Building the Capacities of Political Parties in Southern Africa:

Reviewing the Strategy of the Netherlands

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Introduction

Democratic governments of the Western world see good governance principles and democratic processes as preconditions for successful development. They support these through various types of initiatives, programmes and projects channelled through bilateral and multilateral organisations, as well as via non-governmental organisations (NGO’s) and political foundations. Assuming that good governance and democracy are among the key ingredients for societies in the South to move ahead, the question is how democratic capacities can best be developed in these countries? Moreover, what role should financing partners play, in providing appropriate assistance to emerging processes and structures and what type of institutional set-up is required to support these agendas?

This paper, which is based on experiences from the field, contributes to a wider debate on the strategic choices and options on how best to support this complex development agenda. Strengthening democratic development and good governance on the African continent has been of major concern to the international community throughout the 1990’s. Like other donor countries, the Netherlands Government has joined in this cause and it has financed cross-cutting activities such as civic education, election processes and the setting up of democratic institutions. It has also supported the development of individual political parties.

After introducing political capacity building and the broader international discussion on the subject, this paper reviews the Dutch approach to capacity building of political parties. It shows how the Foundation for the New South Africa (NZA) has learned from other donor experiences, it draws on NZA’s experiences from South Africa and Mozambique, comparing and contrasting them with the approaches used by other donors active in this field.

Although final conclusions on which way to go cannot be drawn, the paper points to an array of ways forward. It recommends further dialogue with partners from the South to discuss experiences gathered during the past decade and to review whether existing instruments are best structured and positioned to address good governance and democratisation agendas.

1 The abbreviation SNZA originates from the Dutch name of the Foundation “Stichting voor het Nieuwe Zuid Afrika”.
Recent Democratisation Processes in Africa

Since the late 1980’s, a wave of democratisation has swept sub-Saharan Africa, influenced by the democratic revolution in Europe and reacting to internal pressures. In most of the 50 sub-Saharan African countries, democratic reforms were realised through constitutional changes and elections were held during the 1990’s. Until then, there had been only four functioning multi-party democracies: Senegal, Gambia, Botswana and Mauritius. Generally speaking, elections were held in accordance with set procedures and principles, but showed at the same time that democratisation in this part of the world has a long way to go before any comparison with western-type democratic systems could be made. In only one-fifth of the elections held in the former one-party states, have governments changed and when it came to new elections thereafter, only Benin and Madagascar saw a replacement of the elected governments.

Commentators have expressed their disappointment, referring to manipulations by the big and mighty that leave the true proponents of democracy, like human rights organisations or lawyer associations struggling for democratic changes for years. But there is awareness that the democratisation process is very young in the sub-Saharan African continent and that it will take considerable time before voting on issues and policies will replace voting according to ethnic or personal solidarity. It is also recognised that the democratisation process with new rounds of elections continue. The most recent experiences are the March 2000 presidential election in Senegal, which brought a new political party to power after 19 years rule by the former president Diouf, and the Guinea-Bissau multi-party presidential elections of January 2000. Elections held last year include Malawi’s second pluralist presidential and legislative elections in May 1999, and South Africa’s second round of post-apartheid national elections from June 1999. In Nigeria, the military handed over power to the new president Olusegun Obasanjo in May 1999, after the first elections in 16 years. In former long-term civil-war ridden Mozambique, the second national elections were held in December 1999.

Building Political Capacity

The point has been made by policy makers, practitioners and academics that political capacity and good governance are at the heart of development. Development interventions can only work, if the broader institutional and political environment of a country is able to incorporate and manage interventions by different actors of society in accordance with set national policies. Hence, political capacity refers to “the ability of States to respond to societal demands, allow for channels to represent societal interests, and to incorporate societal participation in decision making and conflict resolution.”

Although there is no empirical evidence to support the hypothesis that the level of democracy determines the degree of (economic) development, building political capacity and stimulating good governance has become a new avenue in development co-operation during the recent years. The South had only marginally been included in this debate, even though some countries had taken strong individual positions to keep donors out of this realm. It is only through the current ACP-EU negotiations for a successor agreement of the Lomé Convention, that it has become a broadly discussed subject between the North and the South.

