

## Civil Society and Social Development in Pakistan

How the State can support its development through effective regulation.<sup>1</sup>

### EXECUTIVE SUMMARY

Civil society and citizen's participation in civic causes has a long tradition in South Asia. Pakistan's freedom movement was advanced by hundreds of citizen groups organized in various professional forums (lawyers, students, women groups) and cultural and literary bodies who worked in their own domain alongside the political cadre of the Muslim League. The welfare and civic role of these non-political bodies is well documented in Pakistan's freedom movement literature, the most prominent being Sir Syed Ahmed Khan's Muslim Educational Conference which established Ali Garh Muslim University in 1885 (then college) which played a key role in the formation of the Pakistan Muslim League in 1906 and then in the Pakistan movement itself.

Reflecting on this long tradition, civil society in Pakistan today is comprised of a wide range of organizations, associations, individuals, and movements. The role of civil society organizations (CSOs) in the country has increased over the past three decades, and more recently, natural calamities have further expanded the funding and presence of CSOs. Already in 2002, the Asian Development Bank (ADB)

estimated that there were some 45,000 active CSOs employing 250,000 people and this number is likely to be much higher today. These CSOs help poor Pakistanis to get food, provide medication and ambulance services to those in need, support citizens to enjoy their constitutional rights, provide education, clean water and sanitation facilities to the underprivileged, support orphans and provide shelter to the homeless and needy. All sectors of society support and work for CSOs, be they religious, conservative, liberal, from cities or from the countryside.

However, due to some recent incidents, NGO sector's public perception has been tarnished and a large part of conservative sections of society and influential segments of Urdu press do not really understand the sector in its true sense.<sup>2</sup> Some of these concerns are valid too and are related to the lack of engagement of the NGOs with mainstream political parties, non-transparency in the way they raise and spend funds and lack of explanation on how they make decisions about their strategic choices to work in a particular geography or technical area. Then there are additional concerns on terrorism financing raised by international regulatory bodies like Financial Action Task Force (FATF) which have resulted in Pakistan's

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<sup>2</sup>Civil society is not entirely interchangeable with NGOs or the non-profit sector, and rather includes these organizations within its purview. In this paper, they are used interchangeably, unless otherwise specified.

## CIVIL SOCIETY IN PAKISTAN

### Context

The United Nations (UN) defines civil society as a “third sector” of society along with government and business, and notes that it includes CSOs and NGOs.<sup>3</sup> The World Health Organization further elaborates that civil society “refers to the space for collective action around shared interests, purposes and values, generally distinct from government and commercial for-profit actors,” and includes “charities, development NGOs, community groups, women's organizations, faith-based organizations, professional associations, trade unions, social movements, coalitions and advocacy groups”. It further notes that civil society is not homogenous and given its interactions and linkages with government bodies and other private sector entities, often strict defining lines can be blurred.<sup>4</sup> However, as the World Economic Forum (WEF) highlights, civil society is broadly speaking outside the market and state, encompassing a wide range of entities including NGOs, social movements, religious groups, labor unions, and even online communities. The WEF cautions that while civil society is vibrant and active, it faces increasing restrictions all over the world, especially in countries where it is deemed to be a threat to the state.<sup>5</sup> This is true in the case of Pakistan as well.

That said, civil society organizations exist and thrive in every country, where they help to raise voices for the poor and marginalized, assist governments in providing services, develop innovative methods to help communities in times of need, and advocate for laws and policies for the sake of populations. Pakistan has a rich history and continuing tradition of civil society, with, among other organizations, well-known small and large NGOs, philanthropic and charitable bodies, and networks of schools and hospitals. The various civil society institutions operate under different mechanisms; they may be short-term projects or NGOs funded by grants from multilateral organizations such as the United Nations or World Bank, or development agencies of individual countries such as the United States Agency for International Development (USAID), the UK Department for International Development (DFID), or a combination of such organizations. Other organizations may be funded locally, such as through charity and donations from people.

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<sup>3</sup><https://www.un.org/en/sections/resources-different-audiences/civil-society/index.html>

<sup>4</sup>[https://www.who.int/social\\_determinants/themes/civilsociety/en/](https://www.who.int/social_determinants/themes/civilsociety/en/)

<sup>5</sup>“The Future Role of Civil Society,” World Economic Forum, January 2013.

government putting in place a rigorous framework to regulate the sector. This has somewhat restricted the work of many charity organizations, CSOs and NGOs. These are early days and the policies are still unclear for both members of the civil society as well as Government officials whose job is to implement rules uniformly.

In order to manage the trust deficit between the Government and the civil society and enable effective working of the sector, four points should be considered:

(One) The idea of an organized civil society working for the betterment of the people is rooted in South Asian and Islamic traditions, and Pakistani history.

(Two) Civil society organizations in Pakistan have worked with the state in many sectors to tackle development challenges in health, education, disaster relief, and governance. They engage with citizens as well as with the government, foreign donors and development agencies.

(Three) Most of the civil society recognizes the need for effective mechanisms for registration, regulation, oversight, and documentation. Parliament's various committees should have an effective oversight over the working of national and international NGOs. That would need clear procedures and transparent and uniform mechanisms in place so that right and updated information is made available to authorities, parliament as well as concerned NGOs on regular basis and without delays. The current procedure is complicated and lacks a constant dialogue as well as redressal forums for NGOs. The procedures should be streamlined in consultation with CSOs to ensure that development work continues without obstacles, and with simpler regulation mechanisms.

(Four) One suitable approach for CSO registration and regulation can be through the inclusion of relevant CSOs such as the Pakistan Center for Philanthropy in the process of managing CSO operations in the country through procedures such as certifications. This can be done with the collaboration of a government department, which in turn should be a one-window operation that can simplify the requirements of registration and documentation. Such models are used in other countries.

