

Modalities of NGO Establishment and Operation in Ethiopia

On December 17, 2002 the Japan International Cooperation Agency (JICA) and the Christian Relief and Development Association (CRDA) have signed an agreement to work together to facilitate the conditions for Japanese NGOs to come to Ethiopia and/or work in partnership with Ethiopian NGOs or open Offices to work as international NGO, to facilitate conditions for Japanese volunteers to work with Ethiopian Local NGOs, facilitate works of JICA and the Japanese Government with Ethiopian NGOs and provide other technical supports.

According to the agreement CRDA has opened a JICA/CRDA cooperation desk to liaison the relationship and facilitate collaboration.

Responsibilities of the Desk

1. Facilitate collection, compilation and analysis of relevant information including on registration, licensing and operation of NGOs /CSOs in Ethiopia and furnish same to JICA and interested Japanese for their use.
2. Facilitate opening of Office in Ethiopia, registration and licensing for interested Japanese NGOs
3. Liaison JICA and interested Japanese NGO with local NGO for partnership in mutual areas of interest
4. Provide advisory and backstopping services for national partners of JICA and Japanese NGOs during preparation and implementation of projects
5. Provide project monitoring and evaluation services to projects of Ethiopian NGOs/CSOs assisted by JICA and /or Japanese NGOs.
6. Provide financial administration and management service for JICA and Japanese NGOs as required
7. Ensure designing and implementation of acceptable and standard projects by national partners of JICA and Japanese NGOs,
8. Provide the necessary advisory services for Japanese volunteers, link them with relevant Ethiopian NGOs/CSOs and facilitate their stay in Ethiopia,
9. Ensure appropriate handling, utilization and maintenance of financial and other resource obtained through this agreement and other similar agreements in the future, and
10. Produce annual and periodic reports on the implementation of this agreement and create access to various documents including audit, Semi Annual, Annual Reports, etc.

As it could be seen from the responsibilities of the JICA Desk in CRDA, JICA and CRDA are keen to see more Japanese NGOs becoming operational in Ethiopia and/or link and work with Ethiopian NGOs. The Desk will facilitate registration and operation of Japanese NGOs in Ethiopia.

Below is some basic information on JICA, CRDA and on the establishment, registration/licensing operation of NGOs in Ethiopia as well as procedures and conditions for joining the CRDA membership.

Japan International Cooperation Agency (JICA)

The Japan International Cooperation Agency (JICA) is the institution responsible for implementing Japanese Government sponsored technical cooperation programmes. The activities undertaken by JICA are the following.

1. Technical cooperation projects (acceptance of trainees, dispatch of experts, provision of equipment and materials, project type technical cooperation, development surveys)
2. Dispatch of volunteers from Japan Overseas Cooperation Volunteers (JOCV)
3. Training and retention of human resources for technical cooperation.
4. Survey and facilitation of implementation for grant aid projects.
5. Development cooperation
6. Migration activities
7. Disaster relief assistance

Japan International Cooperation Agency (JICA) Ethiopian Office was established on October 28,1993 for the purpose of smooth execution of the technical cooperation. Furthermore, promotion activities of the grant aid executions were added to the technical cooperation program on October 20,1994, and dispatch of Senior Overseas Volunteers became possible in year 2002.

In addition to the above-mentioned activities, JICA has identified the following important fields of cooperation with Ethiopian government starting from year 2002. These are:

1. Agriculture (food security)
2. Construction of infrastructure
3. Education
4. Health, medical treatment
5. Environmental preservation

CRDA and NGO Operation Modalities in Ethiopia

The Christian Relief and Development Association (CRDA) is a non-profit making umbrella organization of over 210 local and International NGOs as well as faith based-agencies operating in Ethiopia. The size and the composition of the membership make CRDA the largest and unique indigenous umbrella organization in the country.

Vision of CRDA

The vision of the association is to contribute to the alleviation of poverty by improving the socio economic conditions of the poor in Ethiopia and empowering them to bring about change.

Mission

To strengthen the capabilities of member agencies to help disadvantaged communities and groups improve their standard of living and their control over their own livelihood on a sustainable basis.

Since 1998, which is the time when CRDA undertook its first strategic plan, it has accomplished the following tasks:

- Effective and meaningful representation of its members at regional national and international levels.
- Constructive dialogue engagement in such areas as :
 - Strengthening of Government – NGO relationships
 - Code of conduct
 - Legal framework for NGOs in Ethiopia
 - Hosting for regional and sub regional dialogues between civil society and bilateral/multilateral agencies including the African Development Bank
- Capacity building supports through training, institutional support, technical assistance, financial support and the likes.

CRDA Member NGOs

In Ethiopia, the number of NGOs/CSOs has increased from about 250 in 1998 to about 460 at the moment. The membership of Christian Relief and Development Association (CRDA) is increasing with the wide scope of involvement in more development activities. Currently the number of CRDA member agencies reached 212 out of which 134 are indigenous NGOs and faith based agencies.

