ADVISORY PANEL REPORT ON THE CREATION OF A CANADIAN DEMOCRACY PROMOTION AGENCY

Implementing the 2008 Speech from the Throne Commitment and Recommendation 15 of the Report:

"*Advancing Canada's Role in International Support for Democratic Development"*

of the

Standing Committee on Foreign Affairs and International Development,

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Acronyms

CCAD	[Canadian] Centre for Advancing Democracy
CIDA	Canadian International Development Agency
DFAIT	Department of Foreign Affairs and International Trade
DFID	Department for International Development
FES	Friedrich Ebert Foundation
IDEA	Institute for Democracy and Electoral Assistance
IDRC	International Development Research Centre
NDI	National Democratic Institute
NED	National Endowment for Democracy
NGO	Non-Governmental Organization
NIMD	Netherlands Institute for Multiparty Democracy
OAS	Organization of American States
SCFAID	Standing Committee Foreign Affairs and International Development
UNDEF	United Nations Democracy Fund (UNDEF)
UNDP	United Nation Development Program
USAID	US Agency for International Development
WFD	Westminster Foundation for Democracy

Foreword by the Chair

"It seems to me now, more than ever before, that the only true guarantee for the safeguarding of human value in the chaos of uncontrollable change and tragic upheavals is man's freedom of conscience and his moral yearning for the good." [1]

"Peace, progress, human rights – these three goals are insolubly linked to one another: it is impossible to achieve one of these goals if the other two are ignored." [2]

"As long as a country has no civil liberty, no freedom of information, and no independent press, then there exists no effective body of public opinion to control the conduct of the government and its functionaries. Such a situation is not just a misfortune for citizens unprotected against tyranny and lawlessness; it is a menace to international security." [3]

– Andrei Sakharov

The great Russian physicist and dissident, Andrei Sakharov (1921-1989) believed that the international community should never trust a state that does not trust its own people. Trusting the people means giving them the right to choose their own rulers in free and fair elections, among other things. Sakharov had ascended to the summit of the Soviet Union's scientific establishment, but in 1968, he wrote a book supporting human rights, which aroused animosity in the Soviet establishment; by the early 1970s he stood vigil outside Soviet courthouses while political trials were underway; in 1980 he was exiled to Gorky, but he lived to see Glasnost, and died of a heart attack in 1989 as a member of the *Congress of People's Deputies*, leading the fight to end the political monopoly of the Communist Party in his country.

Sakharov's defence of democracy and human rights is as relevant today as when he was a lone figure taking on the might of the Soviet State. As the quotations above demonstrate, he knew that choosing democracy was a moral choice. He knew too that a country that does not respect the rights of its own citizens will not respect the rights of its neighbours. The case for democracy is both moral and self-interested because one of the few generally accepted laws in international relations is that democracies rarely go to war with one another. Morality and security should impel Canadians today, as they did the great physicist in the 1960s and 70s, to make democracy the supreme value.

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[1] Sakharov, Andrei. (1992) *Memoirs*. New York: Vintage Books, 650.
[2] Sakharov, Andrei. (1975) Nobel lecture.
[3] Sakharov, Andrei. (1978) *Alarm and Hope*. New York: Alfred A. Knopf, 173.

Sakharov was a twentieth century hero of democracy along with leaders like Mahatma Gandhi, Nelson Mandela, Vaclav Havel, Lee Teng-Hui and Aung San Suu Kyi. As this advisory Panel met in the late spring and summer of 2009, for example, proof of democracy's continuing relevance was dramatically demonstrated in Iran, Lebanon and Afghanistan. But these cases equally demonstrate that committing to democracy as a foreign policy priority requires patience, clarity, resources, and above all, time. Few priorities are so important, few priorities so resistant to a quick fix.