In operational terms, the donor community has struggled considerably with the question of how to support the emergence of democratic processes and structures in developing countries. It is obviously one of the most sensitive areas of intervention. Programmes and projects risk going beyond purely technical activities, touching on and potentially changing the inner power structures of a society.

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3 Box, L. (1995) Good governance: tussen beleid en wetenschap, ECDPM Reprint Series No. 6
Hence, the question of “what can states and donors do in order to provide democratic development?” was widely discussed within the international co-operation community during recent years. One response was to support human rights movements, the building of legal systems and the promotion of democracy. Moreover, a stress was put on making civil society work, by creating independent and accountable organisations supported by a favourable State, which was in turn requested to provide an enabling institutional framework for civil society to grow and to function.

There is general recognition that civil society represents a countervailing force to government, which can engage positively with it in order to build bridges between various groups of society. Civil society actors can range from grass roots people’s organisations to associations pursuing broader objectives for the “common good”, so-called advocacy groups. Opinions differ to what extent political parties are part of this civil society. They are, however, seen as one of the driving forces to facilitate the rooting of democratic values and practice. It is only through political parties that interests and opinions formulated among civil society can be brought to a higher level, get anchored into government policies and be transformed into action.

The Netherlands government has closely followed these discussions. In its sub-Saharan Africa policy document of 1998, it spells out the development of nation building, democracy, human rights and good governance as pillars of its policy to foster political development. Stimulating electoral processes, building up civil society, renewing government institutions and improving of their functioning are identified as key areas of support. Consequently, the Dutch government has funded interventions at different levels to stimulate democracy and to build political capacity. A wide array of examples include: Funding for institutional and technical aspects of election processes, such as election commissions; Parliamentarians sent to visit democratic institutions in the North; Financial and logistical support to create a free and independent press and provision of civic education through civil society organisations. Next to these instruments, political parties in sub-Saharan Africa received attention. Although it is recognised that many of these are operating within an entirely different context and are hardly comparable with their western counterparts, political parties in these countries are commonly recognised as an essential element in the building up of a democratic society.

Generally speaking, donors have followed a very cautious approach to supporting political parties in sub-Saharan Africa. A number of them “burned their fingers” by directly supporting individual parties, seeing their funds transformed into luxury goods or used to enhance non-democratic behaviour by party leaders. Consequently, some donors like the German political foundations (Stiftungen) turned away from political parties, only supporting civil society or some technical aspects of the election process. Other donors, however, have taken note that there is no democracy without political parties and have continued to finance different types of political party projects in sub-Saharan Africa. These experiences found a reflection in the Netherlands and resulting in an attempt to learn from others and to create a Dutch approach to political party capacity building, reflecting also the culture of the Dutch political landscape.

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7 A useful summary of what civil society constitutes has been compiled by the British Council, where it is defined as “An intermediate associational realm between the state and the family populated by organisations which are separate from the state, enjoy autonomy from the state and are formed voluntarily by members of society or advance their interests or advance their interests or values.” See: White, G., Civil Society, Democratization and development, in: Luckmann, R. & White, G. (eds) 1996, Democratization in the South: the jagged wave, Manchester, Manchester University Press, p. 182, cit. in: http://www.britcoun.org/governance/civil/review/rev01.htm
8 Ministerie van Buitenlandse Zaken (Mei 1998), Afrika ten zuiden van de Sahara, blz. 22
Developments in the Netherlands: Learning from Others

Dutch experiences of supporting democratic developments are not limited to the present decade. In the 1970’s and 1980’s, the Netherlands Government supported democritisation processes in Chile. But it was only in the early 1990’s that intense discussions on democratisation in developing countries re-started with an attempt to formulate answers to the challenges of transition after the end of the Cold War. In 1992, a Round Table on *Democratisation in Sub-Saharan Africa* was organised in Maastricht, in which the debate on institutional questions related to the democratisation process was re-opened. 9 A main outcome of the discussion was the need to support the emergence of a civil society and to provide new bases for citizen participation. The role of political parties in this context was critically looked at, seeing it as a double-edged sword for the democratisation process. On one side they appeared to be a possible basis for representing and organising different interests and opinions of society. On the other side, questions where raised concerning their legitimacy, leadership, the obvious lack of political programmes and the degree of internal democracy.

