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Decp

Dutch Employers  
Cooperation Programme

# DECP Annual report 2009





# The private sector: the true engine of economic growth.



For over 50 years development aid policies and funds have been directed mainly towards the public sector, in particular to sectors like education and health. In the case of The Netherlands over 75 % of the budget is generally being devoted to those fields.

While the funds thus spent may well contribute to meeting some of the needs of people in developing countries, experience tells us that they contribute little to sustained economic development. Despite the best of intentions, foreign donors by funding a large part of the national budget from abroad, while not really contributing to economic development, may paradoxically perpetuate the need for foreign assistance. This is because without economic development, most countries will never develop a tax base large enough to properly finance their own national budget.

I have always held the view that economic development can only be brought about by an active and healthy private sector. After the inevitable collapse of communism it is now clear to most people that -while it is far from perfect - there is no alternative to a properly regulated market economy as the engine of growth. This holds true for former communist countries and third world countries alike. However, it takes two to tango: while it falls to the private sector to create jobs and wealth, governments are responsible for the creation of a favourable environment and a level playing field.

Promoting economic growth is a challenging task. Over the past decades we have seen sharply diverging performances. Some economies, under close government supervision and guidance, developed very quickly, while others, often constrained by heavy govern-

ment intervention, are still lagging far behind. Fortunately I am pleased to see encouraging signs of a change in thinking about economic development. Such a change in thinking is taking place both in developing countries and among policy makers in developed countries. In developing countries the World Bank's Doing Business reports have proved to be an effective catalyst in this respect and it should be commended for its ground-breaking efforts. Today, many governments in developing countries are keenly aware of their ranking in the World Bank's tables and are actively trying to improve it. Some of them are setting concrete annual targets in order to eliminate specific obstacles and thus earn a more prominent place in the list of top reforming countries.

It is good to note that in The Netherlands too, a change in thinking is taking place.

A recent report on development policy by the Scientific Council for Government Policy (WRR) puts great emphasis on the importance of economic development and on the need to promote a favourable business climate. Similarly, former minister Koenders' recent letter to parliament underlines the vital importance of sustained economic growth as a precondition for reducing poverty. I am gratified to note that the minister mentions DECP's efforts in his letter to parliament because it demonstrates the importance that he attaches to our work and our objectives: effective employers' organisations and a better business climate in developing countries.

This annual report chronicles the first four years of DECP's existence and in particular the challenges encountered and lessons learned during our first term. Let me conclude by saying how pleased I am to be part of DECP's work.

Bernard Wientjes  
Chairman

# Introduction



Coming to a conclusion on present and past and making plans for the future while keeping the shop open would be the perfect characterization of DECP's 2009.

DECP was airborne on December 30th 2005 with a

well defined objective (i.e. to support and in the longer term strengthen employers' organisations in the partner countries of the Dutch Ministry for Development Cooperation) but without a charted course. Let us say, there were no stars in the sky in terms of sufficiently similar programmes that could have served for DECP as sparkling examples just waiting to be copied.

Yet, in less than four years, DECP has become well known as a provider of expertise and know-how to its target-group and beyond. At the end of 2009 DECP had concluded 14 partnership agreements with employers' organisations in as many countries, having an active relationship with employers' organisations at the national level in 21 countries and having visited employers' organisations in their national habitat in 5 more countries.

In 2009 the first formal review of DECP was scheduled to be carried out by an independent consultant. MDF-Training & Consultancy, headquartered in Ede, The Netherlands, performed this review and concluded on April 10th:

*"DECP is a small but relevant programme in the area of Sustainable Economic Development because it addresses an important stakeholder group in economic development in developing countries: the employers' organisations. Strengthening of employers' organisations in these countries is beneficial for raising the voice of entrepreneurs to influence their business enabling environments. DECP has the potential to contribute to poverty reduction, through improving doing business indicators that lead to economic growth and work opportunities for people in developing countries."*

It came as no surprise that as to the actual operations, a number of specific recommendations was made, specifically to develop a programmatic approach based on a sound organisational assessment of partners within a broader institutional environment.

Making plans for the near future, DECP has taken these recommendations to heart and the Businessplan which DECP presented to the Ministry of Foreign Affairs in the fall of 2009 shows a clear dedication to such a programmatic approach. Already in our Annual Report 2008 we expressed a dedication to building reliable alliances with employers' organisations offering them expert knowledge, training and continuous coaching focussed on putting theory into practice.

Towards the end of 2009 the Ministry of Foreign Affairs formally informed DECP that a subsidy had been granted to support the Programme for the years 2010 – 2012. This subsidy matched DECP's request in spite of the economic crisis and the immediate effect



of this crisis on the National Budget. The decision to grant DECP the requested subsidy clearly demonstrates the government's recognition of DECP's relevance within the Netherlands' development aid.

In this Annual Report, we of course look back at 2009. But since 2009 also concluded DECP's first term (2006 – 2009), the first chapter is dedicated to major observations in respect of our objectives after four years of practice. Just four years, I would like to add. For so much more needs to be done. And learned, by DECP just as well.

The second chapter is dedicated to results, mostly in terms of output. What have we done and how is it perceived by our partners. Yet, organizing training, giving workshops, rendering advice, are only means to an

end. We are outcome oriented, yet fully aware of the fact that our output is by itself mostly just one of the factors resulting in measurable outcome like e.g. the Doing Business ranking of a partner country.

In the final chapter we look ahead to 2010 and beyond. We hope that all who will read this report will share in our endeavour to help employers' organisations in developing countries create a better future for the private sector and by doing so, for their society as a whole. Our counterparts often face daunting challenges and I would like to conclude by paying tribute to their exemplary commitment and resilience.

Ronald de Leij  
Director

# Chapter 1 – Looking back on DECP

As outlined in the introduction, DECP in its early operations, had few examples to go by and it therefore had to more or less find its own way forward. Rather quickly though, three main issues came to the fore:

1. lobbying the government;
2. finances; and
3. communication.

