



COUNTERPART CANADA

Working towards a world that is more peaceful, sustainable, just and inclusive

PROJECT SUMMARY February 2001 to August 2002

Jennifer Dickson
Executive Director

Introduction

This report will provide the background and purpose of the organization, set out the legal, operational, management and strategic framework, go on to describe the communications, outreach, project development, and fundraising efforts and conclude with suggestions for future potential. In the interests of brevity, sample files only are described.

History

Counterpart Canada was first registered as a not for profit corporation under the Canada Corporations Act on December 7th, 1998. By mid 2000, this initiative had been put on hold, activity on files discontinued and office equipment and furniture put into storage in Ottawa.

The period this report covers begins in late 2000, when Elizabeth Dowdeswell was contracted by Stanley Hosie, then CEO of Counterpart International, to reinstate the Canadian affiliate under new management and with a new mandate.

Ms. Dowdeswell examined the financial and legal status of the previous organization, recruited Jennifer Dickson to become the new Executive Director, negotiated a three year Administrative Agreement with Counterpart International and developed and gained approval for a budget for the year 2001. So began a three-year mandate to develop an independent Canadian international development agency - a partner within the Counterpart Global Network, committed to, *'Working towards a world that is more peaceful, sustainable, just and inclusive.'*

Members of Counterpart Canada Corporation consisted, in December 2000, of Stan Hosie, Lelei Lelaulu, Gregory Touma and Elizabeth Dowdeswell. The first Board of Directors for this new organization consisted of Elizabeth Dowdeswell, Chair, and Directors Stan Hosie, (then) CEO, Counterpart International, Lelei Lelaulu, (then) CEO designate, Counterpart International and Jennifer Dickson, Executive Director, Counterpart Canada.

Current Mandate

A new member of the global family of Counterpart, Counterpart Canada is an independent Canadian development agency, committed to enhancing the achievements of Canadian public and private sector partners by contributing the unique and well-established strengths of the Counterpart Global Network.

Over the fifteen months between February 2001 and mid 2002, the Executive Director focused on developing a strong network of supporters for this concept within the international development community in Canada. The objective was to attract, over the agreed three-year term, the political, human and financial resources necessary to implement the objectives of a comprehensive Strategic Plan.

First Things First

This effort included:

- Fulfilling lapsed Counterpart Canada's obligations regarding Industry Canada and Canada Customs and Revenue Agency (CCRA) reporting,
- Drafting a new By law to reflect the changed objectives and mission of the organization and negotiating Industry Canada approval and
- Initiating, directing the drafting and negotiating a new application to CCRA to attain charitable status.

Approval of the new By-law and reinstatement of the not for profit status were accomplished by July 2001. The application and supporting documents for charitable status were under CCRA consideration by late 2001 and negotiations were in the final stages by early 2002.

Office space was leased three blocks from Parliament Hill, within the offices of Informetrica Inc. Phone, e-mail, website and fax were installed, arrangements for technical support services and the use of boardrooms and kitchen facilities were negotiated, all at a fraction of market rates (Many thanks to Mike McCracken, CEO, Informetrica for his most generous support in this area). As well, the offices of Leslie Enterprises at Rideau Ferry were provided pro bono to the exclusive use of Counterpart Canada, including computers, printers, telephone, fax, e-mail, and three work stations.

An Administrative Agreement with Counterpart International outlined the arrangements of the partnership between the two organizations. This agreement, signed December 8, 2000 by Elizabeth Dowdeswell, Chair of Counterpart Canada and Stan Hosie, (then) Chief Executive Officer, Counterpart International, constituted a three-year commitment of financial and program support to develop an independent Canadian international development agency - a partner within the Counterpart Global Network.

Start Up Group

Outreach was the first priority for the new organization - to develop relationships with leaders of established Canadian NGOs and the private sector, and to solicit advice and support from senior representatives of Canadian government funding agencies. The early program priority was to explore practical project and geographic options in order to choose realistic areas of activity for the first eighteen months of operation.

