



Eurasia Foundation of Central Asia - Tajikistan

Handbook:
**“Building the Capacity of Civil Society
Organizations to Contribute to the
Improvement of the Stability of Civil
Society”**

Dushanbe - 2017

Abstract

Sustainability in society for Civil Society Organizations (CSOs) refers to the condition reflecting the condition of resources of a CSO and how the organization is able to use them efficiently to ensure smooth operation and development. However, there are a number of significant obstacles to its attainment.

This handbook provides a complete overview of the concept of sustainability for CSOs, and a guide to achieving sustainability in society. It also lays out the main components of CSO leadership: the capacity building of CSO management and of the organization as a whole.

Contents

1. Understanding and Achieving Sustainability in Society	129
2. Capacity Building of CSO leadership.....	132
2.1 Strategic Planning of CSO institutional development	138
2.2 Interaction of the population and local authorities	137
2.3 Government legislation and changes affecting CSOs.....	139
3. CSO Capacity Building.....	147
3.1 Identifying Risks	148
3.2 Planning and Implementing Projects	156
3.3 Fundraising	160
4 CSO AccountantsCapacity Building.....	163
4.1 Budgeting and Fundraising	164
5 Appendices.....	171

1. Understanding and Achieving Sustainability in Society

The **sustainability** of an organization describes its ability to carry out its main activities over a long period of time.

The **external aspect of sustainability** refers to opportunities and threats from social, political, cultural, economic, demographic and other environments.

The internal aspect of sustainability refers to internal factors such as strategy, structure, management, staff motivation, culture, aims etc, which affect the ability of a Civil Society Organizations (CSOs) to continue its activities.

Components of Sustainability

1. Efficiency (identifying and satisfying client's demands)
2. Productivity (reducing demand on original resources while increasing outputs)
3. Viability of the organization
4. Legality
5. Potential (Level of service, etc.)
6. Financial conditions (availability of financial resources for the provision of services to clients)
7. Flexibility (prompt adaptation to changing conditions)

Sustainability reflects the state of an CSO's resources, and the extent to which the organization is able to use them effectively in order to ensure its uninterrupted operation and development.

The main indicators that demonstrate the sustainability of an CSO are:

- Institutional sustainability – effective management; the presence of specialized training structures, organizational development and innovation;
- Human resources potential – the availability of qualified permanent staff/personnel;
- Financial sustainability - an entity's ability to pay current and future costs, to upgrade resources and to pay for unforeseen expenses;
- Public image of the CSO – the ability of the organization to maintain a favourable impression in society through non-core activities.

2. Capacity Building of CSO leadership

A common problem for CSO's is inefficient management.

Efficient management is when the entire management process, from planning to completion, is run at the lowest possible cost at the highest level of performance. A good manager sees their organization as a system of interdependent elements, the efficiency of the operation depending on the continuous development and flexibility of this system.

An organization cannot always depend on grants, and should become self-sufficient, to effectively cover its administrative costs. If money is needed, it has to be earned. Civil Society Organizations in Europe and the United States often make a profit from commercial activities, but this is seen as a way to increase their activities and sustainability rather than as a chance to make money. Activities such as organizing paid conferences, business dinners, producing publications, investing assets wisely, providing advice on legislation and management, and organizing training courses do not conflict

with the missions of CSOs. Such work can be implemented both directly and through the establishment of subsidiaries.

The issue of personnel is a major challenge for CSOs. In most cases the organization is not able to maintain a permanent, paid staff, due to the lack of a stable source of funding. CSOs in Central Asia tend to recruit staff on a project to project basis. If there is no project funding available, the organization temporarily stops work, or it closes down. Addressing financial stability will allow CSOs to form a permanent staff and ensure their utilization in the work of the CSO.

It is difficult to overestimate the role of the head of the CSO in addressing these issues, and adopting the necessary measures to ensure the sustainability of the organization. The main leadership skills required are the ability to organize employees, set achievable goals and ensure that employees hit their targets. The general manager must have excellent managerial skills. They should be able to quickly find resources and distribute them intelligently, to accomplish the set objectives, to improve the productivity of the organization and its subunits and to interact effectively with subordinates, associates and superiors. Management is the most important role of leadership.

This role of the head of the organization is to ensure the maximum achievement of positive results in work, through the active use of their knowledge and abilities. An effective professional leader demonstrates in-depth knowledge in their field, and is constantly learning. Also, the role of a team leader encompasses actions which demonstrate their experience and skills to their employees and colleagues and helps them.

The following leadership skills are very important:

- *effectively setting and communicating tasks and targets to subordinates*
- *coordinating and supervising the work of subordinates so that they are on target to meet their aims.*
- *developing the responsibility of subordinates towards the final result.*
- *building good relationships with employees and earning their loyalty.*

2.1 Strategic planning of CSO Institutional Development

Strategic planning is one of the functions of the management. It describes the process of setting goals for the organization and finding ways of achieving them. Planning provides the foundation for all management decisions and functions (organization, coordination, motivation and control.)

Strategy – the method for achieving the end result

Strategy unites all sections of the organization.

Strategy – the long term plan of the organization.

Strategy provides answers to key questions about the nature of the organization:

- What are our current activities?
- What will our future activities be?
- What are our services, functions and who are our beneficiaries?

Strategy – the result of an analysis of the organization's strengths and weaknesses and the identification of opportunities and obstacles for its development.

Strategy – an organization’s considered response to changes in the external environment.

The presence of a strategic plan allows the manager to concentrate on the key activities aimed at the development, and sustainability of the organization as well as the achievement of its main goals. Ensuring that staff are aware of the organization's strategic objectives allows them to understand the aims of the organization and the results that it is aiming for.

The process of adoption and implementation may be delayed or even fail if participants have not asked themselves the following questions during the planning process:

1. Is the strategy internally consistent with the organization's capabilities?
2. Does the strategy involve a permissible level of risk?
3. Does the organization have sufficient resources to implement the strategy?
4. Does the external strategy take into account both the risks and opportunities?
5. Is the strategy the best way to apply the organization's resources?

Thorough preparation before beginning the strategic planning process is an important step during which the planning aims are defined, and the participants in the process and the necessary information for strategic planning are defined and selected.