## 1. Lobbying the government.

While employers' organisations initially were established as a response to the formation of trade unions, today lobbying the government in order to achieve a better business climate is a first and foremost task of any employers' organisation, be it in a developed or in a developing country.

Starting to work with our partner organisations we soon found out that while they agreed on the importance of lobbying, they pointed out that lobbying the government of a developing country is not entirely the same as lobbying the government of a developed country. In the latter it is quite common and acceptable for an employers' organisation to heavily and also publicly criticise government policies. One of the important lessons learned in DECP's first term was the realisation that though most of the countries we are operating in are democracies, the role of employers' organisations and their representatives is markedly different. Their margin for manoeuvre is rather narrowly defined for both historical and cultural reasons.

*On one of our fact-finding missions DECP met a foreign investor who had complained about aspects of the business climate in a press interview. That night he received a telephone call from a high-ranking government official telling him that if he would do so again, quote: "...he and his business would suffer the consequences..." unquote. The investor reluctantly decided to abstain from publicly criticizing the government.*

Not too long ago there were no employers' organisations at all in Eastern Europe for the very simple reason that there was little or no private enterprise. After the fall of the Berlin Wall and the demise of the Soviet Union, this changed very quickly, some observers would say too quickly. Subsequent developments in Russia, viz. the role of the so-called business tycoons, and in countries like Bulgaria and Romania turned out to be positively harmful to the reputation of private enterprise. Also, governments in Eastern Europe often set up Chambers of Commerce as their prime interlocutor for the business community. These chambers were based on compulsory membership



# 's first term (2006-2009)

with high fees, a low level of services and no influence on governmental decision-making, thus mostly following government policy. This bad example did not exactly encourage individual entrepreneurs to join new organisations based on voluntary membership and independent of the government. Nevertheless, quite a few employers' organisations were set up as a reaction to the abusive practices of the Chambers. Finally, the formation of genuinely free trade unions is rather slow in Eastern Europe, thus reducing the need for employers' organisations.

In Africa the situation is rather better in the sense that in some countries like e.g. Ghana, Kenya and Uganda employers' organisations were established some 50 years ago. Trade unions have a fairly long history in many African countries and are –at least in comparison to most of their colleagues in Asia and Latin America – inclined to work with the employers. In Latin America employers' organisations do exist but they tend to be dominated by just a small group of powerful employers. Historically the deep divide between rich and poor has often led to radical trade unions and a deep distrust between them and most employers. In some countries like e.g. Guatemala, the distrust runs so deep that there are no regular consultations between the two sides and no bodies like a Social-Economic council on which they are both represented.

All of this has resulted in a situation where lobbying techniques and tactics commonly used in Europe are not only not effective but may even be counterproductive. In almost all countries in which we operate, employers' organisations are reluctant to criticize the government. So even where there is complete freedom

of the press and freedom of association, employers will in most cases not publicly tell the government that it is pursuing the wrong policies. This is a major and fundamental problem for two reasons: firstly, without public pressure from the employers, very little will be achieved in terms of improving the business climate and secondly, in order to increase its visibility, enhance its profile and attract new members, the organisation must be able to regularly show it is having an impact on the government.

*During a seminar in Jogjakarta when one of the foreign experts underlined the importance of publicly telling the government how it should improve the business environment, one of the participants actually got up and said: "Sir, in this country we don't argue with the government".*

DECP has also learned that an effective lobby with the government is sometimes thwarted by one or two powerful employers who have easy access to ministers themselves and are not inclined to jeopardise their privileged position by promoting the interests of employers as a whole, including SME's.

Fighting with one hand (public lobbying) tied behind your back is not a very satisfactory situation. DECP has therefore tried to develop a number of alternatives, the most obvious of which is to try and find other spokesmen and channels to publicize your message. One such channel can be the World Bank through its yearly Doing Business Reports. The World Bank is in need of reliable information on the business environment and the employers are in a position to provide it.



Subsequent critical comments by the World Bank can not be traced to individual employers.

Employers may also commission studies and surveys by academic specialists on the business environment. The results of such research may then be published by the authors and hopefully influence government policies without implicating the employers.

Employers may further use independent research and information by multilateral organisations such as the ILO, the IMD (World Competitiveness Yearbook) and the International Organisation of Employers.

The concerns and wishes of employers' organisations may also be channelled through foreign donors like e.g. the European Union.

In several instances DECP has itself - in press conferences and (televised) interviews - underlined the need for reform and identified concrete obstacles in the business environment in cases where the employers were reluctant to do so.

Finally, one of the most effective strategies may be to try and join forces with the trade unions. It should not be too difficult to convince them that a healthy business climate is in the common interest. Any government or parliament confronted with a united front of employers and trade unions, backed up by solid research, will find it difficult to ignore the pressure.





## 2. - Finances

As soon as DECP started operations we found that a weak financial position is very often the key problem for almost all employers' organisations. There are several reasons for this. First of all, especially in the 'younger' states like the former Soviet republics, there is no culture of belonging to a business or employers' organisation. The state was the protector of the public interest and there were no real private organisations which played an advocacy role.

In these younger states, not only on the Balkan and the Caucasus, but also in Africa, it is still very often the government which decides without bothering to consult the social partners. Employers' organisations clearly have to grow in their role as defender of the interests of business. That is one reason why business people often don't see the need to join them. Also, the employers' organisations are often invisible to their members and to external stakeholders. No wonder that non-members don't think about becoming a member and that members wonder what their organisation is actually doing for them.

The result is a low representativity and also a high percentage (up to 80 or even 90%) of companies that are members but don't pay the membership fee. Low revenues for the employers' organisation means few activities. They can't afford to finance a newsletter or magazine or information meetings. Over the past few years DECP has found that it is difficult to get out of this vicious circle of low visibility, marginal added value, few paying members and low revenues.