CSOs have made tremendous contributions in multiple sectors in Pakistan. Effective development work by such organizations, however, requires a conducive working environment, which in part is the responsibility of the state. The state and civil society after all share an interesting relationship since they work together in some ways, while in other ways civil society is seen as keeping checks and balances on state policies. While the presence and role of CSOs has been increasing, recent years have been marked by enhanced regulation of the civil society sector in the country.<sup>6</sup>

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### South Asian Context for Social Giving

The tradition of civil society is built into the historical fabric of Muslim South Asia, and finds representation among thousands of charitable organizations and NGOs working in Pakistan today. As noted above, civil society operates in multiple forms, comprising, among other entities, local and international NGOs and projects, and organizations funded through charity. Educational organizations such as The Citizens Foundation (TCF), hospitals operating under the Shaukat Khanum Memorial Trust, and the social welfare network of Edhi Foundation are just some of the larger and visible projects assisting millions of Pakistanis every day. In doing so, they continue the precedent set by education trusts, literary societies, community organizations, charitable bodies, women's organizations, and reformers in South Asia's rich history of civil society. As a result, South Asia boasts of much charitable giving. In the 2014 World Giving Index, for instance, it emerged that India has the highest number of overall people donating to charities and volunteering for social causes, while Pakistan was ranked sixth for charitable donations.<sup>7</sup>

### Pre-1947 History of Civil Society in South Asia

While institutions such as endowments (waqfs) have long been part of the interaction between states and societies, enabling people to work on education and

health such as during the Mughal era,<sup>8</sup> we need to only look at examples from British India to understand the role of civil society. Consider for instance the work of Sir Syed Ahmed Khan, whose Educational Society was rooted in tradition, informed by global trends, had clear aims for development, engendered a deep sense of community for Muslims without discriminating against other religions. In these, and other ways, Sir Syed can be regarded as both an ideal and a starting point for civil society in Pakistan. The famed madrasa at Deoband was entirely funded by Muslim individuals and communities, with the aim of preserving religious traditions in uncertain times. Muslim educational organizations such as the Nadwat-ul-Uloom that emerged quickly after were aiming to keep contact with both the people and the state as they developed modern religious curricula for Muslims. They also accepted financial support from the British, against whom they sometimes spoke up. Acceptance of financial help did not mean subservience to a foreign power.<sup>9</sup>

This was the context in which Sir Syed's vision for a pluralistic civil society that sought to work for community development, collaborate with the state, and convince it to take certain actions, was honed and nurtured. With the goal of educational reform for Muslims in a modern multicultural society where mutual respect and tolerance is paramount, he founded the MAO College in 1875 and several other associations for education.<sup>10</sup> This was civil society in action, as it included raising funds, cooperation with and dissent against the government, raising awareness, advocacy for change, and developing institutions. It is no surprise that MAO College, or Aligarh Muslim University as it became, has such an important position in the annals of Indian and Pakistani history. It was part of a period of proliferation of civil society organizations during the British Raj in which, for instance, the Societies Registration Act (SRA) was approved in 1860 to confirm their legal status as the need for some form of regulation had by then become necessary.<sup>11</sup>

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<sup>6</sup>Civil society is not entirely interchangeable with NGOs or the non-profit sector, and rather includes these organizations within its purview. In this paper, they are used interchangeably, unless otherwise specified.

<sup>7</sup>Filippo Osella, "Charity and philanthropy in South Asia: an introduction," *Modern Asian Studies*, 52, 1 (2018), pp. 4-34. [http://sro.sussex.ac.uk/id/eprint/75763/1/MAS\\_Introduction\\_final\\_3.pdf](http://sro.sussex.ac.uk/id/eprint/75763/1/MAS_Introduction_final_3.pdf)

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<sup>8</sup>Gregory C. Kozlowski, "Imperial Authority, Benefactions and Endowments (Awqāf) in Mughal India," *Journal of the Economic and Social History of the Orient*, Vol. 38, No. 3, The Waqf (1995), pp. 355-370

<sup>9</sup>For instance, see Barbara Metcalf, *Islamic Revival in British India* (Princeton: Princeton University Press, 1982).

<sup>10</sup>Amjad Abbas Khan, "Sir Syed Ahmad Khan and his Pluralistic Vision," *Pakistan Vision* Vol. 19 No. 2, pp. 106-118, [http://pu.edu.pk/images/journal/studies/PDF-FILES/Article\\_7\\_v19\\_2\\_18.pdf](http://pu.edu.pk/images/journal/studies/PDF-FILES/Article_7_v19_2_18.pdf)

<sup>11</sup>"Overview of Civil Society Organizations: India," ADB Civil Society Briefs.