The first stage of the main planning process is deciding on a statement of the CSO's mission. Sometimes CSO leaders forget their mission, usually to meet the needs of specific social groups, and begin to seek to satisfy the inner needs of the organization. This organization will survive for a certain period

of time, but in order to grow and be sustainable, CSOs need to monitor the impact of their activities, taking into account their founding values. In this sense, a defined mission is critical to the organization. The mission details the status of the organization and provides direction and guidance for the definition of objectives and strategies.

PREPARATION FOR PLANNING

At this stage, the organization needs to take a few steps to make sure it is fully prepared to begin the planning process. These steps will serve as the foundation for confident leadership of the organization:

Defining the planning aims

Selecting the participants in the planning process

The history and tradition of the organization

Gathering the necessary information for strategic planning

On paper this can be reflected in this table.

Activity	Date of implementation	Participants	Format of the activities	Required time and resources	Necessary information	Expected results	Responsibilities
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For management and planning, there is a tool to formulate SMART objectives: Specific, Measurable, Area-bound, Realistic and Time-bound.

Specific	Aimed at changing a specific situation or achieving a particular result
Measurable	With specific figures showing changes (numbers, percentages, etc.)
Area-bound	Indicating the location where this objective will take place.
Realistic	Providing adequate resources
Time-bound	Available time frame

A SWOT analysis is also a useful tool for CSOs as it can identify the strengths and weaknesses of the organization and the external threats or opportunities that may hinder or help the organization in its activities and development. SWOT stands for - Strengths, Weaknesses, Opportunities and Threats.

Write down answers for your organization as they come to mind,

- Strengths
- Weaknesses:
- Opportunities, open to the organization.
- Threats

After answering these questions, add the following data:

Strengths

To what extent do you use the advantages that your strengths give you? Write them down in order of importance. Do you emphasise its main advantages? Which of your strengths can you rely on?

What do I do to draw on my strengths?

Strengths	Actions

Weakness

Do you have weaknesses which you try to ignore?

If you're honest with yourself, you will find one or two weaknesses, which you could handle more successfully. Place them in order of their impact on your results and you will perhaps develop an idea of what you should do.

What can I do in relation to my weaknesses?

Weakness	Action

ость Действие

Threats

Threats can be external and internal, for example, the threat of the competition or the threat of losing the best employee with insufficient staff, or difficulties with financing future development. The organization has to be ready to face threats. "Forewarned is forearmed".

Actions which I will take to face possible threats:

Threat	Action

Opportunities

In the process of understanding threats, hidden possibilities can be discovered. The use of these opportunities allows the organization to move forward. Have you checked for possible opportunities?

Actions which take advantage of opportunities.

Opportunity	Action

2.2 Interaction between the public and local authorities

The more people know about government the better. Power should be as close as possible to the population to effectively solve important local issues. If the population is not involved in the management of the town or the district as a whole, the authorities have a greater chance of manipulating society. Therefore, in order to reduce the possibility of manipulation, local citizens need to interact effectively with the government, which also helps to form a positive image of local authorities.

In many cities people do not trust the local authorities because they are unaware of their work. In these situations, CSOs can act as a bridge between local authorities and the population to try and relay useful and interesting information, without ignoring the problems of the local community.

In the formation of informational materials, it is important to know exactly what is important and necessary knowledge for the residents. Citizens should be informed of what local authorities are doing and why. For local governments, their image is usually maintained by the media.

Technological cooperation of the population with the local authorities allows the authorities to match their image to the expectations of their target groups. These technologies include:

- creation, dissemination and management of information
- planning of PR activities;
- monitoring of public opinion;
- carrying out various PR campaigns and promotions
- providing urban authorities with systematic monitoring information about the current status of the operation, dynamics, and trends in the development of social processes in the community
- encouraging public cooperation with local authorities

Implementation of the above measures will open a new space for communication between the population and local authorities, which is necessary to motivate general interest in solving socio-economic problems.

The following methods are considered an effective way of obtaining feedback from the public:

Conducting sociological surveys with an emphasis on social problems;

Systematic monitoring of sociological research on the application of local government departments;

Complex sociological research to assess the state of specific sectors of the urban economy;

Expert estimates;

Tracking of socially significant activities;

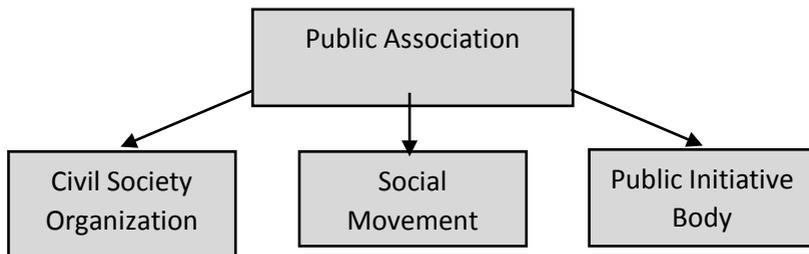
Public hearings and public discussions about new regulations.

A widespread variety of electronic methods and forms of communication, such as online portals of government agencies and local authorities fulfil the functions of the organization and implement direct interactive communication with the public. This enables organizations to contact various authorized persons to resolve their problems and issues, and to track the process of responding to inquiries.

An additional tool to enable citizens to appeal to local Executive authorities is an "Internet Reception". Citizens can ask a question or submit a proposal, statement, or complaint by sending an appeal to the head of the local authority, his deputies or a head of a department.

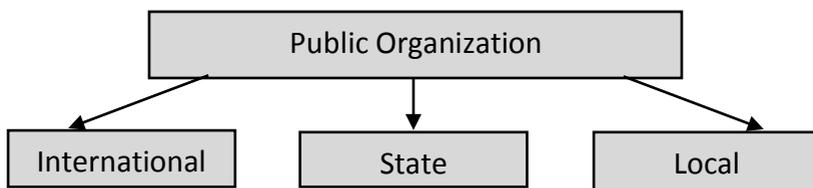
2.3 Government legislation and changes affecting CSOs

The law of the Republic of Tajikistan defines the following types of associations:



A Civil Society Organization also operates in accordance with the requirements of the Constitution, the law "On Public Associations" and other normative legal acts of the Republic of Tajikistan.