*During his first visit to an East-european country the DECP expert told the employers' organisation that members who don't pay the membership fee should be dropped from the members' list. "But sir, doing that would leave almost no members left!" was the immediate reply. It turned out that only 30% of the members paid the regular fee.*

Occasionally a foreign donor tries to step into this vicious circle as something of a deus ex machina and will finance part of the budget for a couple of years. But when the donor steps back everything collapses and the employers' organisation is reduced to its original, low level of activity.

DECP has found the issue of budget financing by foreign donors to be a difficult and sensitive one. There have been instances where DECP declined to provide budget financing only to find other donors to do just that. Some donors - including The Netherlands - went even further and co-financed the establishment of so-called "umbrella-organisations" in an attempt to create a single platform as the voice of business. However noble their intentions may have been, the results of such initiatives were sometimes bizarre. In more than one instance the newly created umbrella organisation started trying to attract members of existing employers organisations by using donor money to offer discounted membership fees, thus weakening existing organisations. Clearly, in DECP's experience, budget financing by foreign donors is not a sustainable solution.

Therefore, DECP starts in general by trying to increase the visibility of the organisation. Activities include: increasing the capacity for communication by setting up a newsletter if there is none, stimulating the organisation's profile by organising workshops in which DECP-experts give presentations on how to give interviews, writing press releases and articles in the press, holding press conferences, etc. The external visibility can be further promoted by organizing an Employer of the Year Award while the direct visibility for its members can be promoted by sending them a - preferably electronic - newsletter and organising information meetings.

Another option is to provide services to members. DECP is currently providing negotiation trainings to a number of staff members of 4 African employers' organisations. This type of training is meant primarily to enable employers to engage in constructive long-term relationships with the trade unions. After completion of their training, these staff members will themselves be trainers for the members of their respective organisations.

Another field in which DECP is providing training is Occupational Safety and Health (OSH). This is a somewhat new field for most employers, particularly in Eastern Europe, but there is a growing awareness that it is part and parcel of an employers' responsibility.

By providing these types of services employers' organisations can increase their visibility and attractiveness to members. They can also generate income by offering them at a reduced rate to members and letting interested non-members pay the full rate, thus providing an incentive to become a member.



*There's ample room for improvement in Occupational Safety & Health*

Of course these activities cost money, at least in the starting up phase. That is the reason that DECP occasionally provides limited funds, but only on a temporary basis.

Also, most of those activities, e.g. a newsletter or services, may be provided on a cost neutral basis or should even be profitable. We think that while this is a longer and more laborious route, it is definitely a more sustainable option than budget financing.

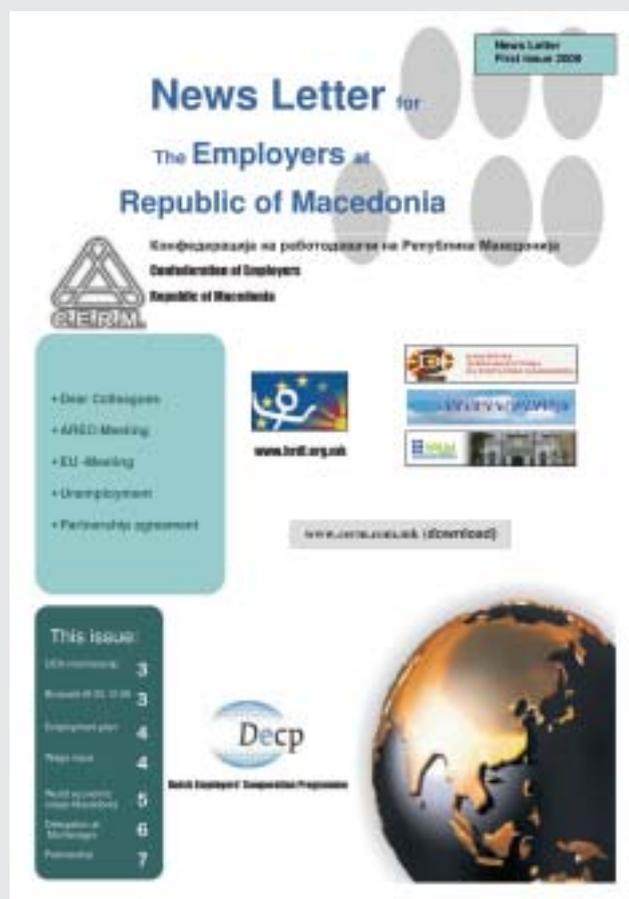
And in the final analysis, if the members don't want to pay for their employers' organisation why would a foreign donor? It is the employers' organisation itself which has to demonstrate the reason for its existence by successfully lobbying for its members, by representing them in advisory committees, by providing information and services. In short, to defend the interests of its members in every possible way. It is DECP's role to help and support them in reaching a viable and self-supporting stage.

### 3. - Communication:

An essential task of an employers' organisation is to inform the members about its activities, decisions and achievements. In addition members expect to receive from their organisation information about new regulations and how to implement them, Also, in the framework of their advocacy task, employers' organisations have to use the media in order to explain their position to public opinion and the decision makers. While this would seem to be stating the obvious, DECP has learned that in our partner countries many employers' organisations don't provide for such kind of activities. There are several reasons for that: the leadership as well as staff and board members, are insufficiently aware of the importance of communication with the members and with public opinion, and if they are aware, they often lack the means to do it. Also, staff is very small and has little or no experience with what to do and how to do it.

#### Letter of thanks

*One of the EOs in Africa with guidance from DECP decided to send a letter to members of its Board. This letter thanked them for the time and effort they had given to the Association during the preceding 12 months. They also sent a letter to the Chief Executives of those on the Board again thanking them for allowing the Board member to devote time to the Association. Both these letters have been very well received and created a lot of good will. A small effort for a big return.*



There is often no newsletter, magazine and only an outdated website. The President or Executive Director seldom gives an interview or writes articles in the press. Sometimes they lobby, but don't always bother to consult the members before having meetings with ministers or officials, let alone having a mandate from their members. And when they have achieved a reasonable or even magnificent result they don't always tell the members that it was because of their efforts. In more than one instance DECP country managers had to point out that the time has gone when an elected President thought that it was good enough to report on his past activities at the next assembly during which he was supposed to be reelected.