Simultaneously, Dutch political parties started to discuss possible support to the democratisation process and the first post-apartheid elections in South Africa. Following an invitation by the Minister for Development Co-operation, members of political parties examined whether the Netherlands could assist the electoral process in South Africa by supporting one or more political parties.10 This initiative resulted in the setting up of the NZA in 1994 with the prime objective to enhance the process of democratisation in the Republic of South Africa through supporting political parties and groups. Funding was received from the Netherlands government based on a co-operative agreement between NZA and the Minister for Development Co-operation.

The discussions in the Netherlands on how to support political parties in the South was influenced considerably by the experiences of the German political foundations (or Stiftungen) 11, the US government financed National Endowment for Democracy and the British Westminster Foundation.

Long work experiences in the area of political assistance to developing countries has been recorded by the older German political foundations. Their initial task was to provide civic education to the German population. In the late fifties, the FES was the first to expand its civic education mandate beyond the German borders. The others started to follow soon after. The Stiftungen receive almost all their funds for their international activities from the government, but have full autonomy in the use of these funds. Although activities of the older Stiftungen in developing countries can be traced back thirty years, it is only in the last ten years that their claim to provide assistance to democratisation processes is fully justified. Up to the late eighties, the HSS, FES and KAS co-operated with many authoritarian regimes and single parties. In particular their activities in Latin America 12 and in Zaire during Mobutu’s reign cast clouds on projects executed in the name of supporting democracy. 13

11 There are six foundations, each maintains close links with one of the parties represented in parliament. The oldest is the social-democratic Friedrich-Ebert-Stiftung (FES, founded in 1925), followed by the christian Konrad-Adenauer-Stiftung (KAS) and the liberal Friedrich-Naumann-Stiftung (FNS, both end of the 1950s), the christian-social Hans-Seidel-Stiftung (HSS, 1966), the green Heinrich-Böll-Stiftung (HBS, 1997) and the recently established socialist Rosa-Luxemburg-Stiftung (RLS).
Contrary to other donors, the particular approach of the Stiftungen is their long-term partnership with particular organisations and political parties and the short-term funding of new political initiatives. All Stiftungen are committed to the partisan support of specific sections of the political and social realm, with a special focus on interest and advocacy groups, as well as the media. In the past, co-operation with African political parties has been extensive, like Frente da Libertação de Moçambique (FRELIMO, Liberation Front of Mozambique), Kenya African National Union (KANU) or Chama Cha Mapinduzi (CCM, Revolutionary State Party) in Tanzania, but experiences showed that those parties in power also oppressed political development. This led to a policy not to fund individual parties, with the exception of South Africa, and to support civic education programmes and to strengthen political party think tanks or parliaments and electoral commissions. The Stiftungen do, however, recognise the important role of political parties in the transition process to democracy and their role as a link between civil society and the state. Project activities are analysed and lessons are drawn from previous experiences to possibly put political parties again on the agenda.14

From the USA, the National Democratic Institute (NDI) and the International Republican Institute (IRI) execute political party support programmes all over the world. The NDI is the most active on the African continent with reported activities in fifteen countries. Both have executed projects since the mid-eighties funded primarily through the umbrella body responsible for the allocation of democratisation funds, the National Endowment for Democracy (NED). Compared to their German counterpart organisations, NDI and IRI activities are much less autonomous in character. Cuts in the budget of NED and increasing funding through the US Agency for International Development (USAID) has transformed them almost into a sub-contractor for USAID which defines the terms of reference for their engagements abroad.

Projects executed under the auspices of one or the other party institute relate to elections, civic education, parliamentary strengthening, and political party capacity building. Regarding the latter field of work, activities are directed towards technical assistance for party building, training of members of parliament, as well as assistance to political parties with respect to election monitoring, party-related election campaigning including the formulation of electoral themes and positions. In the case of NDI, projects are undertaken with a chosen number of major parties in a country, rather than with one particular sister party. The selection of beneficiaries is done in-house, based on an analysis of the political orientations and strengths of the individual parties.15

The British Westminster Foundation (WF) is not affiliated to any particular political party in Great Britain and tries to play a neutral role in democratisation assistance. It was established in 1992 to provide support to building and strengthening pluralistic democratic institutions overseas. Its particular objective is to enhance democratisation through technical assistance on a non-partisan basis. Next to supporting electoral processes, supporting independent media, trade unions and political non-governmental organisations, the strengthening of political parties and parliaments is one of the core activities of the Foundation. The main geographic areas of work on the African continent are the Anglophone countries.