A civil society organization is usually established as a membership-based public organization for the joint activities of united citizens to protect common interests and achieve their statutory aims.



Maintaining documentation, in accordance with the law

The legal authorities of the Republic of Tajikistan have determined that in order to acquire legal status for a civil society organization, the organization must register with the Ministry of Justice of the Republic of Tajikistan. In order to register with the state, the founders of the organization must submit a list of documents.

Firstly, consider the organization's charter. The document should be written in the official state language and must specify the following:

- ✓ The name, aims and objectives of the organization, and the legal form of the organization;
- ✓ The management structure of the organization, the system of auditing for the organization, and the sphere of organization activities;
- ✓ The conditions and procedure of adding and removing members from the organization;
- ✓ The rights and responsibilities of organization members (only required for Association members.);
- ✓ The competence of the organization's management bodies and the terms and responsibilities for the permanent management;
- ✓ Order of change, accompanying documents and the organization's charter;
- ✓ Sources of funding and other assets, the rights of the organization and its branches and management representatives assets;
- ✓ Procedure for restructuring or liquidating the organization.

If there is missing even one of the paragraphs above, it will be considered a violation by the legal authorities. The charter provides other additional cases as well.

To register a civil society organization with the authorities, the following documents need to be provided:

a statement signed by the members of the governing body of the civil society organization, including their surnames, names, patronymics, place of residence and a contact telephone number;

– two copies of the organization charter in the state language and if the civil society organization requires it, two copies of the charter in a language of international communication;

– an extract from the minutes of a meeting, which provides information about the creation of the civil society organization, the approval of the charter and information about the management and auditing bodies;

– information about the founders of the organization: for each individual – surname, name, patronymic, year of birth, place of residence, citizenship (certified by their signature) and a copy of the passport or other identity document; for public associations in the organization of the Union (Association, Council) of public associations – a copy of the certificate on the state registration of the Charter of these organizations, an extract from the minutes of the meeting of the organization’s governing body, the decision to establish a Union (Association, Council) public organizations, as well as copy of the memorandum;

– a statement by the persons referred to in article 19 of this Law, approving consent for the use of a citizen’s name as the the name of the organization;

– a document confirming the right to use the symbols of the organization, indicating that they are protected by the Republic of Tajikistan’s legislation on intellectual property rights and copyrights;

– a document confirming payment of state duties;

– the document on the address (location) of the permanent governing body of the public organization;

– minutes from congresses, conferences, general or statutory meetings of structural subdivisions for national and international public organizations;

Civil society organizations must operate in accordance with the requirements of the Constitution of the Republic of

Tajikistan, the Republic's law 'On Public Associations' and other legal acts of the state.

A public organization is established, as a rule, as a membership-based on public organization for the joint activities of united citizens to protect common interests and achieve the founding goals of the organization

A civil society organization has its own rights and obligations for the implementation of its statutory goals which are enshrined in article 24 and 25 of the Republic of Tajikistan's law "On Public Associations."

One of the most commonly used grounds for termination of CSOs is improper performance of the duties of CSOs defined in the following act :

- *to annually submit to the registration authority before April 1st, information about the organization's ongoing activities, the format of which is determined by the Ministry of Justice of the Republic of Tajikistan; (ZRT from 19.03.13 № 962)*

- Public Enterprises should provide regular reports to the state authorities.

Upon request of the Ministry of Justice, public associations are obliged to provide information on their sources of funds, minutes of meetings of the governing and auditing bodies, and details of the documents in support of conducting statutory activities.

The auditing body of a public association should carry out its work according to legislation. Thus all proofs of audit, certificates and other documentation control should be kept for the auditing body.

- *Public organizations should conduct their activities in accordance with the Charter of the organization and*

inappropriate implemented activities are considered a violation of statutory activities. When making changes to the Charter of a public organization, the organization is obliged to re-register and to resubmit the required documents to the Ministry of Justice or the local judiciary.

In the case of violations of the legislation of the Republic of Tajikistan, or when a civil society organization commits an action contrary to their statutory purposes, the Ministry of Justice may submit a written warning to the organization specifying the problem. The CSO has one month to consider the written warning.

In cases of violations of the provisions for CSOs in the Constitution, contraventions of legislation of the Republic of Tajikistan or when an CSO commits actions inconsistent with its statutory goals, the Attorney General of the Republic of Tajikistan or subordinate prosecutors are able to submit a written order for the immediate elimination of these violations to the organization's leadership and set out terms for their elimination. If within the prescribed period the revealed violations are not eliminated, the prosecutor's office or the Ministry of Justice have the right to go to court with a claim to suspend the activities of the CSO. The court may suspend the activities of CSOs for up to 3 months.

According to the legislation of the Republic of Tajikistan on the basis of an application from the Prosecutor's Office or the Ministry of Justice, an CSO can be forcibly liquidated by a court order or the court may decide to prohibit the activities of CSOs.

Examples of the grounds for sanctions awarded to CSOs:

- Violation of Tajikistan's State Language Law. All paperwork of Public Associations in the Republic of Tajikistan,

including correspondence with government agencies, other organizations and citizens, must be completed in Tajik as the official language of the state. An organization is able to maintain its documentation in additional languages if necessary.

- **Violation of Tajikistan's Labour Laws.** Personnel working in non-profit organizations should be employed in accordance with the requirements of Tajikistan's labour laws, particularly those pertaining to the recruitment, transfer, dismissal, holiday pay, business trips, etc.

When hiring employees, a contract should be signed and employment records should be kept updated.

Provisions of employment contracts must not be contrary to the requirements of legislation of the Republic of Tajikistan.

Working hours must not exceed 40 hours per week and employees must be given paid annual leave of not less than 24 calendar days. Wages in labor contracts should be indicated in somoni (TJS).

Information about the hiring of the employee and their eventual transfer to different employment etc, should be recorded in their employment record.

- **Implementation of certain activities without a special permit.** For example, CSOs that are engaged in educational activities must obtain a license from the Ministry of Education of Tajikistan in accordance with legislation.