### Membership Pack

One major problem facing most EOs is the ability to tell their members and indeed potential members about what they do. DECP has been working with a number of its partners in Africa to help them develop a 'Membership Pack'.

This pack acts as marketing tool by setting out in detail each area of work that the EO is covering. It highlights the areas policy being covered by the EO. It sets out which members are on its Management Board. It draws attention to the many services available to members such as Industrial relations advice, training, consultancy, etc.

Many EO's have been very surprised at the amount of information they can place in such a pack. It has also proved beneficial when recruiting new members as it clearly sets out the benefits of membership and shows what members can get in return for their annual subscription.



Because communication is such an essential task for an employers' organisation DECP recommends that a staff member be put in charge of communication activities and that funds be set aside in the budget for the cost for publications and their distribution.

Such staff member should be responsible for the publication and distribution of the newsletter: with their colleagues they should organize a drafting com-



*Exercise on practicing interview techniques in Suriname can be fun*

mittee in order to decide about the content of the next issue and who will write the various contributions. A general lay-out can be prepared with an external specialized company, while printing may best be outsourced to a printing company.

Occasionally DECP's role has been to not just stimulate the staff in launching a newsletter but to also provide limited and decreasing financial support for the cost of lay-out, printing and distributing the newsletter, and in advising the staff in drafting the content of the newsletter.

However, after a certain number of newsletters, the costs for publication and distribution of such periodic newsletters should be covered by the revenue from advertising, so that it may become a self-supporting activity of the organisation.

Today, electronic media are an important tool for communication: it saves costs of handling and delivery. It also requires new skills in using adequate software and the availability of internet and electronic mail among members. Also, the launch of a website requires regular, at least once a week, updates of the content.

DECP also counsels its counterparts on the content: what is it that members need to know? Not only the international trips or visits from international guests, but all important information that may be relevant for the business activities of the members, such as new government regulations, and reports on the achievements of lobby and advocacy actions undertaken by the organisation. Also changes in the staff, in the organisation of the members, etc.

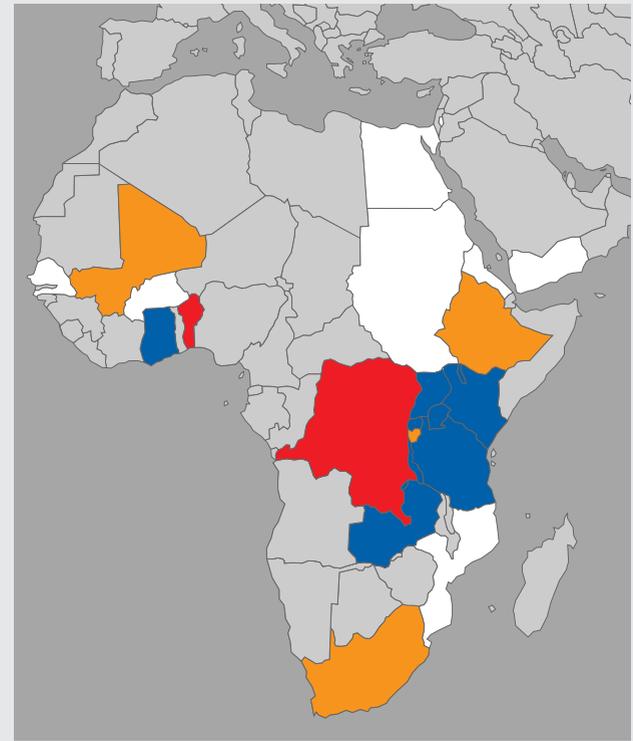
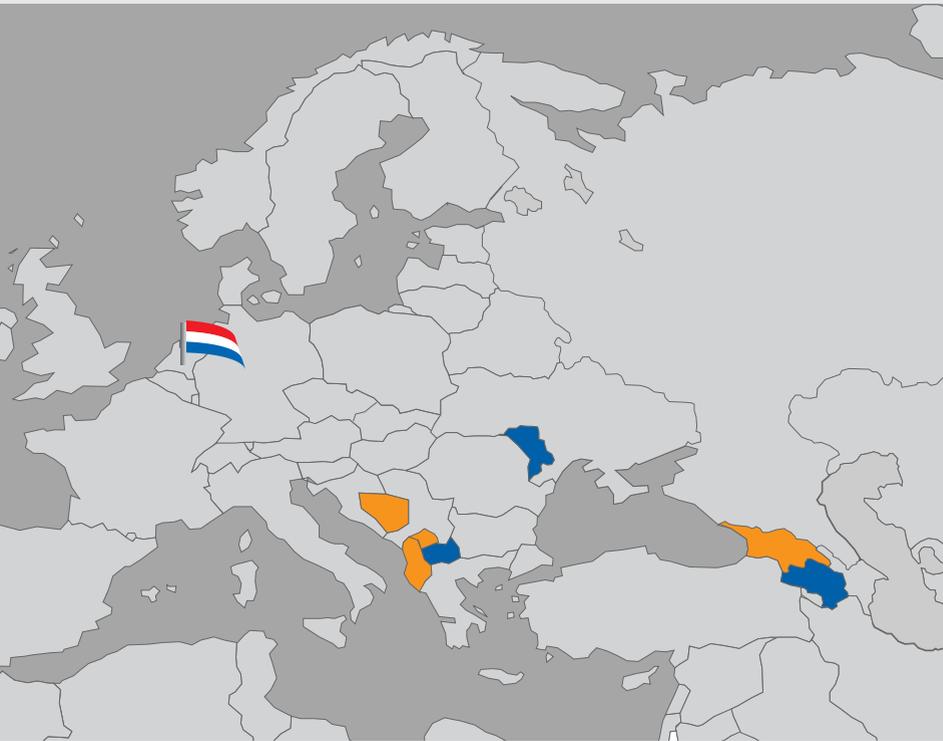
DECP has also been trying to demonstrate to the staff

that launching a newsletter, even in electronic format, not necessarily needs to be done by (expensive) external experts: the staff itself should be convinced that it has the skills and competences to fulfill this important task of building new links with the members.