In this context, several senior Canadians, committed to and/or involved in international development were approached and generously agreed to participate in a series of discussions regarding program, geographic focus, communications and strategic planning for the new organization. These included:

- Gerry Barr, President & CEO, Canadian Council for International Co-operation (CCIC);
- Geoffrey Bruce, Canadian Ambassador (retired);
- Barbara Darling, Senior Associate,
International Development Management Assistance Group (IDMAG);
- Ross Dickson, Publisher, The Hill Times;
- Marc Dolgin, Executive Director, World University Service of Canada;
- John Edwards, Canadian Executive Services Overseas;
- Mike McCracken, Chair and CEO, Informetrica;
- John Watson, Executive Director CARE Canada.

This group held two meetings and several smaller discussions, with the goal of helping Counterpart Canada to initiate operations in such a way as to minimize both overlap and competition with existing civil society organizations (CSO's) in the international field. The aim was to establish constructive partnerships and complementarity, and to pursue sources of funding that didn't diminish funds of other CSO's. These brainstorming sessions brought a wealth of experience – a most welcome 'value-added' to help position the new organization in the areas of geographic and program focus, funding and management.

As mandated at its inception, this start-up group dissolved in the spring of 2001. Several members of the group then agreed to join the Board of Directors.

New Members and New Board of Directors

In early August, 2001, the Board formally adopted its new By Law and modified membership of the corporation to include Stan Hosie, Geoffrey Bruce, Barbara Darling, Elizabeth Dowdeswell, Lelei Lelaulu and Michael McCracken.

A new Board of Directors was elected, to consist of Geoffrey Bruce, Barbara Darling and Michael McCracken, elected for one-year terms expiring August 2002, and Elizabeth Dowdeswell, Stan Hosie and Lelei Lelaulu, elected for two-year terms. Officers elected were Elizabeth Dowdeswell, Chair, Mike McCracken, Secretary/Treasurer and Jennifer Dickson,

Executive Director. At the October 24th, 2001 meeting of the board, the size of the board was increased to a maximum of nine, and John Edwards was elected to the board.

Human Resources

Executive Director

Jennifer Dickson led the development of Counterpart Canada, under the direction of the Board of Directors described above. As the senior representative of Counterpart Canada, Ms. Dickson directed all business and ensured that directives and resolutions of the Board were carried into effect in a timely manner.

Support

Administrative assistance was provided two-days a week by Deborah Robertson. Steve Hanna provided technical advice and computer services on an hourly basis. Bookkeeping and accounting were contracted to Informetrica ltd. The auditor was Welch & Co. Legal assistance was provided by Fasken Martineau DuMoulin LLP.

Carleton University Co-op Placement

Counterpart Canada was among the first recipient organizations for Carleton University's new Co-op Work Placement arrangement, whereby private and public sector funders provide up to 75% of the cost of placement of students into situations where they can make a work contribution to a charity while learning in an area reflected in their studies. Inbal Alon was the chosen student. Under the direction of the Executive Director, Inbal's accomplishments included research, strategic development and identification of potential funders.

Carleton University Team

This was a volunteer group of exceptional students who applied to work with Counterpart Canada in several areas ranging from program development to identification of potential funding, to research. The team consisted of Mike Bowles, Shaun Brown, Karen Garrett, Andrea Gruza, Jessica Hanlon, Elisabeth King, Leigh McCumber, Ian McGrath and Stephanie Pearce. These students are each impressive leaders in their own disciplines - ranging from Public Policy to International Studies, from Human Rights to International Development. Among their achievements was research for the Central Asia paper, an outline for an Americas paper, database input, and strategic analysis regarding CIDA and other potential partners.

Strategic Plan

Under the direction of the Board, the Executive Director drafted an eighteen month Strategic Plan, outlining all facets of Counterpart Canada activities for the period June 1st, 2001 to December 31st, 2002, within an overall commitment to, "*working with Canadian partners in the public and private sectors – industry, individuals, international development organizations and agencies – to leverage the unique and well-established strengths of Counterpart International and the Counterpart Global Network*".

The Plan set out the priorities and requirements for the organization, and included governance, operations, finances, program, geographic regions, communications, resources, outstanding issues, critical path and accountability. It was developed with input from several members of the start up group and board, distributed to the board for comment, presented, discussed and approved at the June 8, 2001 meeting of the board.

All Strategic Plan activities were initiated as approved by the board. A number of undertakings had been achieved and all others were on time and under budget as of August 2002.