Educational activities are not subject to licensing if the activity is carried out in the form of single lectures, internships, seminars and other types of education and is not accompanied by final certification and issuance of documents on education and (or) qualification (see provisions on licensing specificities for certain types of activities).

- Some CSOs bring in foreign consultants, trainers and other specialists in order to implement projects. In such cases, the organization must comply with the requirements of laws concerning migration, for example, by acquiring a work permit or a license for foreign labour.

The legislation of Tajikistan allows CSOs to engage in commercial activities but it is important to remember that business should not become the main activity of non-profit organizations, and CSOs should engage in entrepreneurial activity only to help realise their founding aims. Any resulting profit made by a non-profit organization should not be distributed among its members, but should be directed to achieving the founding aims of the organization.

If a non-profit organization is engaged in entrepreneurial activity, this section of its assets, and any activities directly associated with entrepreneurial activities should be kept separate from the main account. Accounts for the main non-commercial activities should be kept separate to the organization's business activities.

After receiving a grant, a civil society organization is obliged to notify the Ministry of Justice.

Reorganizing CSOs

1. The decision to reorganize a civil society organization should be taken by the governing body of the organization, as determined by the Republic of Tajikistan's legislation and the organization's own charter.

2. State registration of the civil society organization which is created by the restructuring or reorganizing of the organization should be carried out according to the Republic of Tajikistan's law 'On Public Associations'.

3. After reorganization, the organization's assets should be transferred to the new legal entity in accordance with the Civil Code of the Republic of Tajikistan.

Liquidating civil society organizations:

1. The decision to liquidate a civil society organization should be taken by the congress, conference or general assembly of the organization, in accordance with the organizations charter or by a court decision, as described in the Republic of Tajikistan's law 'On Public Associations'.

2. Any assets remaining after the liquidation of a civil society organization, after all debts have been settled, should be used to achieve the purposes stipulated in the organization's charter. If the charter cannot resolve the question of how to dispose of remaining assets, the decision should be taken by the general assembly of the organization, or by a court, in cases where the question is still not resolved. The decision of using the remaining assets should be taken by the registering authority.

Registering the liquidation of a CSO with the state

1. The governing body of a CSO is obliged to inform the registering body of their decision in cases of CSO liquidation.

2. Having been informed of this decision, the registering authority will check compliance with the rules of liquidation, and add the results of their investigation about the civil society organization which is in the process of liquidation to the unified state register of information.

3. The following documents are required for the liquidation of a civil society organization:

a. Application

- b. A copy of a document showing the decision to liquidate the organization
 - c. Originals of the founding documents of the organization and the certificate of state registration
 - d. A document from tax authorities showing the absence of organization debt to the budget.
4. Within ten days of the end of the liquidation process, the registering authority will:
 - a. Verify compliance with the order of liquidation.
 - b. Add information about the liquidation of the organization to the Unified State Register.
 - c. Issue an extract from the Unified State Register of CSOs.
 5. Civil society organizations and representatives of the organization's branches are considered liquidated from the moment the relevant data is entered into the Unified State Register of CSOs.

3. Capacity Building of CSO staff

The concept of human resources in this context means the use of socio-economic resources for organization employees. Improving human resource capacity involves finding the means and methods by which this potential can be used to the maximum extent. The organization can measure the quality of its employees through human resource characteristics, such as:

- *qualification level and experience, professional knowledge, abilities, skills.*
- *demographic specifications*
- *motivation and professionalism of employees*
- *Additional qualities, specific to the enterprise's activities.*

The better existing personnel are used, largely determines the competitiveness of its workers, that is their value in the labour market. Improving staff potential improves its competitiveness, that is, the degree of compliance with the existing qualitative characteristics of the conditions of particular industries and enterprises, the current situation of supply and demand for specialized labour. A high level of skill of the existing staff is an indicator of the economic stability of the company, the quality of the organization's products or services, and the condition of its business activities. One of the main tasks of the personnel management system of enterprise is the assessment of the available human resources; the determination of staff direction and the level of investment in its development and improvement; the search for selection of, and distribution and rotation of personnel based on the results of this assessment.

3.1 Identifying risks of the organization

“Projects with no real risks are losers. Risks and benefits always go hand in hand.”

Tom Demarco

Decision-making, as a rule, takes place in the conditions of a certain amount of uncertainty, as information about the conditions of the project is incomplete or inaccurate.

Risk is the potential or numerically measurable possibility of adverse situations which could result in loss, damage and uncertainty.

In economic terms, risk is defined as an event that can occur with a certain probability, with three possible economic results (valued mostly in financial terms):

- negative, ie, damage, loss.
- positive, ie, benefit, profit, winnings;
- zero (no damage, no benefits).

There are two accepted categories of risks:

- «known unknown". These are risks that can be identified and subjected to analysis. A response can be planned to these risks

- «The unknown unknowns." Risks that cannot be predicted and therefore a response cannot be planned in advance.

A risk is a problem that has not yet arisen, and a problem is a risk which has materialized. A risk is characterized by the following features:

Market risks

- Financial risks.

Country risks

- Political risks.
- Risks of changes in legislation, including tax risks.
- Demographic risks.

Operational risks

- Current risks.
- Management risks.
- Technological risks.

Of the above risk groups, civil society organizations are most familiar with market and country risks, which have a very close and strictly dependent relationship.

The need to develop a strategy and identify risks at the stage of developing a project can play an important role during the implementation of the project.

Changes in legislation regarding the restructuring of public bodies, amending taxation procedure, and establishing different procedures for labor relations, etc., may also affect the activities of enterprises and organizations, including CSOs.

This begs the question – “How can risks be minimized?”

The most inefficient way is to ignore or simply avoid risks as this merely results in a time bomb which can explode at any time.

Another ineffective option, is to merely *cope* with risks, identifying, analyzing, treating and eliminating risks as they appear. However, this is a very time-consuming and costly method, since by virtue of the number and type of risks, the process has to be applied to each of the risks separately.

The most practical and effective method of dealing with risks is "**risk management**".

Risk management involves reducing the likelihood and/or significance of adverse impacts on the organization. Adequate risk management in organizations is a sign of maturity. Often people who talk about potential risks are thought of as troublemakers, however they could be potential risk managers or risk management specialists, or people who have already provided for the possibilities of risks and have ideas of how to eliminate them.