<http://www.indiaenvironmentportal.org.in/files/CSB-IND.pdf>

## Civil Society in Pakistan since 1947

Following this longstanding tradition, immediately after independence several civil society organizations helped to establish social sectors in the new country and to accommodate swathes of migrants and refugees. Free medical care, dispensaries, maternity homes, hospitals, Girl Guides, Red Cross and National Guard were all among early civil society operations, and the All Pakistan Women's Association (APWA) was founded as early as 1948.<sup>12</sup>

Since then, Pakistan has been home to several famous CSOs. Some emerged during the most troubling times in the country. For instance, in the late 1970s, over 200 organizations were established in Khyber Pakhtunkhwa (erstwhile NWFP) and Balochistan to help millions of Afghan refugees. The 1980s saw significant organizations emerge, such as the Aga Khan Rural Support Programme (AKRSP) and the Karachi-based Orangi Pilot Project. Government institutions were also modeled after these civil society institutions, such as the provincial Rural Support Programmes.<sup>13</sup> Civil society is often stifled under military regimes, but these are also periods when some of the most dynamic, vibrant, and vocal civil society movements emerge. This was the case during the 1980s, and since then NGOs have become more visible as their roles in the development of the country expanded in the 1990s and the early 2000s. In fact, in some sectors such as rural development, the civil society sector was encouraged to take up the mantle ahead of the government.<sup>14</sup>

The democratic governments of the 1990s shared a rather good relationship with CSOs, and the period saw the rise and consolidation of institutions such as Rural Support Programs, health and education foundations, and initiatives such as the Edhi Welfare Trust, Orangi Pilot Project, and the Aga Khan Foundation. The 1990s also saw government interventions such as the Social Action Program (SAP) that brought together state and non-state funding for development objectives.<sup>15</sup> The military government of the 2000s continued with the expansion of civil society for social development, and Pakistan's role in the anti-terror campaign brought foreign funding to the sector as well. These years were characterized by increasing interest in citizen community boards and development of public-private partnerships.<sup>16</sup> However, in recent years, for national

security concerns, the government has amplified the regulatory mechanisms governing the sector.

## The current context of civil society in Pakistan

The Asian Development Bank (ADB) estimates that there are some 45,000 active CSOs employing 250,000 people helping millions of people in a range of sectors. The number is likely to be much higher now, as the ADB (and almost every other report since) uses a 2002 estimate.<sup>17</sup> It is likely that since 2002, the number of CSOs in Pakistan has increased substantially since circumstances have required active civil society presence in the country.

Foreign donor funding has been important in the work of CSOs, though the extent of this support has not been consistent. In general, there has been a growth in donor funded initiatives over the past three decades, and especially since the events of September 11, 2001. This is due in part to the increased interest in Pakistan globally, given its role in the anti-terror campaigns, while the concerns of refugees, and events such as major natural disasters also played a role in the increase in funding for development. However, due to the enhanced regulatory measures, many people in the CSO sector believe that it is being constrained.

(Two) Civil society organizations in Pakistan have worked with the state in multiple sectors to tackle key development challenges, such as in health, education, disaster relief, and governance. They have also developed and honed mechanisms for initiatives such as citizen engagement, and have shared a fruitful association with the government, as well as with foreign donors and development agencies.

Civil society organizations have long played an important role in Pakistan's development. Their role has been visible in several areas: advancing human rights, running organizations for health and education, providing relief to populations affected by displacement and natural calamities, etc. It is natural that the emphasis of CSOs, much like governments, varies at different times. For instance, advocating for democracy and citizen rights is more evident during military dictatorships, while relief work is significant at times of natural calamities. That said, traditionally, the focus of civil society in Pakistan has generally been

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<sup>12</sup>"Overview of Civil Society Organizations: Pakistan," ADB Civil Society Briefs.

<https://www.adb.org/sites/default/files/publication/28971/csb-pak.pdf>

<sup>13</sup>Ibid.

<sup>14</sup>Nikhath Sattar, "Has Civil Society Failed in Pakistan?" Social Policy and Development Centre, Working Paper Number 6, 2011.

<sup>15</sup>Richard Batley, Maliha Hussein, Abdul Rasid Khan, Zubia Mumtaz, Natasha Palmer, and Kevin Sansom, "Pakistan: Study of Non-State Providers of Basic Services," Department for International Development (August 2004).

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<sup>16</sup>Masooda Bano, "Whose Public Action? Analysing Inter-sectoral Collaboration for Service Delivery - Pakistan Country Review: History of State-NSP relations," Economic and Social Research Council (February 2007).

<sup>17</sup>"Overview of Civil Society Organizations: Pakistan," ADB Civil Society Briefs. This estimate of 45,000 comes from a 2002 study conducted by the Social Policy and Development Centre, and comprises "private, self-governing, voluntary organizations that do not distribute profits. It includes organizations registered under various laws as well as unregistered agencies. However, religious worship organizations, labor unions, and professional associations are excluded from the total."

on human rights – including the rights of women, minorities, labour and children – as well as social development – such as in education, health, and rural areas.<sup>18</sup> In this section, some relatively recent contributions of civil society to various sectors in Pakistan, including the achievements of some well-known organizations, are highlighted in order to demonstrate how millions of Pakistanis have been, and continue to be, beneficiaries of the work of civil society directly and indirectly.

## Disaster relief and disaster preparedness

Disaster relief efforts have been among the most important areas where CSOs have demonstrated their value to Pakistan, helping rebuild the lives of hundreds of thousands of affected citizens. In the past two decades, there have been natural calamities, including earthquakes and floods, that have created multifaceted and complex emergencies. This required financial support, coordination, expertise, and committed people working for the rehabilitation and immediate, as well as long-term, support of millions. CSOs, in their collaboration with the government, local NGOs, foreign donors and NGOs, and raising funds from people all over the world over a period of years, have been at the forefront of post-flood efforts in 2010 and post-earthquake efforts in 2005 – two of the worst natural disasters in recent memory.