The British government’s annual grant to the Foundation is channelled abroad for approximately 50 per cent via the Foundation and for 50 per cent via British political parties. The all-Foundation resources serve to carry out cross-party projects, where a range of political parties from an overseas country can be involved. Other project activities of the Foundation itself relate to non-party projects and include support to media, civil society, trade unions and to the electoral process. Support to individual political parties is provided through the second 50 per cent, which is channelled through the UK political parties. Support projects are primarily technical, and relate to party-building, party organisation and electoral support on a party to party basis.

15 Personal communication NDI representative Mozambique, Feb. 1999.
The following chart compares the different funding and executing arrangements of the Netherlands, Germany, the United States and the United Kingdom.16

<table>
<thead>
<tr>
<th>Organisational Models:</th>
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<tbody>
<tr>
<td><strong>The Netherlands:</strong></td>
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<tr>
<td>Funding</td>
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<tr>
<td>NEDA °</td>
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<tr>
<td>Foundation</td>
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<tr>
<td>NZA*</td>
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<tr>
<td>Political Parties</td>
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<tr>
<td>PvdA, VVD, CDA, D66, GL, RPF, GPV, SGP</td>
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<tr>
<td><strong>Germany:</strong></td>
</tr>
<tr>
<td>Funding</td>
</tr>
<tr>
<td>BMZ °</td>
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<tr>
<td>Foundation</td>
</tr>
<tr>
<td>KAS*, FES*, FNS*, HSS*, HBS*, RLS*</td>
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<tr>
<td>Political Parties</td>
</tr>
<tr>
<td>CDU, SPD, FDP, CSU, B90/G, PDS</td>
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<tr>
<td><strong>United States:</strong></td>
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<tr>
<td>Funding</td>
</tr>
<tr>
<td>USAID °</td>
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<tr>
<td>Foundation</td>
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<tr>
<td>NDI*, IRI*</td>
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<tr>
<td>Political Parties</td>
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<tr>
<td>DP, RP</td>
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<tr>
<td><strong>United Kingdom:</strong></td>
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<tr>
<td>Funding</td>
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<tr>
<td>DfID °</td>
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<tr>
<td>Foundation</td>
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<td>WF* (50%)</td>
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<tr>
<td>50%</td>
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<tr>
<td>Political Parties</td>
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<tr>
<td>LP*, CP*, LD*</td>
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</table>

° primary funding source for international activities  
* provision of funding for projects/programmes

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16 Acronyms: NEDA (Netherlands Development Assistance), SNZA (Foundation for the New South Africa), PvdA (Labour Party, social-democratic), VVD (People’s Party for Freedom and Democracy conservative liberal), CDA (Christian-Democratic Appeal, christian-democratic), D66 (Democrats 66, social-liberal), GL (Green Left, ecologist and socialist), RPF (Reformatorian Political Federation, christian-social conservative), GPV (Reformed Political League, christian-social conservative), SGP (Political Reformed Party, christian), BMZ (Ministry for Economic Cooperation and Development), KAS (Konrad-Adenauer-Stiftung), FES (Friedrich-Ebert-Stiftung), FNS (Friedrich-Naumann-Stiftung), HSS (Hanns-Seidel-Stiftung), HBS (Heinrich-Böll Stiftung), RLS (Rosa-Luxemburg Stiftung), CDU (Christian-Democratic Union, conservative christian-democratic), SPD (Social Democratic Party, social-democratic), FDP (Free Democratic Party, liberal), CSU (Christian Social Union in Bavaria, regional conservative), B90/G (Alliance 90/ The Greens, ecologist), PDS (Party of Democratic Socialism, left), USAID (United States Agency for International Development), NDI (National Democratic Institute), IRI (International Republican Institute), DP (Democratic Party), RP (Republican Party), DfID (Department for International Development), WP (Westminster Foundation), LP (Labour Party), CP (Conservative Party), LD (Liberal Democrats)
The Dutch Approach and Focus of Operations

The Dutch approach differs from the foundations and institutes presented above. The NZA is unique in the sense of being a political foundation supported by all political parties represented in Dutch parliament, with the exception of the extreme right. Its particular method is to provide funds to all political parties in the recipient country irrespective of their couleur politique.\(^{17}\) NZA is 100 per cent financed by the Netherlands Government. Political parties have worked through their party think tanks to establish the Foundation. All parties have two seats in the Supervisory Board. Contrary to the political foundations of other countries, NZA has a minimal management structure; it is run by a nine-person Board assisted by a one-person secretariat.