COMMUNICATIONS

Strategic Direction

From the start Counterpart Canada was sensitive about creating expectations prematurely in an environment over-populated by NGO's and under-resourced. It was decided early to position the new organization with a strong Board in place, legal affairs in order, a solid work/business plan underway, and one or two projects initiated before presenting publicly. It was agreed that the organization would seek publicity primarily in the context of profiling actual accomplishments and substantive announcements - that only then would Counterpart Canada have legitimate appeal to the Canadian community of CSOs and to potential public and private sector funding partners.

Communications Tools

In the interim, several internal and external communications pieces were put into place by the Executive Director. These included:

- Name and logo: The new Canadian organization was known as Counterpart Canada, and adopted the following wordmark/logo - distinctly Canadian, yet displaying, through the top colour bar, a strong association with Counterpart International:



- Website: A Counterpart Canada web site was established. The site provided an introduction to the organization and had sections on What We Do, Our Origins, 2001-2002 Priority Themes, Counterpart Around the World, Counterpart International, the Counterpart Global Network, as well as a sections linking directly to key Counterpart International program areas, including Child Survival, Civil Society Programs, Environment & Natural Resources, Enterprise Development, Health, Humanitarian Assistance and Women's Development.
- Background: A fluid descriptive document was drafted and customized as appropriate to introduce the organization to potential supporters. It included sections on Counterpart Canada mission and objectives, geographic areas, program/project themes, governance, board of directors, staff and contact points. As well it included a letter from Lelei Lelaulu, in his capacity as Director, Counterpart Canada and Chief Executive Officer, Counterpart International. www.counterpart.org

- Counterpart Global Network: This concept, given the informal title, **STRENGTH ON THE GROUND**, was strongly supported by Counterpart Canada. In fact, being closely linked to a reliable, experienced network of local organizations was considered a key piece, if not the cornerstone of Counterpart Canada value-added. For this reason, much effort was put into developing and maintaining a current, practical compendium of members of this informal network. The logo below was developed and used informally, to demonstrate the concept.



- Database: Counterpart Canada developed a practical, user-friendly database for the storing and sharing of all non financial aspects of the organization activities. Information on Projects, Activities, Organizations and Contacts was regularly entered into the database for easy access. As required, Reports could be produced on Project Status, Activity by Project, Organization, Counterpart Global Network (CGN) Report and CGN Detail Report.
- **PROMOTING STABILITY IN CENTRAL ASIA:** - a substantive communications tool developed for potential partners. See also page 7/8 below.

OUTREACH ACTIVITIES

From early discussions with the Start up Group and subsequently with the Board of Directors, a consensus emerged that Counterpart Canada would limit its initial focus to the following carefully chosen specific regions and subject matter over the shorter term, in order to gain experience and credibility, before taking on a broader mandate.

Geographic Areas

Within the policy context of a commitment to explore all incoming potential projects with a view to capitalizing on emerging opportunity, the early focus priorities were:

1. The Caribbean Region and
2. The newly independent states (NIS) of the former Soviet Union.

Program/Project Areas

Capacity building was chosen as the key area for program activity – i.e. projects that support the creation and development of strong local institutions, networks, locally owned and operated small enterprises and local social services that enable communities to meet their own self-defined needs.

Three areas where investing in training, demonstration projects and program implementation were seen to have a potential for large returns in developing local capacity were sustainable economic development, sustainable/renewable energy development and youth capacity building.

As outlined in the Strategic Plan, the first eighteen months were devoted to developing relationships and to positioning the organization as providing cooperative added value, rather than competition, to the more established potential partner organizations.

Activities included:

1. Outreach, relationship and partnership building. This phase of the strategy was well underway. Counterpart Canada developed vehicles for close collaboration with representatives of Canada's public and private sector, academia, and individuals, including, for example:
 - a) Membership with the Canadian Council for International Cooperation (CCIC). The invitation to join the CCIC, a coalition of about 100 key players in Canada's international development community provided a unique opportunity to develop credibility and further partnerships. As a CCIC member, Counterpart Canada staff and board directors attended several CCIC events, including sessions with the Cabinet Minister responsible for CIDA. Counterpart Canada was slowly gaining status and respect among key partners and networks.
 - b) Membership with the Americas Policy Group;
 - c) Carleton University Kroeger College;
 - d) Associate Agreement with IDMAG.
2. Issue/opportunity identification. As the organization gained in understanding of the development strengths and priorities among agencies and funders within Canada, it was entering into a phase of actively developing partnerships with potential recipient organizations, to initiate projects and programs where Counterpart Canada could, with its network partners, make a positive contribution.
3. It was projected that during the period of the Strategic Plan, Counterpart Canada would partner with another organization on at least one international project – this objective was fulfilled in the Tajikistan project.