Risk management requires six essential steps:

- risk management planning;
- identification of risks;
- qualitative risk analysis;
- quantitative risk analysis;
- planning a risk response;
- monitoring and control risks, a risk reduction plan.

Risk management planning

Risk management should be executed during all stages of a project, from its inception to completion. Like any other part of a project, risk management requires time and resources, so it must be planned. Risk management planning is the process of determining the approaches and operations of a risk management project. Careful and detailed planning of risk management allows you to:

- allocate sufficient time and resources to perform risk management tasks
- identify common grounds for risk assessment
- increase the likelihood of implementing the project successfully.

Risk management planning should be completed at an early stage of project planning because it is extremely important for the successful implementation of other stages in the process.

Identifying risks

Risk identification means identifying risks that could affect the project and documenting their characteristics. This process requires the continuous monitoring of the state of the project and any risks which arise in the course of its implementation.

Detecting and profiling risks can use information from a range of different sources.

First and foremost is the knowledge base of the organization. Information on the implementation of previous projects can be accessed in the archives. The problems encountered in completed and current projects, represent the risks of a new project.

Other possible sources of data include public sources, scientific papers, marketing analytics and other research work in similar areas. Forums can also give invaluable information about any previous problems encountered in similar projects.

Every project is conceived and developed on the basis of a number of hypotheses, scenarios, and assumptions. As a rule, factors that, for planning purposes, are considered true, real or certain but are presented without evidence should be identified in the draft of a project. Uncertainty in project assumptions should also be considered as a potential source of risk of the project. An analysis of assumptions helps to identify project risks occurring from inaccuracy, incompatibility or incompleteness of assumptions.

Qualitative Risk Analysis

Qualitative Risk Analysis involves the following categories of identified risks:

Qualitative Risk Analysis includes:

- Determining the probability of risks.
- Determining the severity of the possible consequences of the risks
- Determining the position of risks on the matrix "probability - consequences."
- Identify the proximity of a risk.

- Evaluating the reliability of the information used.

A matrix of probability and consequence is used to determine the degree of risk. The degree of risk is determined by the weight of probability and the significance of the consequences.



Degree of Risk, Probability and Effect Matrix

To assess a risk requires accurate and adequate information. The use of inaccurate information leads to errors in judgment. Incorrect assessment of a risk is also a risk.

Quantitative Risk Analysis

Quantitative analysis is used to determine which risks have the potential to have the greatest impact on the project. It is worth paying attention to a quantitative risk analysis as it allows you to identify which risks could be the most dangerous through modelling and simulating possible situations. This allows you to identify the number of the most dangerous risk and to outline a response process involving corrective actions to solve potential problems.

Risk Response Planning

Risk Response Planning is the process of developing ways and identifying actions to increase opportunities and reduce threats to a project's objectives. This process should take place after the qualitative and quantitative risk analysis.

Planned operations in response to risks should correspond to the seriousness of the risk in order to be cost-effective in solving problems efficiently, realistic in the context of the project and agreed to by all participants.

There are four possible methods of risk response:

- Risk avoidance
- Risk transference
- Risk mitigation
- Risk acceptance

The avoidance of risk involves changing the project management plan in order to eliminate dangers arising from adverse risk. This is in order to protect the project objectives from the risk impact which could weaken the project goal. Some of the risks that arise in the early stages of the project, can be avoided with further information and careful consideration.

Risk transfer involves the transcription of the negative consequences of the threat of responsibility for responding to risk to a third party. Transfer of risk simply transfers the responsibility for managing to the other side, but the risk remains. Risk transfer nearly always involves payment of risk premium to the party taking the risk.

Risk reduction involves lowering the probability and/or impact of adverse risk event to an acceptable range. Taking preventive measures to reduce the probability of occurrence or

its consequences are often more effective than efforts to completely eliminate the negative consequences taken after the risk has already occurred.

Accepting the risk means that the project team consciously decides not to change the project management plan in connection with the risk or not find a suitable response strategies. "Unknown risks" also have to be taken into account.

It is important to consider the secondary risks which can arise from the application of risk response, which should also be identified, analyzed and, if necessary, included in the list of managed risks.

Monitoring risks - Risk Reduction Plan

Risk management should be carried out throughout the duration of the project. Failing to monitor risks in the course of the project is like not checking the fuel level before setting off in a car.

Risk Monitoring - is the process of identifying, analysing and planning a response to new risks, tracking previously identified risks, as well as inspecting and enforcing planned responses to risks and evaluating the success of these processes.

The process of monitoring and risk management uses various methods such as analysis of trends and deviations, which require quantitative performance data collected during the project.

The objective of Risk Management is to reduce the likelihood and/or significance of the impact of adverse events on the project.

3.2 Planning, creating and implementing projects



Planning projects

Every project begins with planning. Project planning allows you to identify key milestones and deadlines.

Project plans are rarely simple, because usually many influencing factors have to be taken into account. Which specific tasks will be completed, and how much time needs to be allotted for each task? Are any tasks dependent on the completion of another task?

Some tasks or operations may require special skills training and you may need to hire subcontractors for certain components of the project. The initial project assignment may not be very detailed, or, even if the requirements are fully documented, errors or omissions can be identified at the planning stage.

During the planning stage of a project it is useful to familiarise yourself with the evaluation criteria of the project which the donor uses. Most donors provide a list of information that must be included in the project proposal. You must strictly follow these requirements, in order to submit a competitive proposal.

During project planning attention should be paid to the capacity of the organization, whether the organization matches the requirements of scope, ownership of resources and expertise. Mistakes are often made by organizations thinking that their first experience will be successful, and hoping that shortcomings will be addressed in the course of the project, or will be avoidable.

Project planning by civil society organizations must be carried out by a group, which has the experience, information, resources, and necessary knowledge regarding the proposed project. In other words, the planning process should involve staff who have good ideas about creating and implementing projects, because many factors, such as legislation, human and material resources, the political situation in the country/region of implementation, ways of interaction with public authorities/power structures, organizational, judicial, bureaucratic, and transport issues must be taken into account, even during this early stage. The risks, weaknesses and obstacles of the project that may arise during project implementation must also be taken into account during this stage.