The government of Canada should be applauded for recognizing the priority of democracy as a foundation of our foreign policy. The November 2008 Speech from the Throne commitment for a new democracy promotion institution, which builds on the earlier exhaustive work by the *House of Commons Standing Committee on Foreign Affairs and International Development (SCFAID)*, is a major bipartisan advance. House committees often complain that they are ignored by the governments of the day, but the current government has certainly been attentive on how best to implement the twenty-eight recommendations of the Standing Committee. The Honourable Steven Fletcher, Minister of State for Democratic Reform, was tasked by the Prime Minister to implement the Speech from the Throne commitment, and Fletcher, in turn, established an independent, voluntary advisory panel on the mandate, structure, programs and budget of such an agency, which the Panel has named *The Canadian Centre for Advancing Democracy.*

The four members of the Panel have varied political backgrounds, but all have practical experience in the field. We took as our starting point the framework for democratic development outlined in the Standing Committee's Report *Advancing Canada's Role in International Support for Democratic Development*, and applied the Committee's insights on the practical matter of how to create a viable organization. The members of the Panel gave up a substantial portion of their summer to contribute to this study, and as Chair, I want to thank them for their hard work, enthusiasm, and practical wisdom. As the Panel began its work, members raised the need for research assistance and communication expertise to complement the substantive past work of the Committee; and Minister Fletcher quickly responded to this request. The Panel would like to thank Arthur Milnes, Owen Lippert, Julie Burch and Michelle Rogers for their diligence in recording the results of the Panel's discussions, providing drafts of the Report that the Panel could debate and edit, and providing useful work on the most up-to-date figures on the budgets of other international democracy promotion agencies. The representatives of the Privy Council Office were also very helpful in responding to specific questions raised by the Panel.

The Panel was a voluntary advisory committee, with the specific mission of thinking through the implementation strategy for a proposed new centre. The Panel did not have a mandate, nor time and resources for an extensive consultation exercise, though the *Standing Committee on Foreign Affairs and International Development* had done a very wide canvas in preparing their Report.

Each panelist diligently conducted many informal consultations that inform these recommendations. Additionally the Chair sent out the series of twenty-one questions, that he had previously addressed to the Panel, to several additional experts and practitioners in the field who generously took the time to give the Panel the benefit of their advice. Like the members of the Panel these experts and the numerous informal respondents volunteered their time because they believe in the importance of democratic development.

The essence of our Panel report is an attempt to apply the principles of democratic development as enunciated by the *SCFAID* report through the lens of the practical experience of the Panel members and the expert practitioners we consulted. The Panel's recommendations contained in the *Executive Summary* and the *Conclusion* demonstrate the policy implications of combining theory and practice. One example will suffice: The *SCFAID* Report is eloquent on the need for detailed in-country knowledge before beginning programs, and the absolute necessity for local ownership or authorship of democratic programming. The Panel made clear that gaining such local expertise and partnership could not be achieved with consultants or short-term officers shuffling back and forth between Canada and target countries. The necessary expertise and sensitivity could only occur with the aid of long-term local field offices. Such offices however, are expensive because democracy building is a people business. Therefore, if we are serious about local ownership, we have to be serious about funding – the Canadian Centre, to carry out the programs and vision advocated by *SCFAID*. If the government is unable to commit to this level of funding, we would not recommend creating a new organization.

As individuals, Canadians have long been active in the field of democratic development. More than three hundred Canadians, for example, have volunteered to be part of the missions of the *National Democratic Institute*. At home, organizations like *Rights & Democracy,* the *Parliamentary Centre, the Forum of Federations, CANADEM,* and *Elections Canada* have impressive track records in various aspects of democratic development. Government departments such as *DFAIT* and *CIDA* have invested in democratic development through supporting these organizations for many years. The *Canadian Centre for Advancing Democracy* would complement these efforts by providing a specific focus on sustainable party development, one of the critical preconditions for democratic attainment.

Andrei Sakharov, not only devoted the latter part of his life to promoting democracy in the Soviet Union, but he also encouraged others to do so. His 1975 essay *The Liberal Intellegentsia of the West: Its illusions and Responsibilities* scolded western intellectuals for doing too little in publicizing human rights abuses in his country. He rejected the then prevailing argument that stability was all-important and that democracy could wait because it was a luxury. He wrote President Carter "it is very important to defend those who suffer because of their nonviolent struggle for an open society, for justice, for other people whose rights are violated. It is our duty and yours to fight for them."[4]

A generation after Sakharov's death it is still our moral duty to fight oppression where we can. The *Canadian Centre for Advancing Democracy* will be a practical and operational expression of that aspiration.