Quarterly Reports provided an ongoing account of the work undertaken in these areas, as did a comprehensive Table on Project Status for all potential projects. One of these outreach initiatives will be described here, to demonstrate the scope of the effort.

Newly Independent States (NIS) of the former Soviet Union

Central Asia was chosen as a key region for Counterpart Canada well before 9/11, for two reasons. The first is that Canada had expressed interest in expanding its sphere of activity there. The second reason is that Counterpart International has both a highly respected record of success and current activity in several of the newly independent states (NIS), in particular Kyrgyzstan and Uzbekistan. So it was decided that it would be worthwhile to develop and maintain an information brief on this region, in order to be positioned to take advantage of emerging opportunities.

Discussions ensued, with, for example, senior Department of National Defence (DND), Department of Foreign Affairs and International Trade (DFAIT) and Canadian International Development Agency (CIDA) officials. As Counterpart Canada pursued its agenda, it became clear that a document outlining Counterpart's unique understanding, capabilities, experience and approach in Central Asia would be beneficial. A Paper, **PROMOTING STABILITY IN**

CENTRAL ASIA was developed, with input from an earlier paper produced in Washington for Congress. The Counterpart Canada Paper enlarged the scope of that paper, adding a strategic overview, maps, updated and broadened analysis of Uzbekistan, Turkmenistan, Kyrgyzstan, Tajikistan and Kazakhstan, and Canadian Government perspectives and objectives.

The paper was distributed to individuals and groups in the international development community in Ottawa, (including the Ministers responsible for Central Asia and CIDA). After reading the paper, the Honourable Gar Knutson, Secretary of State for Central and Eastern Europe and the Middle East, arranged meetings with several Counterpart Global Network colleagues during his inaugural visit to Central Asia.

Following the Minister's visit to the region, discussions continued with the Minister's key staff to develop potential projects, with particular interest in Counterpart's Community Reconciliation and Development Program (CRD), as implemented in Tajikistan.

COUNTERPART CANADA IN TAJIKISTAN

From November 2001 to July 2002 Counterpart Canada provided assistance to a project to assess governance challenges in the Republic of Tajikistan. This initiative was led by Barbara Darling, Senior Associate, the International Development Management Advisory Group (IDMAG), and funded by the Asian Development Bank. Colleagues in the Counterpart Global Network and representatives of the Government of Tajikistan were integral to the project as well.

An integrated team of local Tajikistan consultants assessed the governance challenges, in order to provide a workable and long-lasting approach and methodology that contributes to solutions for this troubled country. This project was designed to lay the groundwork that motivates and better enables the Government of Tajikistan to recognize and address priority governance and institutional issues, and thereby strengthen Tajikistan's capacity for sound development management.

The project was designed with the specific aim of laying the key technical groundwork in active partnership with the Government of Tajikistan, to better enable the Government to successfully and consistently take action to create the governance environment that will advance its development agenda over the short, medium and longer term.

Counterpart Canada's Role

Counterpart Canada's role in this project was to act as the agent of IDMAG, assisting Barbara Darling in carrying out her responsibilities. This relatively small subcontract from IDMAG to Counterpart Canada had two purposes beyond the substance of the subcontract itself.

The first purpose was an opportunity, thanks to Barbara Darling and IDMAG, for Counterpart Canada to develop and engage practical financial and performance management systems and procedures with partners in Washington and elsewhere within the Counterpart Global Network.

We would learn from experience, use similar or modified arrangements for future projects managed and funded by Counterpart Canada and delivered at the local level through (for example) other Counterpart affiliates.

The second purpose was that for a relatively small risk exposure, this involvement might ultimately have led to significant follow on work for the Counterpart Global Network - particularly in Central Asia in the governance and related fields - with the ADB, whether alone, or in partnership or subcontract with firms such as IDMAG. It was understood that the time spent would be an investment, and as such would exceed the scale of the contract itself.