### a. Flood Relief 2010

The 2010 floods led to a loss of over 1,700 lives and displacement of some 20 million people. Relief efforts included rehabilitating entire populations, and rebuilding infrastructure, agriculture, and livelihoods. Comprehensive planning and coordination between multiple stakeholders was badly needed, and the government required support of CSOs and foreign donors. State agencies such as the National Disaster Management Authority (NDMA) recognized the importance of CSOs and international partners. A network of NGOs at the ground level was engaged to ensure workable plans for rehabilitation.<sup>19</sup> Agencies such as the UNDP could start immediate work in part due to the collaboration with local NGOs and government departments.<sup>20</sup>

<sup>18</sup><https://www.chre.pk/downloads/Civil%20Society%20in%20Pakistan%20Presentation.pdf>

<sup>19</sup>“Pakistan Floods 2010: Preliminary Damage and Needs Assessment,” Asian Development Bank and World Bank, November 2010, <https://www.pdma.gov.pk/sites/default/files/DNA-Floods-2010.pdf>

<sup>20</sup>“UNDP Early Recovery Programme (ERP),” <https://www.undp.org/content/dam/pakistan/docs/CPRU/Early%20Recovery/End%20of%20the%20Project%20Review%20Report-%20UNDP%20Floods%20Early%20Recovery%20Programme%202010.pdf>

Similarly, the Rural Support Programmes Network (RSPN) worked on several projects across the country, and was empowered due to the mutual trust it shared with the government and foreign donors. It was able to become an effective partner for agencies such as the NDMA.<sup>21</sup> The NDMA affirmed that capacity was a major issue for all stakeholders, given the scale of the devastation caused by the floods. This required long-term coordination and commitment, and thus a sustained presence of INGOs and UN agencies, as well as support to local CSOs.<sup>22</sup> Both local and international NGOs worked tirelessly for affected communities in the immediate aftermath,<sup>23</sup> and played a part in coordinating the efforts of volunteers – important members of the civil society – who also rushed to help.<sup>24</sup> In fact, the efforts were diverse and included future planning, such as mapping flood relief activities, affected communities, and monitoring policies so that the country could be better prepared in the future. The Lahore University of Management Sciences' Flood Mapping exercise with the support of CSOs also mapped the needs of NGOs and monitored their work, making them accountable to donors, citizens, and the government alike.<sup>25</sup>

### b. Earthquake Relief 2005

Only some years before the floods, in 2005, Pakistan had faced a similar disaster in the shape of a devastating earthquake in Azad Jammu and Kashmir and other northern regions, in which some 87,000 were killed, another 140,000 injured, while 3.5 million people were rendered homeless and over 500,000 households were affected in numerous ways. This was an “unprecedented catastrophe” and one that the government could not be expected to – and did not have the funds or expertise to – manage on its own. The government and international agencies relied on experienced CSOs with local networks for disaster management, multidimensional expertise, and ties with foreign agencies, development partners, and the government.<sup>26</sup> As a result, they were and remain credible and valuable resources to help millions of people in the country in times of need. As Sarwar Bari writes, the role of local and international NGOs (as well as the military and the government) was commendable and they continued their work over a decade later as

<sup>21</sup>Nathaniel Gronewold, “After the Pakistan Floods, Why Relief Help Was Slow to Arrive,” *Scientific American*, October 16, 2010. <https://www.scientificamerican.com/article/in-pakistan-floods-scale/>

<sup>22</sup>“Pakistan 2010 Flood Relief – Learning from Experience,” National Disaster Management Authority, 2010, [http://ndma.gov.pk/Documents/flood\\_2010/lesson\\_learned/Pakistan%202010%20Flood%20Relief-Learning%20from%20Experience.pdf](http://ndma.gov.pk/Documents/flood_2010/lesson_learned/Pakistan%202010%20Flood%20Relief-Learning%20from%20Experience.pdf)

<sup>23</sup><https://www.care.org/emergencies/pakistan-flood>

<sup>24</sup><https://www.dw.com/en/pakistani-volunteers-bring-relief-to-flood-victims/a-6042657>

<sup>25</sup><https://floodmaps.lums.edu.pk/>

<sup>26</sup>“Response to the earthquake in Pakistan in 2005,” ODI, May 2006, <https://www.odi.org/publications/380-response-earthquake-pakistan-2005>

well, as has been lauded by affected populations.<sup>27</sup>

## Social Sectors: Education and Health

The everyday work of CSOs has become an integral part of Pakistan's social development requirements, harnessing people's skills and charity, and offering daily services across the country to millions of people. This is particularly true for CSOs working in social sectors such as health, education, and water and sanitation. Arguably, these are areas where CSOs in Pakistan are most active, enabling marginalized Pakistanis to gain access to education and health.<sup>28</sup> These are also sectors where the nature of work means that lines between NGOs and CSOs, foreign agencies, people and their charity, and government departments are often blurred, since they depend on collaboration, institutional and legislative support, and sharing of ideas and policies. Below, a brief overview highlights the work of some important CSOs in these sectors.

### a. Education

In the education sector, CSOs have become increasingly significant, joining hands with the government and private sector as well. Given the massive gaps in education – low literacy, enrolment and retention rates; poor infrastructure; low quality; issues of access; curriculum development; gender imbalances; resource constraints etc. – the role of CSOs is both inevitable and necessary. NGOs have become more innovative and collaborate with each other and with the government that can help Pakistan to achieve universal primary and secondary education. In doing so they are coming up with models and approaches for education and management that offer tremendous lessons.<sup>29</sup> The government has also recognized this, and public-private partnerships (PPPs) have become more common, such as through the Punjab Education Foundation and Sindh Education Foundation. Moreover, projects such as Alif Ailaan have in recent years raised awareness, developed statistical information, and provided policy guidelines for the sector.<sup>30</sup> The efforts of CSOs in education go beyond service delivery, and include other aspects such as advocacy, research, curriculum development, teacher training, and provision of water and health support to schools, etc.