Large number of CRDA member NGOs are involved in policy, advocacy and lobbying along with other diversified area of concern to the CRDA membership.

Majority of CRDA member NGOs are engaged in:

- Agricultural development
- Child right advocacy and formal and non-formal basic education
- Support to disabled people
- Food security
- Gender
- Health
- HIV/AIDS
- Income generating activities/schemes
- Institutional Development and Local Capacity building

- Natural resource conservation and environmental development
- Water and sanitation
- Refugee/repatriation
- Urban development
- Promotion of appropriate technology
- Research
- Training
- Disaster preparedness and relief
- Rehabilitation

Under the legal, institutional and organizational set up of the CRDA, member agencies had established 7 working groups, a sort of loose Networks, with the objective of sharing resources and experiences among themselves and as well as for taking positions and voicing on issues of common concern. The CRDA Working groups were established as informal structures of the membership, created for catering shared interest of group of NGOs in their special areas of interest and/or addressing common issues of concern.

With the growth and diversity of the size and activities of the members, a number of working groups were established and have been operational for the last 5 years. In order to strengthen their joint action, many of these working groups now have been reorganized in to forums. In year 2002, forums on **HIV/AIDS, Capacity Building, Rural Development, Urban Development, Gender, Children and Youth and Good Governance and policy advocacy** were organized and launched.

As a result of their joint effort to increase their influence on the Government policy and on issues of common concern, NGOs have actively engaged in the preparation of the Ethiopian Poverty Reduction Strategy paper, which is fully approved and funded by donor agencies including the World Bank. NGOs are also one of the implementers of the program.

CRDA and some other NGOs have also been participating as a member of NGO legislation drafting committee. Preparation of the legislation is now finalized. It is hoped that this new legislation will solve some of the policy and legal issues/concerns that impede operation of NGOs in the country. The Committee submitted the draft legislation for endorsement by the Ethiopian Government as well as for subsequent approval by the Council of the Peoples' Representative (The Parliament). Attempts are made to introduce articles that would enable more relaxed operational environment for NGOs in Ethiopia.

Out of the current 212 CRDA member NGOs and faith-based agencies, 63.2% are local NGOs while the rest 36.8% are international NGOs whose origin is mainly from Northern Countries. There are only few Japanese NGOs that are operating in Ethiopia, which have not yet become members of CRDA.

How to establish an NGO in Ethiopia

Both International and local NGOs can be established and be operational in Ethiopia. However, knowing the requirements for establishment is necessary in order to speedup the process of registration with the Government of Ethiopia which will enable them to operate legally. It is also helpful to understand what type of organizations are defined as NGOs and what do they do? This will help one to see if the intended organization to be established falls within the defined category and if so how to go about establishing and running the 'NGO' within the country.

WHO ARE NGOs?

NGOs are:

Voluntary organizations established voluntarily with the commitment to help disadvantaged or marginalized sectors of society;

Not-for-profit (not self-serving) organizations established not to gain profit or any sort of income but instead to support and help less fortunate communities and members of society with little or no income

Non Governmental organizations established in such a way that any support they appeal for or secure is undertaken independently of (independent from) Government.

Types of NGOs

NGOs operating in Ethiopia could be categorized into two main categories:

1. Indigenous NGOs

These are NGOs established ***in the country*** by either Ethiopians or non-Ethiopians

2. International NGOs

These are NGOs, which have their head offices ***abroad*** and obtain most of their support from those offices

Again from within these NGOs another category could be established:

1. Secular NGOs
2. Religious NGOs

Sectoral classification of NGOs is also possible, i.e. NGOs focusing on various sectors such as water, health, children, integrated rural/urban development, etc.

Establishment of NGOs within Ethiopia

Both Foreign and Local NGOs can be established in Ethiopia by registering with the Ethiopian Government. However, the requirements for registration of each differ slightly.

(A) Registration Guideline for *Foreign (international)* NGOs

Any foreign NGO, which intends to carry out activities, shall produce its written application to the **NGO Registration Office at the Ministry of Justice**.

The Office will provide four copies of an application form to be filled by the applicant (applying organization).

The applicant ought to fill out carefully all the questions and in addition, is expected to produce:

1. An authenticated certificate that shows the applicant is registered in its country of origin as a non-profit making organization.
2. An authenticated memorandum of association (constitution or article of association of statutes or by-laws) of the applicant organization by which its contemporary activities are governed. This authenticated memorandum of association shall be produce to the Office together with three copies of an Amharic version of the memorandum.
3. An authenticated letter of authorization for the country representative.
4. An authenticated boards decision to operate in Ethiopia.
5. A project proposal, in three copies, showing the intended project to be performed.
6. Documents showing the applicant's (applicant NGOs') work experience and performances in other countries (if any).
7. Awards and letter of good performances from recognized organization(s) (if any).
8. Letter of confirmation from its financiers (donors) explaining that they would finance the applicant if registered.

