

Developing Non-Governmental Organizations

Organizations without formal ties to or backing from the government are a new concept in the NIS. But autonomous groups, from environmental organizations to sporting clubs, are now proliferating across the region. Formation of non-governmental organizations (NGOs) will become an important factor for the health care sector as well, AIHA board of directors Secretary Larry Gage told partners at a breakout session on NGO development.

"As the partnerships have matured, you have seen the need for greater self-sufficiency and the need for funding to sustain your organizations," said Gage, who is president of the National Association of Public Hospitals in Washington, DC. "All of the partnerships have developed a range of activities you clearly want to continue into the future."

But he warned that the transformation from US-funded partnerships to independent NGOs takes time, planning, money and persistence.

"The formation of an NGO is somewhat easier said than done in the NIS. The concept of charity and private assistance didn't really exist in the Soviet Union like it did in the West," he said. From a tangle of laws governing these organizations, to a lack of the tax incentives that are integral to the formation and survival of NGOs in the US, to raising money, partners face many challenges in forming NGOs.

To help partners gain a better understanding of the complexities of setting up and running NGOs, AIHA began an NGO initiative last spring. The initiative assesses past and present NGOs throughout the NIS, analyzes structural requirements for the organizations, researches current laws and legislation and reviews models for NGOs in the US, Western Europe and the NIS.

"The NGO problem in the former Soviet Union is a basic political problem," said Stephan Klingelhofer, vice president of the International Center for Not-for-Profit Law in Washington, DC. "There's a built-in conflict between strong central governments, particularly in Central Asia, and the idea of free civil society with independent groups running around and doing whatever they want to do."

Part of the mission of Klingelhofer's group is to analyze existing laws governing NGOs. Russia has formed "the most complicated system [governing NGOs] in the shortest amount of time imaginable," he said. NGOs there are categorized into five separate types, each with its own set of laws governing everything from structure to tax status.

Georgia, on the other hand, recently legislated a streamlined system that includes tax benefits for groups in the public sector. "Georgia has been the exception. They already have an active and forceful NGO movement, including advocates in government," Klingelhofer said.

The Tbilisi, Georgia-Atlanta, Georgia partnership is part of that movement. For example, the National Information Learning Center, which offers health care professionals throughout Georgia access to computer-based education resources, is taking steps to become independent. It has established a board of directors and has obtained a small grant from the Soros Foundation. The EMS Training Center in Tbilisi is also exploring the process of becoming an NGO.

Other partners are also striking out on their own, but with mixed results.

"We're just going by intuition, moving ahead with looking at forming an NGO and raising money, but with no special experience or knowledge. We need training," said Rimma Grigorieva, MD, deputy director of Sokolov Medical Center in St. Petersburg, Russia.

Brian O'Rourke, vice president of development for the St. Francis Health System in Greenville, South Carolina, described his organization's experience in helping CEE hospitals form charitable organizations to raise money for equipment or infrastructure. In Warsaw, O'Rourke's organization helped establish the first foundation in CEE. It has raised more than \$1 million for a children's hospital. Partner hospitals in Zadar, Croatia are now using the Warsaw model to solicit money for their needs.

"There are many sources of funding, from government, sales of goods and services, from NIS and international foundations," Gage said. "NGOs are now clearly increasing in importance, and this is the time to start thinking about how they can be part of your future."