Thomas S. Axworthy,
Chair

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[4] Sakharov, 1992, 686.

Executive Summary

The 2008 Speech from the Throne made the promise that, "a new non-partisan democracy promotion agency will be established to support the peaceful transition to democracy in repressive countries and help emerging democracies build strong institutions".

The Honourable Steven Fletcher, Minister of State for Democratic Reform, established an independent, volunteer, advisory Panel, to consider a series of implementation issues connected to the establishment of such a Centre. The Speech from the Throne commitment, in turn, built on the recommendations of the 2007 report of the House of Commons Standing Committee on Foreign Affairs and International Development (*SCFAID*), *Advancing Canada's Role in International Support for Democratic Development,* especially recommendation 15:

> #15: The Parliament of Canada, following consultations with all parties represented in the House of Commons, should consider setting up a centre for multi-party and parliamentary democracy, with a parliamentary mandate…

The Panel, who began its deliberations in May 2009, has met face to face once, participated in numerous conference calls, and shared information by e-mail. To inform its recommendations, the Panel reviewed several European and American democracy organizations, consulted Canadian and international democracy experts, and most of all, relied upon their own practical experience working abroad in democracy assistance projects.

The approach of the Panel was to take the eight broad themes or principles that the *SCFAID* Report promoted to animate Canadian assistance, and apply them in a concrete way to the blueprint for an independent, multi-party centre that would specialize in programs to develop pluralistic, viable party systems in countries in need. The eight principles that guided the Panel were:

1) the centrality of democratic assistance;
2) multi-party cooperation is both possible and desirable;
3) local leadership of the democratization process is the essence;
4) learning from experienced Canadian NGOs;
5) learning from the international community;
6) the complexity of choosing where to work;
7) the importance of research;
8) the importance of evaluation.

In applying these principles, or framework, to the implementation details necessary to achieve the 2008 Speech from the Throne commitment, the Panel recommends the following:

Mandate

1)   The government of Canada should create the *Canadian Centre for Advancing Democracy*, whose mission would be to support the process of democratization by helping to establish or strengthen pluralistic democratic institutions, particularly political parties, in countries where they are absent, or in need of further encouragement and development.

2)   The core activity of the Centre should be to develop and operate its own programs based on local knowledge and partnerships in target countries. To do so requires a network of long-term field offices abroad.

3)   In addition to its main activity of developing internal program capacity, the Centre should provide grants to existing organizations in their respective areas of expertise, establish an active research education and evaluation program to develop and refine the tools of democracy assistance, and contribute to the field as a whole by making grants to donor consortiums, and by working with experts and practitioners in the field, on evaluation techniques.

4)   The *CCAD* must choose a limited number of countries in which to operate to maximize its impact and avoid stretching its resources unduly. Countries in conflict raise the cost of democratic assistance, and this extra dimension must be considered in making selection decisions. To guide the CEO and board of the new Centre, the following criteria for country selection are suggested:

   •   *reflecting Canadian priorities;*

   •   *reflecting foreign policy priorities;*

   •   *the democratic assistance need;*

   •   *the presence of democratic institutions;*

   •   *ability of Canada to play a significant role;*

   •   *Canadian cultural, demographic, and diplomatic/development ties.*

For historic reasons, the Centre should view countries of the Francophonie and Commonwealth, as well the Americas, as priority areas for the Centre to invest in.

Structure

5)   The Centre should be established by an Act of Parliament, reporting annually to Parliament through a designated minister. In its strategic plan and annual report to Parliament, the Centre should report on its operations, and include evaluation reports on programs. Every seven years, there should be an independent evaluation of the Centre as a whole.