9. In case the applicant NGO has made an agreement with any government body, it has to produce activity and financial report of a previous year in three copies.
10. An agreement document, if the applicant has previously entered any such agreement with the government.

Notice

Whenever the need arises, the NGO Registration Office has the right to request the applicant further information necessary to effect registration.

(B) Registration Guideline for *Local (indigenous)* NGOs

Any local NGO, which intends to carry out activities, shall produce its written application to the **NGO Registration Office at the Ministry of Justice.**

If established in Ethiopia and is led by Ethiopians and operates in more than one Region of the country or its donor (s) supports programs found in more than one Region, the applicant NGO will require the following:

1. Three copies of the applicant NGOs' memorandum of association and bye-laws signed by the founders of the NGO.
2. One copy each of the Curriculum Vitae (CV) of each founding member.
3. Along with each CV, one copy of the latest evidence of educational level, letter of confirmation from the Kebele upon being an inhabitant of that particular Kebele and two photographs should be attached.
4. Three copies of a project proposal the applicant NGO intends to carry out upon registration.
5. Letter of confirmation from the financier (donor) of the applicant NGO of continued support upon registration.
6. If the applicant NGO is already operational it should,
 - Present an agreement letter with the relevant government body; and
 - Three copies of the last annual and audit report together with current operational report.

Notice

- **Whenever the need arises, the NGO Registration Office has the right to request the applicant for further information necessary to effect registration.**

- As there are samples of Memorandum of Association in the Office, applying NGOs could refer to these.

(C) Operational with DPPC

Following registration with the Ministry of Justice and obtaining of Certificate, NGOs are required to sign Operational Agreement with the Federal Disaster Prevention and Preparedness Commission. The applying NGO is required to:

- Produce copy of the certificate of registration with the Ministry of Justice. The DPPC is also informed of the registration of an NGO by the Ministry of Justice through copy of a letter issued to the NGO.

Upon submission of certificate of registration, the applying NGO will be provided with three copies of Operational Agreement forms along with Basic Information on New NGOs by the DPPC to be filled, signed by the head of the organization (the person acknowledged by Ministry of Justice) and sealed and returned to DPPC. The Deputy Commissioner of DPPC will sign the Agreement form on behalf of the DPPC. One copy of the Agreement signed and sealed both the NGO and the DPPC will be given to the NGO.

Following the signing of Operational Agreement with DPPC, an NGO is expected to enter into specific project agreement with the concerned regional government offices depending upon the type and the nature of the project prior to the implementation of a project.

Note: A new NGO Legislation is being enacted which when put into effect will change the registration and process of registration of NGOs with different government offices.

How to become a member of CRDA

CRDA membership is open to any voluntary organization, faith based agency or an NGO undertaking relief, rehabilitation and development, provided it fulfils the following criteria:

1. It should have an agreement with an appropriate government agency:
 - 1.1. a license from the Ministry of Justice;
 - 1.2. an operational agreement from the Disaster Prevention and Preparedness Commission (DPPC); and
 - 1.3. a project agreement from line ministries/bureaus at regional level.
2. It should be a humanitarian organization engaged in the implementation of programmes related to relief, rehabilitation, development and promoting good governance and democratization and which has been operational in

Ethiopia for not less than six months and has an office base and representative in the country.

3. It should be signatory to and adheres to the Ethiopian NGO Code of Conduct. Accepts, respects and adheres to other standards and international conventions to which CRDA is a signatory.
4. It should be able to exhibit transparency and integrity in its operations by showing:
 - 4.1 source of its income;
 - 4.2 standard of books of account;
 - 4.3 where its bank account is; and
 - 4.4 its office establishment and staffing arrangements.
5. The NGO is provided with an application form which should be submitted to CRDA with the following supporting documents.
 - 5.1 Its Certificate of Authorization (Registration Certificate) from the Ministry of Justice or authorized offices at Federal level.
 - 5.2 Its Memorandum of Association and Bye-laws (if any).
 - 5.3 Its operational agreement with Federal or Regional appropriate government offices.
 - 5.4 Financial report, annual activity report and previous year's audit report.
 - 5.5 The registry of minutes of the Executive Board or General Assembly (where it applies).
 - 5.6 Letters of support (reference) from three organizations that are full members of the Association.

Upon acceptance,

- (a) The NGO will become an associate member for the first two years and
- (b) The NGO will pay an annual membership fee of Birr 3,750.00 (three thousand seven hundred and fifty Birr)

CRDA reserves the right to corroborate the facts presented by the applying agency.