Creating a project

After the careful planning of the project, the team should continue directly to the creation (writing) of the project. The project should be complete, clear, concise, specific and compelling.

Every project form is different, but all projects should include the following items:

1) Presentation of the company

- What kind of organization do you represent? Give a brief description of the organization.
- What are the main goals and objectives of your organization?
- Does your organization have the sufficient expertise and qualified personnel for this project?

2) Formulation of the problem

- Briefly characterize the current situation and describe the problem you want to solve.

- Indicate the number of people who are affected by this problem and provide quantitative and qualitative information.
- Show how solving this problem matches the aims and opportunities of your organization.
- Explain why your organization has chosen this solution for the problem

!! Formulation of the problem should reflect problems in society that the organization wants to solve not the internal problems of your organization.

3) Determining Targets

Laying out an objective – the reason for starting the project. These are general statements that are difficult to quantify but show the type of problem to be solved by the project aims.

4) Project Objectives

The project objectives are the specific steps that you must perform to change an existing situation for the best - the steps to achieving your goal. These changes must occur in the process of implementing your project.

!! The purpose and objectives of the project follow logically from the given problem.

5) Working Plan

The working plan of your project should explain how you will implement the project in order to achieve the objectives:

- Who will be responsible for the implementation of the tasks?
- What will be done?
- Which resources will be used when performing tasks?
- When are the deadlines?

!! Do not confuse the objectives with the methods of the project.

6) Evaluation of the project implementation

Then you should explain how you intend to evaluate the success of the project. Describe the specific methods of how you will assess the effectiveness of the project. This is

necessary in order to be able to understand whether the project objectives have been achieved. The assessment can be carried out in different ways, using both quantitative and qualitative indicators.



7) Project Budget

The budget should be written after the project. It should include reliable audited financial information, and the period of the budget should be indicated. Two budgets should be produced, the first showing the cost of the whole project, and the second showing the cost of each step of the project.

Make possible adjustments for inflation and declare any additional sources of funding. If your organization uses a private premises or transport to complete the project, don't forget to include their cost in the project budget as well as your own contribution. Your contribution has its "price" and you will have to pay it yourself if you omit it from the budget. As a rule, the budget must be made in U.S. dollars or other currency, in accordance with the requirements of the program.

Include the following categories in the budget (not necessarily all of them):

- Staff (salary);
- Consultants;
- Travel: transportation, per diem, hotel;
- Direct costs: room rental, telephone, fax, postage costs, utilities;
- Equipment: car, computer, Fax, copier, printer;
- Professional training;
- Indirect costs;
- Other payments;
- Adjustments for inflation.

Specify the cost per unit, number of units, the duration of the project, your own available funds, the available funds of the sponsors and necessary funds, the cost of each separate category and the total project cost.

8) Additional data

This section may include any additional materials that will enhance your project:

- Information about the project implementers;
 - Data about the place of project implementation;
- Recommendations for project implementers and concerns about the feasibility of the project;
- Plans for the achievement of self-sufficiency of the organization in the future;
 - Additional data that is included in the project.

3.3 Fundraising

The process of finding money is time consuming and involves many steps. However, following a carefully structured plan can lead to productive and long-term cooperation with foundations and civil society programs.

Identify funds which match the interests of your charitable activities or, if you are an individual, provide funding to private activities. Use reference books, personal contacts, recommendations and the Internet. The process of identifying funds involves two steps. The first step aims to develop an initial list of 10-15 foundations, whose interests match the interests of your organization or your project. The second step involves further study, after which the list will be narrowed down to 3-4 funds with whom you could work.

Contact the Fund to receive their Handbook or any other materials (annual reports, newsletters, periodicals). Request

materials by phone, e-mail, fax or letter. At this stage, do not include information on the organization or on the status of the project. The best sources of information on foundations and corporate donors are foundations' own publications. After your initial investigation, you can request the annual report or a recommendation for completing and submitting application forms from the potential donors. Foundation publications include annual reports, newsletters, lists of grant programs, press releases, guidelines for the filling out and submission of application forms and other documents. Working with the annual report, note the information which will help you to determine whether to leave the foundation in your list of potential donors. Be particularly aware of the established programmatic priorities, geographical priorities, constraints and other characteristics. You can also source valuable information from the list of grant programs that are often included in the annual report, A list of grant programs indicates the types of organizations that the funds expect to maintain, and the average size of their grants.

Read the materials carefully in order to determine whether the interests of the foundation match the activities which require funding. If interests do not coincide, do not continue as foundations are usually inundated with inappropriate applications.

Some foundations may require a preliminary concept note. This is not just a document in which you ask for funding but a mini-application, usually 2-3 pages long (a full application usually contains 10 or more pages). Most foundations explain what needs to be included in the concept note. You must strictly adhere to these instructions, answering all set questions. Failure to comply with these conditions may cause your bid to be rejected, despite its other positive points. Many donor

organizations, especially those that give scholarships provideset application forms which must be filled in.

If the foundation does not give instructions, then the concept note should contain 2-3 pages and include at least the following information:

- the amount of money required;
- a brief description of the organization including the history, current and executed projects, the need you are addressing with the proposed project and your trustees or directors;
- a short description of the program or project that should be funded or how it will use the finance, and if applicable, how it will support the overall activities;
- the organization's budget and the budget of the program or project;
- a copy of your organization's registration document.

If the foundation does not give instructions, the application may be more detailed than the concept note, and should include:

- a summary of the staff involved in implementing the project;
- a list of major donors, including other funds and companies;
- other sources of funding;
- the annual report;
- evaluation criteria of the project

Your application must be written in clear and correct English, Tajik or Russian, (according to the specific requirements of the donors).

Do not send information that is not required by the foundation. If the foundation does not insist on receipt of the application or worksheet request by fax or e-mail, send them by mail. Some funds have electronic application forms.

Make sure that you and your organization are well known in your field. Make a point of networking, and make your good work an advertisement for your organization. Do not underestimate the value of informal communication with the donors.

If you have received a grant, adhere to the requirements regarding the report or performance evaluation. Failure to comply with these requirements and conditions may result in creating a negative reputation for your organization and your activities. Identify all the obligations of your organization, which you must fulfill. Express your gratitude to the donor.