The work of The Citizens Foundation (TCF) has been rightly highlighted in recent years. It has provided a model for educating disadvantaged Pakistani children, raising funds from organizations and ordinary citizens

alike, as well as tapping into the Pakistani diaspora abroad – which comes from the trust it has developed in people's minds as a credible organization.<sup>31</sup> TCF seeks to embed itself in the community where it establishes its institution.<sup>32</sup> A quick look at TCF's approach, work, and achievements reveals why it has managed to build this reputation – with the knowledge that it is not the only, or even the most important such organization, and others that follow different approaches have also achieved similar success.

### b. Health

CSOs fill essential gaps in service, while also providing substantive support in research, fundraising, advocacy, and provision of goods including medicines. As above, only one organization is being highlighted in the case of health, even as there are dozens similarly large CSOs working for health, in addition to the tremendous work of small and localized CSOs, individuals, and international actors that work with the government at all levels.

The Shaukat Khanum Memorial Trust (SKMT) has built a name for itself in a relatively short duration. It represents an organization that brings together multiple areas of development work – international collaboration, work with the government, engaging citizens, building expertise and training, raising awareness, providing services, and operating as a network through which millions are being positively affected every day. SKMT, much like other organizations such as TCF, has developed multiple means to engage people and gain their support. Thus, it counts on zakat donations, other charitable acts, sponsoring of patients, meal donations, and sponsorship of new projects and new equipment. It also avails modern technology to raise awareness, gain donations, and enable people to quickly donate to its causes.<sup>33</sup>

Both TCF and SKMT (as well as all other organizations) use social media and seek the support of celebrity volunteers and spokespeople to raise awareness and funds. Thus, they have grown with time, remained relevant, and expanded their services.

<sup>27</sup>Sarwar Bari, "Thirteen years later," *The Express Tribune*, October 7, 2018, <https://tribune.com.pk/story/1820100/6-thirteen-years-later-2/>

<sup>28</sup>See for instance:

<http://spdc.org.pk/Data/Publication/PDF/WP6.pdf>

<sup>29</sup>[https://lums.edu.pk/sites/default/files/research-publication/the\\_role\\_of\\_ngos\\_in\\_basic\\_and\\_primary\\_education\\_in\\_pakistan\\_-ngo\\_pulse\\_\\_0.pdf](https://lums.edu.pk/sites/default/files/research-publication/the_role_of_ngos_in_basic_and_primary_education_in_pakistan_-ngo_pulse__0.pdf)

<sup>30</sup><https://www.alifailaan.pk/>

<sup>31</sup>See for instance TCF's website for the USA: <https://www.tcfusa.org/>

<sup>32</sup><https://www.tcf.org.pk/>

<sup>33</sup><https://shaukatkhanum.org.pk>

## Support to marginalized communities

An essential aspect of CSOs' work includes collecting information and disseminating it, advocating for causes with the government and international actors, and ensuring the rights of marginalized people in the country. Organizations such as the Human Rights Commission of Pakistan (HRCP) are significant in highlighting such issues, bringing the focus to marginalized groups, and aligning the national discourse with global discourses and developments.<sup>34</sup>

Certain religious groups, women, minorities, the transgender community, victims of abuse, refugees, etc. are all marginalized groups that CSOs have been working with. The women's rights movement in Pakistan is intimately tied with the civil society, and support to transgender communities is a recent aspect of CSOs' work. The list is indeed endless, and only a brief profile of one organization that has been tirelessly working to help the needy, oppressed, ignored, and thus marginalized, is given below to demonstrate the extent to which civil society has been protecting the rights of millions of Pakistanis.

The Edhi Foundation is perhaps the most widely respected philanthropic body in Pakistan, and an example of how philanthropic and charitable passions can be harnessed to establish a professional organization that changes the lives of millions every day. In its support to the marginalized, the work of the Edhi Foundation is multifaceted, and its initiatives and projects help disadvantaged groups at different levels.

Given this diverse range of activities, Edhi Foundation has also established numerous ways to receive charitable donations, and collaborated with government departments and other CSOs in different ways.<sup>35</sup> Overall, it provides a unique platform from which to learn social work, and is an example of how CSOs are active agents of change, filling gaps in social welfare and protection, and catering to the needs of the marginalized.

## Democracy, governance, and support to legislature

As opposed to contributions in health, education, disaster relief, and other areas that require visibility, institutions and infrastructure, and thus where the role of CSOs is acknowledged, there are other areas where their contribution has been immense. Support to governance and legislature, and advocacy for legal changes that improve the social, political, and

economic well-being of the population, are among such areas. Support to democratic governance, establishing and disseminating best practices, supporting electoral reforms, conducting electoral research, training of and support to parliamentarians and other elected representatives, and developing frameworks for monitoring and accountability of the political process, are all linked activities that have been the forte of certain CSOs.

Pakistan Institute of Legislative Development and Transparency (PILDAT), an independent think tank, focuses on political and public policy research. In addition to its research for democratic growth, it provides capacity-building and issue-based briefings to elected government representatives, prepares youth for political life, and attempts to hone the political process by engaging citizens such as through public discussions.<sup>36</sup> Other organizations complement such work in this domain as well. For instance, the Centre for Peace and Development Initiatives (CPDI) works on diverse issues, including the promotion of rule of law, transparency and access to information.<sup>37</sup>

The work of Free and Fair Election Network (FAFEN) is also broadly within the same realm, but with different objectives. Founded as a coalition of 30 national CSOs with some initial foreign support, FAFEN has since 2008 been working to oversee election processes and recommend reforms to political parties and institutions. Its work has also been acknowledged by political parties and the Election Commission of Pakistan, demonstrating how CSOs and government institutions can and need to work together for a common goal.<sup>38</sup>

## Employment generation and skills training

Several CSOs work to provide employable skills to disadvantaged Pakistanis, or institutional support to ensure that people can earn livelihoods. This includes wide-ranging work in agriculture, rural development, industrial support, and even infrastructure development.