The key areas of assistance were: 1. To help identify and recruit candidates for three consultants positions, liaise among all parties and provide senior level advice and arrange and facilitate meetings with local civil society organizations (CSOs) and provide logistical support for the project on a reimbursable basis; 2. Direct and manage the specified work with the mutual goal of ensuring the best quality, professional and timely execution of this work in the circumstances; and 3. Develop and implement a process to manage the transfer “in trust” of advance payments from IDMAG to Counterpart Canada’s local partner.

INDEPENDENT RESOURCE DEVELOPMENT

This was a high priority and strong planning consideration in all outreach activities. The most dedicated effort was expended in discussions intended lead to the submission of formal proposals for substantive program and project support. This primary objective consumed the preponderance of staff time and dedicated effort - from the necessary research, to evaluating prospective sources, to developing relationships, to advocating projects, to providing evidence of reliable transparency and accountability to potential funders.

For context, consider that estimates (from CARE and WUSC, for two examples) are that it costs 30 cents to raise a dollar. Each of these organizations has dedicated development offices with several full-time staff whose job it is to canvass the field, identify prospective projects/RFPs, evaluate them in terms of the organization’s mandate and capabilities, negotiate partnerships among potential rivals, draft, submit and negotiate proposals and follow up on implemented projects, in terms of ensuring funder satisfaction regarding program deliverables and financial accountability.

The Executive Director reported in several quarterly reports that if Counterpart Canada were serious about entering this arena, it must back up its development strategy with adequate resources – human and financial. It would have needed at least:

- a senior staff professional dedicated to implementing development objectives;
- A Development Committee led by a member of the Board of Directors, to:
 - Provide Counterpart Canada representation with CIDA and other Government agencies;
 - Develop, allocate and advocate files among decision-makers;
 - Develop and implement a campaign for private sector sources of funding.

The Strategic Plan set out the required resources and desired results for this period, including receipt of a commitment for a substantial funding contribution toward at least one project by

the end of 2002. In spite of the severe shortage of dedicated resources to realize this objective, several files showed signs of potential success within this time frame.

Partnership with Government Agencies

These challenges in mind, it was decided by the Board and the Executive Director to focus efforts on key government agencies and potential non-governmental sources. This campaign was implemented by convening meetings with officials at the Departments of Foreign Affairs and International Development (DFAIT) and National Defence (DND) and the Canadian International Development Agency (CIDA), as well as with all the major international development and humanitarian assistance NGOs in Ottawa.

Discussions with DND personnel, while initially hopeful, ultimately led to the conclusion that there was little chance for a direct partnership in the short term. Time lines are short and budgets limited, especially since 9/11, and as DND has traditionally worked on peacekeeping and humanitarian assistance solely through CIDA, it would have been a long and challenging campaign to develop their interest in a partnership with Counterpart Global Network, even with Counterpart Canada providing the necessary management and accountability pieces.

After meetings, phone calls, and correspondence between staff and CIDA officials, both junior and senior, it became clear that CIDA has a strong proclivity either to go directly to the local CSO in the developing country, or to fund long established Canadian NGOs who can provide a large portion of the funds they need from external sources.

Thus, at least for the immediate future, it became unrealistic for Counterpart Canada to rely on CIDA funding. Furthermore, competition for funding from external sources is extremely fierce.

New Partnership Campaign For 2002

In the light of all this, and especially considering the seeming paralysis of CIDA decision-making capabilities (CIDA has been involved in internal reevaluation for at least the past eighteen months), Counterpart Canada began, by early 2002 to broaden its focus toward alternative sources of funding, both national and international. Keeping in mind that Counterpart Canada's first project was a sub-contract for an IDMAG study in Tajikistan that was funded by the Asian Development Bank, it seemed appropriate that Counterpart Canada pursue international foundation and aid agencies.

The first step of the campaign was to identify potential funders whose mission and capabilities were a fit. The research and identification process was a challenge, as each potential funder needed to be assessed for eligibility and current availability of funds.

The next step was to develop mini strategies to approach each of the chosen potential funders. In some cases a board member may have identified personal relationships, in others an approach from a CCIC colleague may have been appropriate.