Similar to comparable organisations in Germany and the United Kingdom, the influence of the funding organisation on NZA is considered to be relatively low. Its activities are certainly performed within the overall policy framework provided by the government. But contrary to the statements made by the American IRI\(^{18}\), NZA does not publicly state that it conducts programmes and activities which are in line with the national interests of the Netherlands government.

### Classification of Funding - Executing Organisation:

<table>
<thead>
<tr>
<th>Executing organisations</th>
<th>Funding Influence Low</th>
<th>Funding Influence High</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Single body</strong></td>
<td>NL (NZA), GB (Westminster Foundation)</td>
<td>n. a.</td>
</tr>
<tr>
<td><strong>Multiple bodies</strong></td>
<td>DE (Stiftungen), GB (Political Parties)</td>
<td>US (NDI, IRI)</td>
</tr>
</tbody>
</table>

The main aims of NZA, as mentioned in their statutes, are the initiation of activities directed at the preparation for and execution of electoral campaigns, training in political values and democracy, the creation of governing bodies within the context of a democratic South Africa and capacity building of political parties. Capacity building, as defined by NZA, is primarily seen as strengthening the respective party organisations from top leadership down to local constituencies, party infrastructure, and the promotion of a democratic culture on the part of party leadership and cadre.

The creation of NZA was motivated by the conviction that an instrument was needed which could help stabilise the particular political situation of post-apartheid South Africa. Involving the already established Association of West European Parliamentarians for Action against Apartheid (AWEPA) or other Dutch co-financing institutions was not considered. While these organisations had established track-records in working with specific civil society organisations or with a selected number of parties and political movements in the Southern African region, there was a need for a politically-neutral instrument able to interact across boarders on a party-to-party basis, without excluding any legally established and accepted political party in the recipient country.

During the 1944 discussions leading to the establishment of NZA, the Ministers for Foreign Affairs and Development Co-operation declared their intention to eventually extend this type of support to more countries in Africa.\(^{19}\) It was only in 1997, however, that activities were expanded to Mozambique. The *Foundation for the Enhancement of Democracy in Mozambique* (FEDM), was created for this purpose, possessing similar objectives as NZA and supported by most political parties.\(^{20}\)

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17 Political parties which are not accepted by the local election commissions and parties not subscribing to the values of a non-discriminatory, multi-racial, and pluriform society are excluded.
18 see: http://www.iri.org/about.asp
19 An SNZA mission fielded to Ethiopia in late 1994 to examine possibilities to support the democratisation process recommended not to proceed.
20 For legal reasons, a new Foundation had to be set up for the Mozambique work because the Socialist Party (SP) decided to refrain from engaging in democratisation projects outside South Africa.
This decision to expand beyond South African borders and the value added of working with other political parties in sub-Saharan Africa were extensively discussed during a NZA organised conference in 1996. Studies prepared for this event expressed only cautious support to the experiment undertaken by NZA in view of the salient characteristics of African politics to absorb - primarily foreign origin – resources and to retain or redistribute those to domestic supporters in a spoils system. It was strongly suggested to await a full evaluation on the effectiveness of NZA’s support given to South African political parties before extending the system to other countries.21

At the NZA conference in 1996, first experiences from NZA’s work in South Africa were gathered, comparisons with those of other countries’ Foundations and Institutes were drawn up, and future options for NZA to support democratic processes in developing countries were reflected on. A main topic during the conference was whether to continue with the present model, as applied to the work with South Africa, to widen the scope of activities to other countries and continents, or to widen and deepen, i.e. work in other countries with political parties and organisations of civil society. A main conclusion of the event was that NZA had shown itself to have a unique character in the family of political development oriented organisations. Next to projects and programmes of co-financing organisations and other development NGOs supporting the creation and enhancement of civil society, the type of activities NZA had undertaken towards strengthening political parties were seen as a valuable contribution to help stabilise a political system in transition. It was noted, however, that few countries in Africa could offer similar conditions as South Africa, where basic conditions for democratisation were largely satisfied. In order to respond to apparent needs in neighbouring countries, the Foundation would have to show willingness to adapt its model and to adjust its own organisation to become a long-term agency for their partners in the South. An extension of its mandate to support civil society was critically looked at since NZA was not considered to possess comparative advantages in working in this particular field of political development and democratisation. The conference concluded with the recommendation that NZA only work through political parties.22