Finally, while communicating with their members is a first priority, DECP also counsels its counterparts to raise their profile vis-à-vis the general public. Using their website, press releases and interviews they should underline the vital role and the importance of the private sector and above all communicate the fact that a well-regulated market economy is the road to economic development and the reduction of poverty.

#### *Subscription Letters*

*When an employers' organisation (EO) sends out its annual request for subscription income it is often done with a limited amount of information. DECP has worked with a number of EOs (employers' organisations) in Africa helping them to put together a letter to members which firstly thanks them for being part of the Association and for their continued support. It goes on to explain what the Association has achieved on their behalf during the previous twelve months and looks to the objectives for the coming year. It also says that a senior member of staff will be acting as an Account Manager and will be in contact during the course of the coming months. It concludes by enclosing the invoice for the coming year. This letter has proved very successful in getting members to pay their subscriptions.*



- Countries where a fact-finding mission was followed by activities and signing of a PA
- Countries where a fact-finding mission was followed by activities
- Countries where a fact-finding mission took place but no further activities (yet)
- Partnercountries of the Ministry where no DECP activities have taken place (yet)

# Chapter 2 – Results

DECP's mission is to support and strengthen employers' organisations in a group of developing countries. This is mainly done by providing expertise and knowledge and the exchange of good practices. DECP is neither in a position nor willing to subsidise their budget, though occasionally we do help them out to make a start with e.g. producing regular newsletters or setting up a specific service to members.

We do so because we strongly believe financially independent, firmly based and well governed employers' organisations to be partners that no government can do without when setting rules for social and economic behaviour that bring about prosperity and wealth for all in society.

## Countries

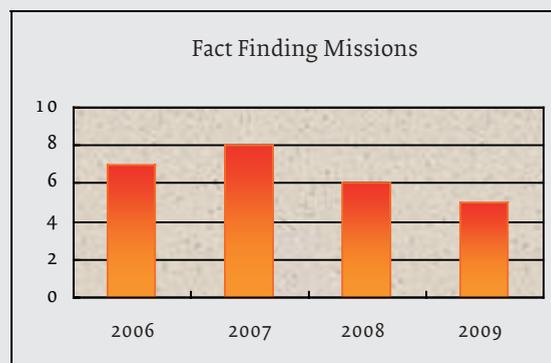
Being mainly funded by the Dutch government, DECP is committed to the target-countries of The Netherlands publicly funded development aid.

These are the following countries:

- *Europe and Central Asia:* Albania, Armenia, Bosnia-Herzegovina, Georgia, Kosovo, Macedonia and Moldova;
- *Middle-East and North Africa:* Egypt, Palestinian Authority and Yemen;
- *Sub Saharan Africa:* Benin, Burkina Faso, Burundi, Congo DR, Cape Verde, Eritrea, Ethiopia, Ghana, Kenya, Mali, Mozambique, Rwanda, Senegal, South-Africa, Sudan, Tanzania, Uganda and Zambia
- *East Asia and the Pacific:* Indonesia, Mongolia and Vietnam
- *South Asia:* Afghanistan, Bangladesh, Pakistan and Sri Lanka
- *Latin America and the Caribbean:* Colombia, Guatemala, Nicaragua, Bolivia and Suriname

The approach DECP has chosen is to work towards long-term partnerships with the major employers' organisations in the above countries. Apart from such employers' organisation itself, there has to be at least a minimum of political and economic stability within the respective country and safety for DECP's experts. Even so, these are necessary but not sufficient conditions.

DECP will never force its support onto an intended partner. So, there is a need to get acquainted. This is generally done during a 'fact-finding mission'. In an intensive two to three day programme, we meet the employers' organisation that has responded favourably to an invitation by DECP to get acquainted. In cooperation with that employers' organisation we also meet with representatives of their national government, of the national trade-unions, of the World Bank, of the Netherlands Embassy, etc. DECP wants to know more about the local situation as well as about our potential partner. How is that partner perceived locally? Every fact-finding mission is concluded by a debriefing. What is DECP's impression of the employers' organisation's situation and what can we do within the limits of DECP to improve what seems to be in need of improvement? By the end of 2009 DECP had performed 26 fact-finding missions in as many countries.





Normally, the next step is to implement an activity, like organizing a workshop or inviting representatives to a workshop in the region or at the International Training Centre of the ILO in Turin.

The third step is to enter into a partnership agreement. Addressing the specific issues or areas that need improvement, DECP and the employers' organisation may engage in an agreement to cooperate, generally for an undefined period of time. It is very much like starting a journey together. The destination is given and some barriers are already known. But they may be higher or wider than expected and new ones may arise as well as unforeseen opportunities. There may be setbacks due to economic crises or social upheaval after disputed elections. The partnership is about making the journey together with DECP acting as a guide, a counsellor and a supporter, but with the partner firmly in the driving seat!

By the end of 2009 DECP had concluded 14 partnerships.



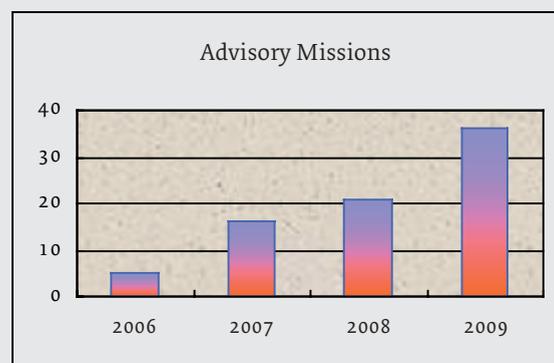
The geographical map on page 14 shows all of the above listed countries, whereby their color indicates their present relationship to DECP.