In all cases, it is important to point out that this step would have launched Counterpart Canada into a highly intensive area of activity, requiring many more human and financial resources than were available, even with the enthusiastic and practical assistance of the Carleton Team. Counterpart Canada would have needed sufficient funding and a full and active support staff, as each letter of inquiry sent requires follow up, numerous meetings, a full length proposal, and even then chances of success are low, meaning the process would have been continuous and repetitive.

Despite these challenges, Counterpart Canada continued the fundraising effort, pursuing creative methods such as partnering with other NGOs on particular projects and gathering support from government departments that could influence CIDA. Equipped with determination and a few key project ideas, Counterpart Canada was making itself a place in the fierce market for funding.

A CHANGE IN FINANCIAL CIRCUMSTANCES

By late spring of 2002 informal signals from Counterpart International indicated that there would be a change in the nature of Counterpart Canada's relationship with its founding partner. In response to inquiry, the President of Counterpart International advised that at its most recent meeting, the Counterpart International Board had struck an hoc Restructuring Committee to take urgent action as a result of several major financial difficulties and internal changes:

- ^a Counterpart International has lost several anticipated contracts from USAID in Central Asia - after 9/11, the US Government moved a lot of the funding that Counterpart International had hoped would go to civil society building in Central Asia and Eastern Europe. They'd put many of these resources into Afghanistan;
- ^a The new Administrator of the Agency for International Development, Andrew Harfeld, has moved the focus of USAID towards sustainable agriculture, disaster and foreign assistance. This is affecting the way projects are being dispersed;
- ^a Counterpart International was not prepared for these AID cuts –didn't think they'd be quite so deep and quite so quick. The effect on the bottom line was graphic - a very tight cash flow challenge;
- ^a Last year Counterpart International posted large 'losses on investments'; problems with the overseas Private Investment Corporation amounted to further losses on the books - as the accountants see it;
- ^a Counterpart International had therefore decided to focus more on alternative sustainable sources of financing, reaching out to public and private sector to make up for the loss of US government financing.

In order to address this situation the Counterpart International Restructuring Committee mandated: a) A fairly solid cutback and belt tightening within Counterpart International itself to increase the fund balance of the organization; and b) A decision to end financial support for all affiliates.

A NEW MANDATE

After receiving this news, the Canadian Board of Directors decided to follow a path that would result in Counterpart Canada narrowing its mandate to “*Keep a Listening/Opportunity Post*”. This scenario was decided on the understanding that Counterpart Canada has an important contribution to make, provided that it can rely upon Counterpart Network partners.

Having decided upon this option, important steps were taken to wrap up all activities by August 31, 2002 and then inform key supporters about the changed relationship with Counterpart International. Current Counterpart Canada board and staff then concluded their mandates. Three directors remain on the board to maintain a watching brief in Canada on behalf of Counterpart International.

COUNTERPART CANADA BOARD OF DIRECTORS

CHAIR Elizabeth Dowdeswell (CAN) International Consultant, former Executive Director, United Nations Environment Program Elizabeth.Dowdeswell@ec.gc.ca

DIRECTOR & EXECUTIVE DIRECTOR Jennifer Dickson (CAN) President, Leslie Enterprises jdickson@les-ent.ca

DIRECTOR Lelei Lelaulu (Samoa) CEO, Counterpart International lelaulu@counterpart.org
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CONCLUSION

This document has outlined the activities and status of the last eighteen months effort to build a Canadian partner for the Counterpart family of international development organizations. It has provided examples, rather than a comprehensive catalogue of the initiatives undertaken.

For the most part, outreach, discussion and impressions pointed to the potential for a successful future for the new Canadian organization. The climate, while reserved, was positive and project opportunities for the Americas and Central Asia were emerging. On the other hand, identifying and accessing financial resources was, as described above, much more complicated and challenging than initially considered. And the ending of committed support less than half way through the agreed term had determining consequences.

On balance, however, it is still the opinion of this writer that Counterpart Canada could, if provided with consistent human and financial resources, and strong partnering with the Counterpart Global Network, develop into an organization capable of contributing in a meaningful way to Canada's efforts to address the immense challenges facing the global village.

Jennifer Dickson
Executive Director