Rural Support Programs (RSPs) are lauded as effective programs run on the model of the Aga Khan Rural Support Program (AKRSP), which includes collaboration with the government.<sup>39</sup> Efforts in employment generation by CSOs in rural areas have focused on areas other than agriculture. The National Rural Support Program (NRSP) for instance, has multiple activities, including research, mobilization,

<sup>34</sup><http://hrcp-web.org/hrcpweb/>

<sup>35</sup><https://edhi.org/>

<sup>36</sup><https://pildat.org/about-us>

<sup>37</sup><https://www.cpdipakistan.org/legislative-watch-and-democratic-development>

<sup>38</sup><https://fafen.org/>

<sup>39</sup>Jennifer Bennett, "Development Alternatives: NGO-Government Partnership in Pakistan," SDPI Working Paper Series No. 30, 1998, <https://www.sdpi.org/publications/files/W30-Development%20Alternatives.pdf>

infrastructure development, training, information technology, and microfinance. With an established presence all over Pakistan, NRSP works for rural development and partners with other organizations to provide livelihoods and reduce poverty. In doing so, it has developed models, fostered grassroots networks, and prepared communities to face challenges in different areas of development, while also bringing NGOs, donors, private sector organizations, and government departments to close collaboration and engagement.<sup>40</sup>

Empowering people by developing skills, and providing an initial support system through microfinance loans, has been evident in several other CSOs. The organization Behbud for instance, avails the skills of women, provides trainings, and enables them to run households, in areas such as apparel manufacture.<sup>41</sup> There are microfinance programs, albeit with different approaches, that enable people to begin businesses. Kashf Foundation and Akhuwat are two such organizations that also provide other services, including management of loans and financial training.<sup>42</sup> Other organizations focus more specifically on employable skills; Hashoo Foundation's skills development component, includes technical skills, career planning and job placement, language training, support for earning certificates, etc. for disadvantaged young people to begin professional lives.<sup>43</sup>

As this section has shown, the work of CSOs is diverse, and cuts across multiple sectors. In fact, it is impossible to separate it neatly into different thematic areas since initiatives in education necessarily impact health, and it is likely that initiatives for skills training may be more focused on gender development and thus provide larger benefits to society. In the end, what is required is an understanding that CSOs work tirelessly for the development of Pakistan, possess the localized understanding and networks, and connections with international actors and other NGOs, while also maintaining ties with the government at every level. Impeding their work means tremendous losses to the opportunities, support, and development of millions of Pakistanis. And while issues such as mistrust and suspicion, and concerns about proper registration and monitoring mechanisms of CSOs are legitimate, their solutions need to be found through collaboration as well, rather than the alternative of sidelining them. As CSOs repeatedly acknowledge, they are willing to work with government departments in this process so that their work can proceed smoothly, together with the support of the state.

(Three) Most of the civil society recognizes the need for effective mechanisms for registration, regulation, oversight, and documentation. Parliament's various committees should have an effective oversight over the working of national and international NGOs. That would need clear procedures and transparent and uniform mechanisms in place so that right and updated information is made available to authorities, parliament as well as concerned NGOs on regular basis and without delays. The current procedure is complicated and lacks a constant dialogue as well as redressal forums for NGOs. The procedures should be streamlined in consultation with CSOs to ensure that development work continues without obstacles, and with simpler regulation mechanisms.

The present regulatory framework for CSOs, in which multiple government organizations have different roles may slow down the work of civil society, while laws governing their roles are often ineffective. New policies, with streamlined procedures through one-window channel can provide a better institutional mechanism and help the civil society sector in operating smoothly.

In the wake of an incident of fake vaccination campaign in 2011 where the platform of an NGO was allegedly used, public perceptions about civil society sector greatly deteriorated. The Government was criticized for not doing enough to regulate NGOs, especially those that received foreign funding. It was in this context that the Foreign Contribution Bill 2012 was introduced in the Senate of Pakistan to consolidate the law to regulate the acceptance and utilization of foreign contribution by NGOs, whether registered or not in Pakistan, and to regulate acceptance and utilization of foreign contribution for any activities detrimental to the national interest and for matters connected therewith or incidental thereto. In 2013, through a notification, "Policy for Regulation of Organizations Receiving Foreign Contribution", the Economic Affairs Division (EAD) of the Ministry of Finance required all local and INGOs to sign a five-year Memorandum of Understanding (MoU) with the Government, in addition to providing details about projects as well as annual reports.<sup>44</sup> Furthermore, CSOs now had to obtain No-Objection Certificates for different aspects of work including travel.

Following the attack on the Army Public School in December 2014, the National Action Plan (NAP) was developed by the government in consensus with all the political forces. Item 6 of the NAP aimed at choking financing for terrorist organizations;<sup>45</sup> consequently

<sup>40</sup><https://nrsp.org.pk/about.html>

<sup>41</sup><http://behbud.org/what-we-do/>

<sup>42</sup><https://kashf.org/> and <https://www.akhuwat.org.pk/>

<sup>43</sup><http://hashoofoundation.org/thematic-areas/human-capital-development/skills-development/>

<sup>44</sup>Notification, Economic Affairs Division, Ministry of Finance, Government of Pakistan, November 28, 2013.

<sup>45</sup><https://nacta.gov.pk/nap-2014/>

concerned government authorities put a renewed emphasis on ensuring that foreign funding to CSOs was utilized for genuine purposes.