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**Organisation NZA**

<table>
<thead>
<tr>
<th>NZA Level</th>
<th>Board (9 pers.)</th>
<th>Secretariat</th>
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</thead>
<tbody>
<tr>
<td>Supervisory Board (18 pers.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Political Party Level *</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PvdA</td>
<td>CDA</td>
<td>VVD</td>
</tr>
</tbody>
</table>

* Each party appoints two persons to the Supervisory Board and one person to the Board. The political offices of the big parties are taking an active role in supporting NZA

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Lessons from South Africa and Mozambique

NZA\textsuperscript{23} now has a record of five years of operations and has executed projects in South Africa and Mozambique. Being a new institution in the landscape of Dutch development co-operation and having spent a considerable amount of funds on a range of projects, the organisation merits a closer look. Between 1994 and 1996, an annual amount of Hfl. 5 million was made available to a variety of projects in South Africa. New projects amounting to Hfl. 12 million were approved for an additional period of three years, ending in 1999. In Mozambique, work started towards the end of 1997 with a one-year pilot project, totalling Hfl. 600,000. A successor project is under implementation.

In South Africa, NZA was the only institution providing funds to political parties for capacity building projects after the 1994 elections. Money was principally used for technical training of party cadre and for basic institutional and organisational support. The formula used to allocate funding consisted of a base level support, constituting 25 per cent of the overall budget, made available to all parties, large and small, on an equal basis. The remaining 75 per cent of the overall budget was distributed according to the number of seats held by a party in the National Assembly. Only parties that were represented in the National Assembly were eligible. Funding to other parties was rejected in case that this might encourage new parties to form, simply to access the funds.

The picture was somewhat different in Mozambique, where a cautious start was made with a one-year pilot project. In accordance with the recommendations as formulated during the NZA seminar in 1996, the approach used for South Africa had to be adapted to the Mozambican context. Only three parties have seats in the national parliament. To enable all political forces to participate during the local elections, a base fund of Hfl. 15,000 was made available to 19 political parties, all registered and having shown active participation during the 1994 presidential elections. The balance of funds was distributed proportionately in accordance with the votes the parties had obtained during the elections.\textsuperscript{24} In both countries, the proportional funding was accepted and supported by political party leaders. It should not be a surprise that political party representatives very much valued the contributions made. However, the impression of both projects was that the appreciation for the programmatic work was genuine. The Foundation was particularly appreciated for being one of the few funding organisations willing to support the growth and stabilisation of a multi-party democracy beyond elections alone. Funds helped to organise and strengthen party institutional structures, to facilitate the creation of in-house think tanks, to train party members in their work with the media, or to simply provide very basic knowledge on the functioning of a democracy to party members, as was the case in Mozambique.

Evaluations for the two-year project in South Africa and the pilot-project in Mozambique, were generally positive. Worries that resources had been absorbed and redistributed in a spoils system, as has been noted in a number of other cases, could not be confirmed. In general, the projects were considered to provide a useful contribution to the political development in the respective countries and evidence was received that project funds were in most cases used in accordance with objectives. It was equally observed that objectives and expected results had been formulated very broadly, making it difficult to assess outcomes in detail.

The evaluations found little doubt about the usefulness of such activities. But projects with a general focus, such as enabling smaller parties to participate in political debate in order to counterbalance information provided by others, or projects fostering small political party capacities to articulate and communicate policies to the public are difficult to appraise. Hence the evaluations noted that it was not easy to get an idea on what role the projects precisely played in stabilising the respective political landscapes. The Foundation was advised to develop impact assessment criteria. These would have to be combined with a set of sharper criteria for project selection and approval in order to avoid losing the focus of intervention.