## Advisory missions

Advisory missions are the prime product and output of DECP. They are generally performed by a 'country manager' who is much more than a linking pin between DECP and a respective employers' organisation. DECP's country managers are experts in the field of organizing employers towards lobby and advocacy. Their expertise comes from years of practical experience. It gives them a leading edge in becoming a trusted partner in which the executive director of an employers' organisation can confide. And such confidence is much needed to make trainings, workshops and conferences worthwhile. Too often it is not a lack of knowledge that keeps executives from doing what should be done (they know), it is hesitation, it is the sense of being out there 'alone'. Would you call your President for help? Your senior staff?

DECP's country managers visit their employers' organisations up to 3 times per year, actually sitting down with the Executive Director, members of the board and senior staff to make things work. Things like a strategic plan for example. This 'sitting down' can be very practical, a practicality that shows the country manager knows what to talk about.

In 2009 DECP's country managers performed 36 advisory missions, an increase of 70% compared to 2008.





## Training and workshops

Major trainings are mostly done in close cooperation with the ILO Training Centre in Turin, either in Turin or on location. These trainings can be as 'general' as the 'Effective Employers' Organisation' dealing at a glance with all aspect of organizing employers, just to grasp the basics. But they can also be as specific as the training on how to setup a training service for members. This training was organised in Kuala Lumpur for employers' organisations of nine East Asian countries by ITC/ILO with the support of DECP and conducted by experts from the Irish employers' organisation IBEC. Trainings such as these generally take between 3 to 5 days.

Workshops are more limited in time and more limited in scope, dealing with a specific topic like 'How to setup a newsletter', 'How to communicate with .....'. They are focused on practical exercises and can be concluded with specific assignments like actually making your newsletter and sending it in for some additional comments or 'Now write your press communiqué and organise a press conference within ... days / .. weeks'.



## Negotiations in Labour Relations

In 2008 DECP -with the help of two experts of AWWN-<sup>1</sup> introduced the AWWN-way of negotiating in Uganda and Kenya. In both countries trainings were organized in cooperation with resp. the Federation of Uganda Employers and with the Federation of Kenya Employers. Both trainings were very well received. Did the AWWN experts introduce the Dutch 'poldermodel' around the equator? No, they did not. They introduced the uniqueness of negotiating in the course of an ongoing relationship you cannot afford to jeopardize: the relationship between the employer and his employees. And the way to do that, is much more cross-cultural than one might expect. Just like 'respect' is a cross-cultural thing.

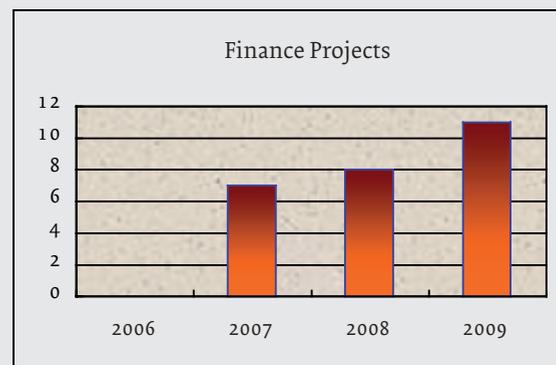
Inspired by the success of the above trainings DECP decided to start the training of trainers. 'Just imagine the benefit it would bring to the employers' organisation, to its members, to the workers in member-companies and to society as a whole if employers' organisations would be able to provide such negotiation training by themselves'. To do that you need to have your own trainers and that is why DECP together with AWWN and with the logistical support of ITC/ILO, has started the training of trainers in a regional operation for Kenya, Rwanda, Tanzania and Uganda in a four step process. Step one and two were taken in 2009, steps three and four will follow in 2010, with high expectations and lots of fun on the way. These trainings will be pursued in other regions as well.

<sup>1</sup> AWWN is the Dutch acronym for General Employers' Association.

## Financing projects

Although many of the employers' organisations supported by DECP are facing financial difficulties (see chapter 1) DECP is opposed to funding their budget. It is fairly easy to become a donor-addict, but it is extremely difficult to survive once the donor ends its donation. Yet, sometimes EOs face a vicious circle. If members do not know what the organisation is doing, why should they pay their subscription on time and to the proper amount? So they too often simply do not. But money is needed to make a newsletter, setup a website (and keep it up-to-date). Advertisements paid for by members may do the trick, but in the beginning what do you have to show for?

On such occasions DECP may provide some 'seed money'. Also, even the most simple computer facilities are sometimes so lacking, that DECP may decide to assist. Financial assistance, however, is always limited, clearly specified, conditional and whatever purchase is made, documents have to be handed in before reimbursement.



## Results in other terms.

The above mentioned results are what is generally called 'output'. It is the type of result for which DECP can be held accountable. Still, the ultimate purpose of DECP is not activities like rendering advice, organizing trainings, doing workshops or providing for the purchase of printing material or computers. We want employers' organisations to advocate the interests of private business in respect of economic and social well-being vis-à-vis governments and the public in general, thus contributing to a better business cli-

mate. So, can we judge DECP's performance in terms of an improved business climate of the target countries? It will be very difficult to ever answer that question with an honest and wholehearted 'Yes!'.