6)   There should be a small board of eleven to fifteen members, with the Chair and a majority of the members appointed by the government. The board itself could

appoint additional members, of whom some could be non-Canadians. The members of the board should be chosen based on the merits of their qualifications alone, and no member should be excluded based on their past or current political affiliations. The government should consult with political parties before appointing the board.

7) The CEO of the Centre would be nominated by the government and appointed by the board. The CEO would not be a formal member of the board.

8) The Order in Council appointing members of the board and Chair would be approved after consultations with all parties represented in the House of Commons, and, with other interested parties. Former Canadian parliamentarians should be encouraged to participate actively with the new Centre.

9) The board should be guided by an advisory council made up of domestic and international experts, and from citizens of recipient countries, to encourage mutual learning and increase program effectiveness.

Mechanisms

10) Rosters of Canadian party activists, able and willing to work overseas should be assembled by the new Centre.

11) To strengthen the independence of the Centre, the government should consider locating the headquarters outside of the national capital.

12) The board should aim to meet with the Advisory Council annually in an international symposium on democracy assistance.

13) The Centre should initiate a database on programs, evaluations, and participant experiences of the international community to assist the education of field officers of the Centre and other democracy assisting organizations.

Budget

14) The Canadian Centre should be funded by an annual parliamentary appropriation of $30-70 million. Given the varied costs of creating and ramping up a new agency and for reasons of long term planning, funding for the *CCAD* should be over a five year cycle. This will allow the development of a field office network, including offices in high priority, but high conflict states like Afghanistan and Haiti. Should the Centre wish to invest in other high conflict areas, it would require supplemental funding beyond the core budget.

Introduction

> *"We need to be a lot clearer about what we mean by democratic development and good governance. We need to understand why we're doing it, and we need to learn and apply what we've learned. … good governance does not drop from the sky; it is not a gift; it cannot be imposed. Good governance is unlikely to flow from a collection of disparate, time-bound projects offered by a dozen ill-coordinated donors. It cannot be transferred holus-bolus like pizza from a delivery truck. It must be earned and learned, not just by those for whom it is intended but by those who would help them. Effective application of the full governance agenda as we now understand it is still pretty much undocumented, untested, and uncoordinated. And it is far too young for dogmatism and certainty. It is old enough, however, that mistakes should not be repeated, and it is important enough that lessons, both positive and negative, should be documented, learned, remembered, and applied.[5]*
>
> *– Ian Smillie*

In July 2007, the *House of Commons Standing Committee on Foreign Affairs and International Development* (*SCFAID*) released *Advancing Canada's Role in International Support for Democratic Development,* a report recommending that Canada "commit to making support for democratic development a key priority of overall Canadian international policy."[6] Subsequently, the Government endorsed this principle in the November 19, 2008, Speech from the Throne: "A new, non-partisan democracy promotion agency will…be established to support the peaceful transition to democracy in repressive countries and help emerging democracies build strong institutions."[7] The Honourable Steven Fletcher, Minister of State for Democratic Reform, has been tasked by the Prime Minister to implement this priority. He established an independent advisory Panel to provide advice on mandate, structure and mechanisms and to consider a series of implementation issues connected to the creation of such an agency, by the end of summer 2009.

In brief, the mandate of the Panel was to advise on how a new democracy promotion centre could complement existing Canadian programs and assistance in the area of democracy support by supporting the development of broad-based democratic political parties and processes. The Panel's mandate conforms to recommendation fifteen of the *SCFAID* report:

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[5] Ian Smillie, "*Advancing Canada's Role in International Support for Democratic Development,*" (2007), P21.
[6] *Ibid, 6.*
[7] Speech from the Throne, November 19, 2008.