\textsuperscript{23} For simplicity, the term SNZA is used to refer to the work of both foundations, SNZA and FEDM.

\textsuperscript{24} Most parties boycotted the local government elections and projects had to be re-formulated. In many cases, funds were used to work from scratch, e.g. to communicate with party members in the provinces, to get basic organisational questions discussed and to transmit civic education knowledge to party members. FRELIMO, the ruling party, used the funds for structured cadre training throughout the country.
Political capacity building through supporting political parties bears the risk of supporting projects with a too diverse nature.

The evaluations were also critical on the possible development of dependencies. The fear is less in South Africa, where party leaders consider private funding to be more significant than the funds originating from the government run election funds. Moreover, the South African context provides a certain potential for income generating projects and membership funding. Mozambique, being one of the poorest countries in the world hardly provides for the formation of a variety of sustainable independent political parties. The situation is further aggravated by the fact that most economic activities and public employment are indirectly controlled by the ruling party. There are indications that independent candidates for the 1998 local elections lost their government jobs.

Recommendations were also made regarding the institutional set-up of the Foundation. The present operational structure with an Executive Board, a one-person secretariat and no representation in the recipient countries were considered to be insufficient in view of the need to ensure a better focus of activities. A professional structure was regarded as a necessity to enable an improved selection and monitoring of projects as well as the build-up of an institutional memory for the different areas of work. Moreover, this would provide better opportunities for an improved presentation and outreach on NZA’s work within the Netherlands.

**Future Implementation of a Good Governance Policy**

The wave of democratisation, which started in Africa after the collapse of the Berlin wall, has not stopped. It continues in a considerable number of countries, new rounds of national and local level elections have been announced and many individuals and organisations are looking for knowledge and institutional assistance from outside. Many leaders are hoping for support that will enable them to contribute to the democratisation of their respective countries.

The practice of NZA’s work in South Africa and Mozambique so far shows that the Foundation has proved to be a useful instrument to make a good governance policy operational within a limited framework and to contribute to a much wider change process. But it is uncertain whether the present institutional set-up would suffice to accommodate possible requests to expand into other regions inside as well as outside the African continent. In view of the ongoing discussion on how to implement good governance policy effectively, and looking at the means to implement new tasks lying ahead, it is advisable to properly review the existing instruments.

**Classification of Donor - Recipient Organisation:**

<table>
<thead>
<tr>
<th>Recipient:</th>
<th>One foundation per donor country</th>
<th>Multiple foundations/ parties per donor country</th>
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<tbody>
<tr>
<td>One party</td>
<td>n. a.</td>
<td>- DE, former system (multiple Stiftungen working with [sister] parties); - GB (political parties assisting a [sister] party, under umbrella of WF)</td>
</tr>
<tr>
<td>Different parties (receive contributions for individual activities)</td>
<td>- NL (NZA)</td>
<td>- US (NDI &amp; IRI)</td>
</tr>
<tr>
<td>Multiple parties (for cross party activities such as election observation training)</td>
<td>- GB (WF)</td>
<td>- US (NDI &amp; IRI); - DE, present system</td>
</tr>
</tbody>
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26 Personal communication, leaders from independent groups, February 1999, Mozambique.
27 In South Africa, there was only one locally employed representative working until 1997. The South African Advisory Board is the only institutional structure of SNZA in the region.
A key question is to what extent the existence of a small single-issue organisation is legitimate in view of calls for more efficient and effective aid-management structures. Overhead costs could be reduced and institutional expertise be brought together by executing different types of good governance through a joint umbrella organisation. Support projects to political parties cover just one aspect of the much wider continuum of political development and good governance. Thematically, they are often very close to activities implemented by civil society organisations or advocacy groups, such as civic education projects, election monitoring or training for people elected to national parliament or local government.\textsuperscript{28}

The British have taken account of this thematic closeness, and have found a formula through which different projects aiming at building pluralistic democratic institutions can be executed. Through its flexible structure, the WF is in a position to respond to a variety of project applications, ranging from supporting independent media, human rights groups, election processes and parliaments to the capacity building of individual political parties. Moreover, it is in a position to guarantee a long-term partnership with its counterparts in the South, has an institutional memory and capacities to support long-lasting democratisation processes in different parts of the world. And it allows for British parties to act jointly on cross-cutting democratisation processes, such as elections or civic education, but to let individual parties twin with their counterparts sharing similar political norms and values at the same time.