Another notification, “Policy for regulation of International Non-governmental Organizations (INGOs) in Pakistan”, was issued by the Ministry of Interior (Moi) in October 2015 which has since been used to register, monitor, and regulate INGOs. The policy shifted the power to register and regulate INGOs from the EAD to the Moi. The policy sought to ensure that CSOs receive only “legitimate foreign contributions or foreign economic assistance through legal channels and appropriately utilize these financial resources on the agreed areas of public welfare, simultaneously ensuring due monitoring, accountability and transparency of their governance, management and funding streams”. The policy also required existing INGOs to apply for registration anew within 60 days of the notification, and offered guidelines for their functioning and monitoring, including details of finances, visa policies for foreign employees, and law and order. Failure to abide by these policies, and failure to provide required information could lead to registration being revoked.

In response to criticism, the Government, argued that such measures were necessary to weed out those organizations whose work was not transparent. However, the new policy lacks clarity and many INGOs have failed to meet the requirements, resulting in rejection of registrations of many of them. In December 2017, some 29 INGOs were denied registration,<sup>46</sup> But they were given the right to appeal against the decision. Out of these INGOs, 18 were finally ordered to stop operation in Pakistan as their appeals were rejected. Civil society activists and foreign missions criticized the decision. The Ministry of Foreign Affairs defended the process of registration and noted that grounds for rejection of application were “clearly laid out in the policy document provisions.”<sup>47</sup>

In the context of CSO regulation, it is also pertinent to mention that there are multiple laws that either govern CSOs, or explicitly or implicitly require registration or some documentation. These include:

The Societies Registration Act 1860  
The Religious Endowments Act 1863  
The Trusts Act (II OF 1882)  
The Charitable Endowments Act (VI OF 1890)  
The Mussalman Wakf Validating Act 1913  
The Charitable and Religious Trusts Act 1920  
The Mussalman Wakf Act 1923  
The Cooperative Societies Act 1925  
The Mussalman Validation Act 1930  
The Voluntary Social Welfare Agencies (Registration And Control Ordinance 1961)  
The Companies Act 2017  
The Local Government Ordinance 2001  
Income Tax Ordinance 2001  
Policy for Regulation of organizations Receiving Foreign Contributions, National Action Plan 2015  
Policy for regulation of International Non-governmental Organizations (INGOs) in Pakistan 2015  
Prevention of Electronic Crimes Act (PECA) 2015.<sup>48</sup>

The fact of multiple laws being applied by several government bodies at provincial and federal levels for the registration and regulation of CSOs – specially local ones – shows the complicated environment for civil society, and the lack of clarity about how effective they can be, given the threats they can face under numerous laws.

(Four) One suitable approach for CSO registration and regulation can be through the inclusion of relevant CSOs such as the Pakistan Center for Philanthropy in the process of managing CSO operations in the country through procedures such as certifications. This can be done with the collaboration of a government department, which in turn should be a one-window operation that can simplify the requirements of registration and documentation.

There are legitimate concerns in Pakistan regarding terrorism financing, and international requirements under the Financial Action Task Force (FATF), which the country has been facing over the past several years. In addition, as this paper has highlighted, there are clear calls from within the civil society to establish simple and clear regulation policies and mechanisms for CSOs to ensure transparency, better coordination,

<sup>46</sup><https://dailytimes.com.pk/179625/ingos-not-problem/>. The numbers are not clear; while 29 NGOs are most often mentioned, Shandana Mohmand has also noted that some sources offer slightly different figures. This again shows the lack of clarity in the process. See: Mohmand, “The Implications of Closing Civic Space”.

<sup>47</sup><https://www.pakistantoday.com.pk/2018/11/15/pakistan-clears-fresh-applications-of-74-ingos-amid-intl-pressure/>

<sup>48</sup>“Pakistan,” The International Center for Not-for-Profit Law.

and effectiveness in the sector. These calls for new laws are not new as NGOs have been demanding effective but simpler regulation, which will be helpful for the smooth sailing of CSOs' administrative, financial and reporting requirements. Along with simpler regulation, a one-window mechanism would go a long way to remove CSOs' grievances with regard to duplications and multi-layer accountability which they are expected to clear. In this regard, an organization on the model of Charity Commission of UK (CCUK) can help to ease many of the issues related to the management, working and regulation of CSOs. Reporting to one organization will relieve CSOs' of the administrative burden, allowing them to more effectively direct the efforts and resources on their real objective, i.e., social development of the country.

Alternatively, the government may delegate some of its authority to PCP that can act on the lines of the Charities Commission of the UK. It may be noted here that PCP is the only organization in the country with the capacity, expertise, and long-standing interest to help the CSO sector to function smoothly and transparently. PCP's already operational model for certification can be of great help in this regard.

As the first CSO Certification Agency in Pakistan, the PCP provides accreditations to CSOs in seven areas of operations,<sup>49</sup> and argues that this process enables CSOs to self-evaluate as well to arrive at clear benchmarks. Over time, the PCP certification has also gained credibility in the eyes of the Government departments. PCP is already working alongside government agencies such as National Counter Terrorism Authority (NACTA) in promoting safer charities in Pakistan. The latter accepts PCP's network of certified CSOs as credible organizations to receive donation. Furthermore, PCP is working with the Pakistan Peace Collective (PPC) which is a research and communication project of the Ministry of Information of the government in order to create awareness on safer charities.