4. Capacity building of CSO Accountants

Like all the other employees of the organization, an accountant must be fully prepared and trained on the same level as other employees, as they are a vital part of the organization.

It is necessary to train financial professionals for tasks such as accounting, tax, audit and financial reporting due to:

- reforms of the accounting system and taxation in the Republic of Tajikistan;

- the introduction of new standards, rules and regulations of activities;
- the modification and development of new professional technologies and methodologies;
- the introduction of international financial reporting standards (IFRS);
- development of the automation and integration of accounting and reporting.

4.1 Budgeting and Fundraising

Budgeting

A budget is calculated based on real market prices for purchases and services and other expenses, taking into consideration the best value for money for the donor, technical solutions, ease of operation and minimization of operating costs. At the stage of budgeting, you should calculate the cost of the project and analyze the security of its funds.

A **budget** is a quantitative plan describing income and expenses for a certain period.

A budget is the calculated and the bounding estimates of income and expenses for a certain period. As an essential tool for the organization and regulation of future activities, the budget should be approved and enforceable. All activities of the organization in balancing revenues and expenditures should be clearly defined and accounted for in the budget.

Basic functions of a budget:

- **Planning** of operations ensures the achievement of the organization's goals. Budgeting is based on the refinement and detail of the strategic plans for a given budget period.
- **Communication and coordination** across the departments and activities of the organization encourages the convergence of interests of individual workers and groups to help the organization to achieve its goals.
- The **focus** of managers at all levels for achieving the responsibilities assigned to them.
- **Monitoring** ongoing activities, ensuring that they are proceeding according to plan. In order to assess the implementation of the plan it is better to use budget data rather than accounting data from previous years.
- **Increasing the professionalism of managers.** Budgeting helps to produce a detailed study of each department's activities relationship between different departments in the organization.

The organization's auditing work is to carry out systematic monitoring over the execution of the organization's budget. A two tier system is used to exercise control over the budgets: a lower level, the control of execution of budgets of structural divisions and an upper level — control over the execution of the consolidated budget.

Elements of the monitoring system:

- **the objects of control** - budgets of structural divisions;
- **the subjects of control** — structural subdivision exercising control over the implementation of the budget;
- **items of control** — budget indicators and analysis of deviations of budget indicators from reality;
- **control methods** — the use of mathematical tools (calculation of relative and absolute indicators), building predictive models, statistical analysis, etc.

Project budgeting is the determination of the value of the work completed as part of the project and on this basis forming a **project budget** containing the allocated costs organized by type of work, costs, time of performance of work, by cost centers or other positions.

The structure of the budget is determined by a plan of the costs of a particular project. Budgeting is the planning of value or cost plan. This means that the budget should inform you how much money will be paid, for what purpose and when. Therefore, it is possible to use any of the methods of presentation of expenses, the main thing is to meet the practical requirements of interested donors, established standards and be able to answer the donor's questions.

The budget may be presented as:

- a calendar plan showing costs;
- a matrix of cost distribution;
- a bar chart of expenses;
- a bar chart of cumulative costs;
- a line graph showing cumulative cost;
- a pie chart of the cost structure.

At various stages of the project development different types of budgets can be produced, which differ in purpose and therefore have different degrees of accuracy. As can be seen from table 1. As the project develops the acceptable level of error should reduce significantly.

Project Stage	Budget Stage	Purpose of the Budget	Margin of Error
Project Concept	Budget Expectation	Expected costs and financial demands	25-40%
Base Investment	Preliminary	Reasoning for	15-20%

Technical/Economic Base	Budget	costs and spending, planning the receipt of funds and their use	
Tenders, negotiations and contracts	Adjusted Budget	Planned costs relating to contractors and suppliers	8-10%
The development of working documentation	Final Budget	Direct limits on use of resources	5-8%
Project implementation Project Completion	Actual Budget	Management of costs (accounting and auditing)	0-5%

The project budget is similar to the estimate of the current expenses of the business unit of the company. The main difference here is that it covers the entire project from inception to completion, while the budgets of the business unit are prepared quarterly or annually. For more effective control, the project budget should be divided into two parts: a direct budget (program) and an indirect budget (salary and administrative) costs.

A budget of direct costs is the primary means of controlling and managing a project for the Project Manager and for the participating heads of functional divisions. This includes costs (grants, travel, third-party services provided for the project, etc.) of all members of the project team as they perform their individual tasks.

The budget process puts considerable pressure not only on project managers but also on other units, as it puts forward the following standard: "If you keep within the budget, you are efficient but if you exceed the budget, the work has been done badly".

However, this requirement is often not applicable to real budgets, because they are created and executed under certain objective and subjective pressure factors. For example, the Project Manager recruited for the project, is often forced to accept the budget which was made without his involvement, which he might believe to be unrealistic.

However, dealing with the budget is a vital part of project management, especially in determining the true cost of the project for the organization. Therefore, if the project manager loses control of the budget, and the margin of error increases substantially from the figure shown in Table. 1 for the relevant stage of the project, it is likely that the project manager would have to explain the cost to senior management and might lose their job.

In order to avoid this, the American scientist M. Thomsett recommends offering managers the chance to create their own project budget, for the following reasons.

1. You are responsible for reporting future costs of the project and possibilities of increasing their budget. This is not possible, if you are working with a predetermined budget.

2. A project manager should know how much their project will cost. The set budget is a measurable financial goal, which should satisfy the following objectives: 1) to give you the opportunity to measure the success of the project, 2) serve as way of measuring your competence as a project manager.

3. You also have to consider the possibility of some assumptions in the budget. This is important for possible future

support of those or other expenses. Assumptions are matched with the capabilities at the moment without possible complications. Only when you have the opportunity to compare at this level will the budgeting process work as planned.

Project budgets are prepared, monitored and executed regardless of budgets across the organization, as:

1) **Projects are not repeated.** The budgets of the organizations are prepared annually, and are often reviewed every six months (and sometimes more regularly). Projects are not tied to the financial year, therefore revising a budget is not ideal apart from in cases where rough errors in the initial version of the budget have been identified, or if there are sudden changes in the project environment.