In view of challenges arising from the transformation of former one-party regimes into States with elected governments, and recognising that answers to obvious expectations from the South should be found, a second round of reflection - with participants from the South - on how to master the next decade might be advisable. Different Dutch players active in the field of democratisation and civil society support should be drawn into this process to review experiences from the past decade and to discuss whether existing instruments are best structured and positioned to meet good governance aims. This could also give a sign to the international community that the Netherlands is seriously looking at ways to further improve the implementation of its good governance policy.

The agenda for rethinking possible alternatives or modifications to the present system should be formulated with participants from the South. Such an agenda could be elaborated around the following headings:

- **Compatibility**: A range of actors is executing different types of activities that aim to foster of good governance and democratic practices. How do we ensure that these actions are compatible with each?

- **Funding strategies**: A variety of project proposals are emerging from stakeholders in different countries, from human rights groups to political parties. How do we respond to such requests in a focused and coherent way?

- **Performance measurement**: A unified system with shared indicators to continuously monitor and evaluate good governance and democratisation activities is advisable in view of different organisations utilising a variety of evaluation approaches.

- **Institutional set-up**: How do we increase the institutional memory of the different organisations involved to ensure adequate technical and local backstopping of activities, and to facilitate long-term engagements in a country?

\textsuperscript{28} The Mozambique evaluation provided evidence that cross-party civic education training-of-trainers programmes organised by AWEPA were followed up by local party representatives during SNZA funded party seminars.
Annex: Profile of NZA

The Foundation for the New South Africa (Stichting voor het Nieuwe Zuid-Afrika - NZA) was established on 24 January 1994 as a funding mechanism to support capacity building for South African political parties. At that time, South Africa was moving towards its first-ever national democratic elections (held in April 1994) and much of the funding assisted political parties to participate more effectively in the elections than would otherwise have been possible. The policy framework of NZA is based on the report ‘Hope has its price’ by J.J.A.M. van Gennip and K. Groenveld.

NZA was, partly, a response to requests from the senior leadership of the African National Congress (ANC) to assist their party campaign in the elections. The ANC and other political organisations, not part of the traditional party-structure of South Africa, lacked resources to run campaigns and to put up candidates for election. A motivation to establish NZA was to support political parties who intended to participate in the National elections (in 1994).

Since the Dutch government cannot give direct assistance to political parties in other countries, an institution, the Foundation for the New South Africa was created. Nine Dutch political parties participate in NZA. The Foundation feels that the political expertise of its members may generate an incremental value within the regular Dutch development cooperation.

NZA can provide assistance to all parties who commit themselves to an electoral contest and principles like national unity, non-violence, democracy and non-racism. Prior to the 1994 elections, assistance was granted based on the expected electoral strength. Since then, assistance is based on the number of seats in the National Assembly.

Although the support to political parties by international aid agencies is not unique, it should be noted that assistance to different political parties in a specific country is exceptional and unprecedented.

The objective of NZA, according to the articles of association, is “to support the democratisation process in South Africa, notably by strengthening political groups in that country as the pillars of a democracy in which the equality of all South Africa’s inhabitants plays a central role”. NZA’s activities aim to foster democratisation in South Africa by creating an efficient and lasting multi-party political system. This is done by strengthening South African political parties, and by improving the way they function in a democratic, non-racial, plural society.

While political parties are eligible for specific assistance, in practical terms they could only access the funds on the basis of approved projects. The role of the NZA became one of guidance and support to parties, on whose initiative the development of projects depended. The approach of NZA is demand-driven: The political parties identify the projects. If these projects fall within the objectives and criteria of NZA, they are eligible for funding.

Since 1994 NZA has received requests to expand its activities to other countries. Broadening and deepening of activities is a sensitive process. On this issue, research has been undertaken, conferences and meetings were held and identification missions to Ethiopia and Mozambique have taken place. In 1998/1999 NZA executed a pilot project in Mozambique; since early 2000, a full programme of activities is under implementation. In response to various requests to broaden NZA’s activities and to engage in other countries, preparations are currently underway to create a new institution to channel Netherlands support to political party capacity building abroad.