However, the question whether PCP can be placed in the proposed mechanism needs further deliberation. If given the role of a registration agency, PCP would have to enhance its capacity in areas such as monitoring,

regulation, etc. The idea for CSOs in Pakistan to have a one-window operation, wherein a single law and a single registration authority is responsible for all registrations would ultimately lead to the streamlining the operations so that different procedures and permissions (for travel, for instance) are not sought at federal, provincial, and district levels, creating unnecessary hurdles in the way of development work. This, in the end, needs to be done through a collaborative process, since the work of CSOs is meant to support and complement the work of the government through service delivery, research, advocacy, filling development gaps, and encouraging best practices, and thus the two need to work together in order to help Pakistan develop.

## **RECOMMENDATIONS AND WAY FORWARD:**

### **Recommendation for the Law Makers and National Parliament of Pakistan.**

(One) Respecting the provincial role as defined in 18<sup>th</sup> amendment, federal government still needs a single law and a single authority to register and govern CSOs/NGOs/INGOs to promote effective coordination and accountability.

In view of the multiple laws and regulations dealing with different types of CSOs, it is recommended that the Government formulates a single law under which a single agency should be established to deal with the affairs of CSOs. Such an agency should be responsible for the licensing, registration, monitoring and regulation of the civil society sector. The federal law could be drafted in a manner that it accounts for provincial role as per 18<sup>th</sup> amendment specially in overseeing delivery but could give powers to federal government to remove complexity of multiple legal regimes and make it easier to regulate the sector.

The fact that multiple laws continue to exist and are applied by several government bodies at provincial and federal levels for the registration and regulation of CSOs – specially local ones – shows the complicated environment for civil society, and the lack of clarity

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<sup>49</sup>These are: Legal and regulatory compliance, General Public Utility, Institutional Mechanisms for Oversight, Compliance with Tax Laws, Financial Management, Policies, and Program Delivery. See: Shazia M. Amjad and Naveed Yousaf Butt, "Issues in Certification and Registration of Civil Society Organizations (CSOs)," in *Towards Building a Cohesive Civil Society (CS) in Pakistan – A Collection of Research Articles on Contributions, Challenges and Trends Facing Civil Society Organizations in Pakistan* (Karachi, May 2019).

about how effective they can be, given the pressures they can face under numerous laws.

As a first step, a working group comprising of parliamentarians (national and provincial), government officials and members of civil society can be established to discuss the legislation and oversight mechanisms to enable effective working of CSOs.

## **Recommendations for the Government of Pakistan**

(Two) The proposal of a single law and authority, however, would take considerable dialogue and efforts to reach fruition given that NGO related laws<sup>50</sup> are all administered at provincial and local level.

Presently, the Pakistan Centre for Philanthropy plays an important role in certifying CSOs for availing tax benefits. Its role could be enhanced. Through its rigorous certification program of CSOs, Pakistan Centre for Philanthropy has achieved vast experience to evaluate in areas including governance, financial sustainability and impact.

(Three) In the absence of legislative amendments, the Government may also consider further streamlining the current mechanism in the short term. This process can be improved by developing an online portal type arrangement for registration with Ministry of Interior (Mol) and Economic Affairs Division (EAD). INGOs and local CSOs wishing to register with Mol or EAD would save time if given the option to apply online and this will also help in increasing the transparency of the process for both the Government and civil society. This would also help the Government not only to have an idea of the amount flowing into country via CSOs but it may also be able to see in which areas and for what purposes the funds are spent.

## **Recommendations for CSOs/ NGOs/ INGOs**

(Four) INGOs/NGOs/CSOs in Pakistan should strive to achieve transparency, accountability, good governance and effectiveness in their system to show results on ground while working closely with Government, Politicians, Media and Citizen bodies. They should make an attempt to make their work more accessible to public, easily understandable to media and regularly brief local and national politicians and parliamentary committees. In this regard, they should all have their local websites for information dissemination and also hire local auditors to carry out financial due diligence. Over time, it would be crucial for them to achieve relevance in their work so that the public could understand what they do.

(Five) Engage with wider set of stakeholders in media, government and society to promote awareness about their role.

A wider debate on social development in relation to citizen participation is needed to inform media, politicians and bureaucracy to understand the most recent global trend in development discourse and how various countries are rapidly changing in various sectors by working together with numerous kinds of players. There is very less understanding of development policy and delivery work even in local academia let alone in other sectors of economy and society.

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<sup>50</sup>Except for Companies Act 2017

## LIST OF ABBREVIATIONS

ADB	Asian Development Bank
AKRSP	Aga Khan Rural Support Programme
APWA	All Pakistan Women's Association
CPDI	Centre for Peace and Development Initiatives
CSO	Civil Society Organization
DFID	UK Department for International Development
EAD	Economic Affairs Division
FAFEN	Free and Fair Election Network
FATF	Financial Action Task Force
HRCP	Human Rights Commission of Pakistan
ICT	Information and Communication Technology
INGO	International Non-Governmental Organization
Mol	Ministry of Interior
MoU	Memorandum of Understanding
NDMA	National Disaster Management Authority
NGO	Non-Governmental Organization
PCP	Pakistan Centre for Philanthropy
PILDAT	Pakistan Institute of Legislative Development and Transparency
PPP	Public-Private Partnership
RSP	Rural Support Programme
SKMT	Shaukat Khanum Memorial Trust
TCF	The Citizens Foundation
UN	United Nations
USAID	United States Agency for International Development
WEF	World Economic Forum

### About Democracy Reporting International

Democracy Reporting International (DRI) is a non-partisan, independent, not-for-profit organisation registered in Berlin, Germany. DRI promotes the political participation of citizens, accountability of state bodies and the development of democratic institutions worldwide. DRI helps find local ways of promoting the universal right of citizens to participate in the political life of their country, as enshrined in the Universal Declaration of Human Rights and the International Covenant on Civil and Political Rights.

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