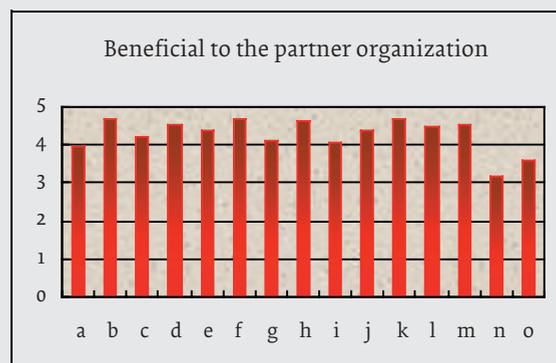
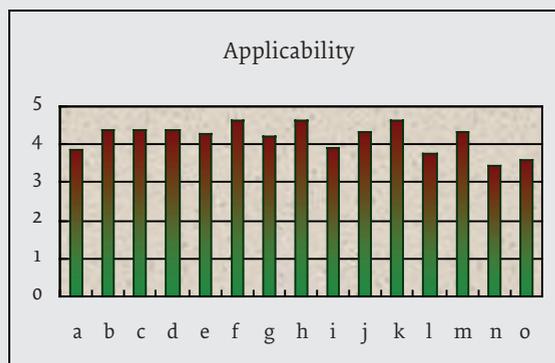
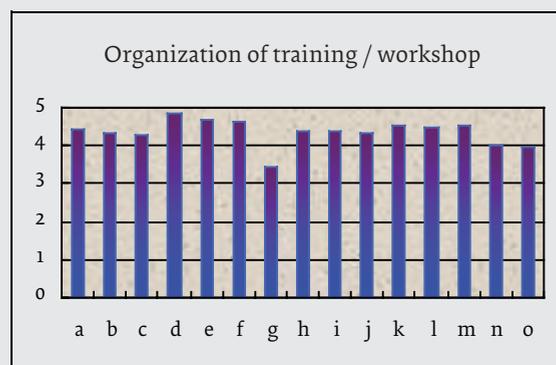
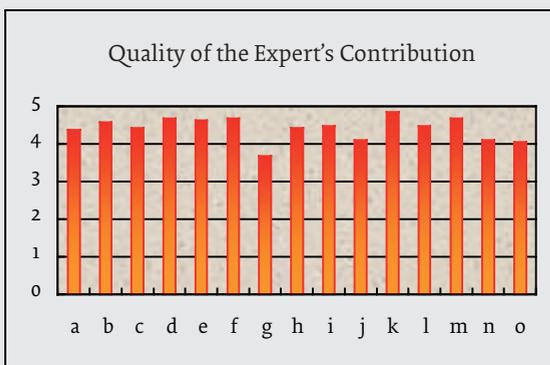
It is clearly the focus of what DECP is all about. Yet even a change in the law following sustained advocacy efforts by DECP's partner (using e.g. a DECP supported inquiry among its members) will be difficult to present as an 'outcome' of DECP intervention. And even if such a relationship could be established, it may be unwise to express that causality too openly. It is much better to applaud the government for such a brilliant insight.

Yet there is one type of result that, although it still is not outcome, is beyond output. That is how our output is evaluated by the recipients. So far, DECP has not yet conducted a formal evaluation of advisory missions.

Some of this has been done during the Mid Term Review that was conducted by MDF in the beginning of 2009. The survey MDF had conducted soliciting the views of DECP's partners, showed clear appreciation.

Trainings and workshops are generally evaluated using an evaluation form. The most important results on a 5 point scale of 15 training and workshop evaluations in 2009 are presented in the following graphs (each training or workshop is in each of the four graphs indicated by the same alphabetical letter). The average results over the 15 trainings/ workshops are as follows:

- Quality of the expert's contribution: 4,41
- Organisation of the training / workshop: 4,35
- Applicability of trained content: 4,18
- Beneficial to the partner organisation: 4,28





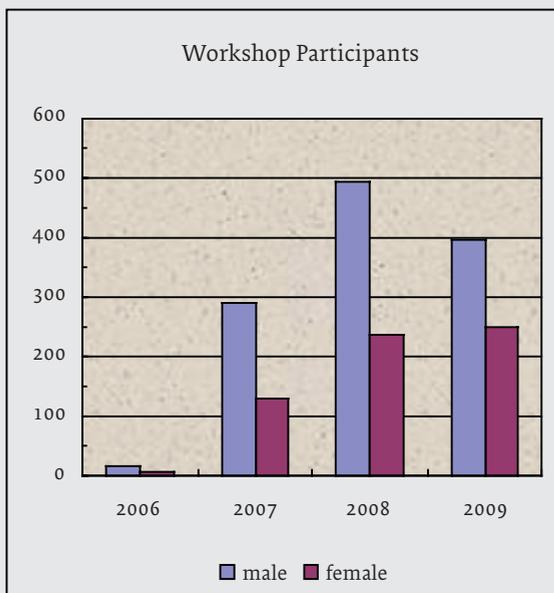
Vietnamese participants at the training 'Start your own Business'

## The talent of Women

There is another specific item to be mentioned. Simply for the fact that too often in far too many countries the talents of half the population are overlooked or simply neglected: the talents of women.

We are very pleased that in a number of partner countries DECP has also found a partner in the Women Business Organisation alongside the apex employers' organisation.

DECP wants to mobilise the talents of women, so do women participate in our trainings and workshops? The graph shows that over the years, they clearly do! Activities that were organised for women include a training 'Start your own business' given by the Women Entrepreneurs Council in Vietnam and management trainings for women organised by the Indonesian EO APINDO in West Java. Initial contacts have been made in Albania, Burkina Faso, Burundi, Mali and Kosovo with Women Business Organisations.



## DECP in cooperation

### Dutch partners

DECP is one of The Netherlands' development programmes directed towards private sector development. While others, like PUM and CBI, support companies and FNV Mondiaal and CNV International support trade unions, DECP is primarily focussed on improving the business climate. And we are in close contact with Dutch organisations like Yente, who brings together businesswomen in The Netherlands and business women in developing countries. Yente allowed DECP the opportunity of presenting itself to a visiting (October 2009) group of businesswomen from Peru and Bolivia, whereby DECP stressed the importance of getting organized as business people and creating employers' organisations.

DECP and its Dutch partners in private sector development regularly meet in a PSD-platform and since every participant in this platform is more or less unique, they fit together like the pieces of a jigsaw puzzle. Each piece is clearly focussed, together they make the whole picture.

As of March 25th, 2010 all partners participate in the website [www.trade2gether.nl](http://www.trade2gether.nl)

In every country in which DECP is actively supporting the main employers' organisation, we are in close contact with The Netherlands Embassy. Without their marked support and detailed and up-to-date knowledge of the local situation, DECP would not be able to do its job. We are very grateful for their continuous support.

### *International partners*

Right from the start in early 2006, DECP has closely cooperated with the training centre of the ILO in Turin (ITC/ILO). Over the years ITC/ILO and DECP have conducted many multi-day trainings on Effective Employers' Organisation, on Lobby and Advocacy, on Resource Mobilization and on Membership Services - locally, in the region as well as in Turin.

