR Compendium 2000, there is also 'The European Initiative for Democracy and Human Rights that illustrates the commitment of the European Union to assisting in the global effort to build and reinforce pluralist democratic society, governed by the rule of law, and respecting human rights'.

Through the European Initiative for Democracy and Human Rights, EIDHR, the EU supports a wide range of NGO activities. 'With a view to responding to the needs identified by the peoples themselves, the Initiative operates mainly through non-governmental organisations (NGOs), which have submitted project proposals taking account of the guidelines and procedures established by the European Commission, following the Regulations introduced in 1999, as well as the Commissions Vademecum of July 1998.'

According to the same source, 'the role of NGOs in promoting and defending democracy and human rights has long been recognised and valued in the European Union.' The projects of the Initiative address a wide range of issues that are key to democracy development processes: 'genuinely representative structures in both government and the workplace, access to reliable information, ethical practices not just in the government but also among those offering services to the public, the principles of equality of opportunity and non-discrimination against minorities, promoting respect for human rights of all the various individuals who make up society, and so on.'

The European Union also works in partnership with many other international organisations 'where there are best means of achieving our joint aims, and where together we can often be more effective than acting alone.'

The projects that are now running were allocated a total of 75,3 Mln. € from the 1999 budget. For further information see the EIDHR Compendium 2000, which can be downloaded from <http://www.ehrfoundation.org>

⁶ Exchange rate as of 6 March 2001-Swedish kronnor vs. Euro is 0,110263

Information on other Directorates-General and their support schemes can be requested from them directly.

ANNEX II

Country	Constitutional Provisions	Registration Required	State Control over dissolution
Denmark	+	-	Court
Estonia	+	+ (Fees)	Court
Finland	+	+	Court

		(Fees)	
Germany	+	-	Federal Minister of Interior-state interference
Iceland	+	-	Court
Latvia	+	+(Fees)	State Institutions can interfere
Lithuania	+	+	Court
Norway	-(Protected as an unwritten constitutional principle)	-	Court
Poland	+	+	Court
Russian Federation	+	+	Court
Sweden	+	-	Regular bankruptcy or merging procedures

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