2) **The Project Manager has direct control over the execution of the budget.** The budgets of all departments often depend on relationships between multiple divisions. The project, in contrast, uses the budget in two ways: 1) uses existing resources and achievements which are already included in the budget; 2) limited use of external resources on a temporary basis. Hiring an extra worker in your department usually results in fixed costs; an additional worker for the project usually uses already existing resources in the department;

3) **The success of budget execution is closely linked with adherence to the project plan.** The success of the budget depends on how well the project manager planned the execution of each phase, and whether the staff from the project team are able to stick to the schedule. If implementation of some work or a phase of the project is delayed because of the need for more time or manpower than was specified, it will affect the budget by increasing the cost of the project.

Similar rules should apply (at least ideally) to the managers of all departments of the organization. Each manager should be responsible for their department's budget.

FUNDRAISING

Fundraising is a fairly new concept in Tajikistan but is well-known in Europe and America especially to project management experts. In a broad sense, fundraising refers to the process of finding and attracting resources for various purposes.

Basic concepts related to fundraising:

Fundraiser – a specialist in search of material, personnel and other resources to implement projects.

Fundraising – the process of finding and attracting resources for the implementation of a project.

Grant target - a subsidy issued by grant-awarding organization to an individual, team or organization on a competitive basis for a specific project or program.

Grantee – the organization, the team or individual being the direct recipient of financial assistance provided by a grant-awarding organization for the implementation of a specific project.

Donor – legal entity that provides financial support to organizations, individuals, or groups on a competitive basis in the form of grants, scholarships and awards.

Grant application - a document that contains a description of the project, indicating anticipated results and resources required to obtain them, in compliance with the requirements of the grantor and sent to the competition Commission of grant-awarding organizations.

Foundation – a charity who provide free target financial support to institutions, teams and individuals to implement their project ideas.

Project –a special form of targeted changes within certain time limits, resources and characteristics of the expected results.

Program –a complex of measures aimed at achieving long-term goals, for example, a program to ensure clean water resources on the planet. The program usually does not reach the final results (obviously, completely clean water resources on the planet is impossible), however, within individual programs there are a number of successful projects with more specific, tangible goals.

Information about the continuation of a CSO’s statutory activities

(Name and State Registration Number of the organization)
 (Legal address, location of the organization)
 INN (Individual taxpayer number)

1.	Type of activities from the reporting period
1.1.	
1.2	
1.3	
2.	Projects funded by international donors
2.1	
2.2	
2.3	
2.4	
2.5	

2.1.	Towns and districts where projects have been implemented
2.1.1	
2.1.2	
2.1.3	
2.1.4	
2.2.	Which groups in the population have been assisted? How many people?
2.2.1	
2.2.2	
2.2.3	
2.3.	Donors
2.3.1	
2.3.2	
2.3.3	
2.4.	Partners
2.4.1	
2.4.2	
2.4.3	
2.5	Budget of implemented projects
2.5.1	
2.5.2	

2.5.3				
2.5.4				
2.6.	Project start date			
2.6.1				
2.6.2				
2.6.3				
2.6.4				
2.7	Project end date			
2.7.1				
2.7.2				
2.7.3				
3.	Entrepreneurial activities (Mark such projects with a 'V'): --			
3.3.1.				
3.3.2.				
3.3.3.				
4.	Sources of income			
	Source	Amount	Remaining amount from the previous year	Purpose of expenditure

4.1.	Membership fees	-	--	--
4.2.	Number of individuals and local legal entities	--	--	--
4.3.	From foreign citizens and legal entities	--	--	--
4.4.	From international non-commercial organizations	--	--	--
4.5.	From other international organizations	--	--	--
4.6.	Grants	--	--	--
4.7.	Aid from foreign governments	--	--	--
4.8.	Funds from the state budget and state organ	--	--	--
4.9.	Income from entrepreneurial activities	--	--	--

4.10.	Other sources of funding (please specify):	--	--	--
5.	Meetings of the governing body « » _____ 201_ Year Number			
6.	Extra meetings held by the governing body of the organization « » _____ - _____ 201_ Year Number.			
7.	Management structure Provide information about members, including names, surnames, citizenship, places of residence, name of authorities. (Board of members)			
8.	Regular meetings held by the organization's governing body: « » _____ 201_ Year Number № .			
9.	Branches and representative offices (Information from international or national organizations which have branches or representative offices where the registration number is available from the Justice departments of GBAO and other regions.			
9.1.	---			
9.2.	---			
9.3.	---			

9.4.	---
9.5.	---

Note: If information is not available, leave the relevant section blank.

In the case of extra information which does not fit on the form, please print this information on additional pages and attach to the document.

Information about the organization’s statutory activities and any related branches and representative offices must be printed on additional pages, and numbered and attached to this document.

Director:(Name, surname, telephone number, email address)

«_____»_____ 2016

(Date of signature)

Notice

On the receipt of voluntary contributions, donations, grants or assets from foreign states, foreign legal entities, legal entities established with the participation of foreign entities, international organizations and international civil society movements

Provided in accordance with article 27 of the Republic of
Tajikistan's law 'On Public Associations'

1. _____

(Name and registration number of the civil society
organization)

(legal address)

(individual taxpayer number)

2.	Form of the contribution	a) resources: _____ b) assets: _____
3.	Funding direct from a foreign entity or from another organization (sources of financing)	
4.	Name and aim of the project	
5.	Region of project activities (territorial coverage)	
6.	Implementation period of the project	from «___» _____201_ to «___» _____201_
7.	Beneficiaries	
8.	Name of organizations which will assist in the implementation of the project (partner organizations)	

Note: Notification should be presented to the ministry of justice within ten days notice of assistance.

Director:

(surname, name, patronymic, telephone, email)
«_____» _____ 201__ print date:
(date)

Minutes of governing body meeting:

Minutes №1

Governing body of the CSO «_____»

Location

Date

Participants:

- 1.
- 2.
- 3.

Agenda:

1. CSO «_____»
2. Confirmation of the CSO charter «_____»
3. Election to the CSO governing body «_____»

Minutes:

Decisions taken:

- 1.
- 2.
- 3.

Meeting chairman

Secretary