DECP also works closely with the International Organisation of Employers (IOE) and its bureau for employers' activities ACTEMP.

DECP and IOE/ACTEMP/ITC are not the only ones who are in support of employers' organisations. DECP has taken the initiative to bring together the EO-support organisations from Denmark, Norway, Sweden and Germany together with ACTEMP and DECP. Since June 2009 representatives meet, exchange experiences and ideas, twice a year. In the first meeting, hosted by DECP in Amsterdam, it became immediately clear that although we are all in support of employers' organisations, we are certainly not copies of one another. There are marked differences in for example the way we are funded, in the choice of countries and in the way we conduct our support. It is the variation that not only gives greater meaning to our meetings but also generates possibilities of cooperation. One such possibility is already bearing fruit in Tanzania, where DECP with the marked support of Danida (Denmark), has been able to bring together the employers' organisations of the countries that constitute the East African Committee (EAC).

### *Dutch companies and organisations that supported the work of DECP in 2009:*

1. Staff member of VNO-NCW assisted MONEF (the Mongolian EO) in a Round Table on a new labour code
2. AWWN assisted in workshops on negotiation techniques for PSF Rwanda and FUE Uganda.
3. Communication bureau Kimmunication led a workshop on communication for the Women Entrepreneurs Council in Vietnam
4. Communication bureau Hoeksjan led a workshop on communication tools for VSB in Suriname
5. Communication bureau Hoeksjan wrote a DECP brochure on communication
6. Aranda Marketing & Communicatie advised CADIN in Nicaragua on their website and newsletter and led a workshop on communication and image building in that same country for all branch organisations of COSEP
7. Paul Veldkamp of Fase2 advised the ZFE in Zambia on the lay-out of their newsletter.



*DECP colleagues Jean-Marie Standaert and Thieu Korten with Hedwig Kowsoleea, the local PUM representative in Cochabamba, also active as DECP representative*



## Chapter 3 - Looking

Based on the experience gained in the pioneering years 2006 to 2009 and the recommendations that were made to DECP as part of the outcome of the Mid-Term Review by MDF-Training and Consultancy, DECP has presented a businessplan to the Minister for Development Cooperation for the years 2010 – 2013. On the basis of that plan DECP has been granted financial support for the years 2010 – 2012. The year 2013 will be the first year of DECP's third term and the plans for that period will be subject to an overall governmental policy framework focussing on private sector development in the target countries of Dutch development cooperation. DECP very much welcomes the construction of such a policy framework, because it brings private sector development to the very centre of development cooperation.

Private sector development is the prime focus of what DECP is doing and will be doing in the forthcoming years. Private sector development in whatever country – even in the best developed countries – needs employers' organisations to speak on behalf of the business community experiencing in real life and on a day-to-day basis how rules and regulations (and lack of rules and regulations) influence the performance of their business, the employment they create and the wages they can pay.

In our Businessplan the DECP country managers have set out – country by country - the actions that in their view need to be undertaken to enhance the capacity of 'their' employers' organisations to promote the interests of the business community. The EOs should do

# ng forward

this independently from external funding, based on up-to-date and accurate knowledge of how their members judge the business climate and based on an spirit of cooperation towards their government and the trade unions. This will promote respect for human well-being and environmental care among their members.

But DECP will not only act on a 'country by country' basis. In a global market economy in which regional cooperation is becoming more and more important, special attention needs to be paid to bringing employers' organisations together. Getting better acquainted, share best practices, exchange views, cooperate in research and in advocating common employers' interest to regional authorities. So, DECP's Businessplan also holds specific actions that bring employers' organisations together, to cooperate in the betterment of the business climate in their respective countries and in their region. There is a lot of work to be done, especially by our partners in the target countries of The Netherlands' development cooperation.

Over the years 2010 -2012 DECP's Businessplan foresees the following (output-)activities:

- on a country by country basis:
  - 121 advisory missions
  - 88 workshops and trainings
  - 80 mixed activities (advisory mission in combination with training/ workshop)
  - 36 conferences

· on a regional level:

- 27 regional training courses
- 9 regional thematic training courses for senior staff of employers' organisations
- 6 regional meetings / conferences for top management of employers' organisations.

But of course all this is a means to an end. DECP is not about trainings or conferences. We are about strengthening employers' organisations in their actual capacity to promote the interest of private business and to enhance the doing business climate for the benefit of all. Within the limit of our financial means we will do what it takes, while realising that we also depend on the absorption capacity of our partners.

DECP is deeply pleased by the fact that so many employers' organisations have already welcomed our support and more and more enter into a relationship of the kind of mutual trust that is needed to address more delicate items. It is, in DECP's view, the best way to move from output to outcome.

We thank our partners for their trust and cooperation in the past years and feel ourselves very much supported by that trust and cooperation in the years ahead.

# The DECP organisation

In October 2009, a new Treasurer was elected in the board of DECP. Mr. Cees van Woudenberg, former Chairman of AWWN, resigned and he was replaced by Mr. Fokko Keun, present Chairman of AWWN.

The present composition of the board is :



Bernard  
Wientjes,  
Chairman of  
VNO-NCW  
(Chairman)



Loek Hermans,  
Chairman of  
Royal MKB-  
Nederland  
(Vice-chairman)



Fokko Keun,  
Chairman of  
AWVN  
(Treasurer)



Albert Jan Maat,  
Chairman of LTO  
Nederland  
(Member)



Elco Brinkman,  
Chairman of  
Bouwend  
Nederland  
(Member)



Jan Kamminga,  
chairman of  
FME-CWM  
(Member)



Niek Jan van  
Kesteren,  
Director general  
of VNO-NCW  
(Member)



DEC Senior and Office Management

**Design**

Fase2, Arnhem, Paul Veldkamp  
[www.fase2.org](http://www.fase2.org)

Binnenkant achterpagina