"The Parliament of Canada, following consultation with all parties represented in the House of Commons, should consider setting up a centre for multi-party and parliamentary democracy."[8]

Guided by the terms of reference provided by Minister Fletcher, and informed by the *SCFAID*'s report, the central recommendation of the Panel is that the government create the *Canadian Centre for Advancing Democracy* (*CCAD*). There is a precedent for such a process. In 1986, a parliamentary *Special Joint Committee on Canada's International Relations* affirmed that political and human rights development should be part of international cooperation and called for the establishment of an "International Institute of Human Rights and Democratic Development." The Mulroney government responded favourably, and appointed two special rapporteurs to study the concept. Following their report, Parliament in 1988 passed legislation establishing an *International Centre for Human Rights and Democratic Development* (*ICHRDD*), known today by its short form as *Rights & Democracy*. This body has done excellent international human rights work ever since.

Today, a similar process is underway: the *Standing Committee on Foreign Affairs and International Development* has produced a ground breaking report, the government has supported the Committee's main approach in a Speech from the Throne, and has created an advisory panel of four individuals (rather than two rapporteurs) to give advice on implementation issues. It is hoped that, as in 1988, the result will be a new dynamic agency, helping to promote Canadian values abroad.

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[8] Report of the Standing Committee on Foreign Affairs and International Development, 8.

The Starting Point: The Report of the Standing Committee on Foreign Affairs and International Development and the Responses of the Panel

The *House of Commons Standing Committee on Foreign Affairs and International Development* Report, *Advancing Canada's Role in International Support for Democratic Development,* is groundbreaking in many ways. It has twenty-eight recommendations, and not all of them are within the purview of the Advisory Panel's terms of reference. The Panel concentrated on recommendation fifteen, which specifically suggested the creation of an independent, multi-party centre, reporting to Parliament, with a mission to provide assistance to countries wishing help in establishing pluralistic party systems. The report enunciated several themes to guide democratic development work, and the Panel has applied this framework in examining issues on how the *CCAD* should be structured, financed and operated.

Outlined below are the main themes of the report and the response of the Panel to them.

The centrality of democratic assistance

The *SCFAID* Report recommended that the government "commit to making support for democratic development a key priority of overall Canadian international policy."[9] In promoting assistance to democratic development abroad, the Committee advocated a broad concept of democracy. It quotes, favourably, the report that led an earlier government to create *Rights & Democracy* in 1988:

> The notion of democracy we have adopted, and which we believe must define and inspire Canadian assistance in this area, is quite simply the participation of citizens in decision-making which affects their lives. The ultimate objective is to assist the population to develop the ability to intervene on its own behalf in the decision-making process at the local, regional and national level and to assist the public powers to create institutions to safeguard the rights and liberties of citizens.[10]

There are many Canadian organizations that work toward achieving the above objective: *Rights & Democracy* on human rights and civil society, the *Parliamentary Centre* on legislative issues*, Elections Canada* on fair election rules, the *Forum of Federations* on intergovernmental cooperation*,* for example. The Committee identified one area where there was no specialized Canadian agency:

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[9] Report of the Standing Committee on Foreign Affairs and International Development, 6.
[10] Gerald Schmitz in Report of the Standing Committee on Foreign Affairs and International Development, 26.

> Political parties have long been considered essential to the process of democratic development, yet Canada has never been involved in aiding political party development. The Committee believes that this should change, with a new all-party instrument…[11]

The Panel wholeheartedly endorses the need for such an agency, and believes that the role of party assistance must also be broadly defined to meet the larger objectives of the Committee's definition of democracy. After assessing the mission statements of the *Westminster Foundation for Democracy* of the United Kingdom and the *Netherlands Institute of Multiparty Democracy* (*NIMD*), the Panel believes an appropriate mission for the *CCAD* would be **to support the process of democratization by helping to establish or to strengthen pluralistic democratic institutions, particularly political parties, in countries where they are absent or in need of further encouragement and development.**

The *SCFAID* Committee, knowing the sometimes controversial nature of assisting political party development, rightly emphasized the necessity of independence or an arms length relationship with the government of Canada. Especially when one considers the terms of reference set for the Panel, that Centre was to "assist political actors in repressive regimes to participate in the transition to a democratic system," this requirement would be difficult if not impossible to achieve in the normal activities funded by *CIDA* or *DFAIT*. Governments have to deal officially with country representatives whatever the nature of the regime. It would be difficult to do so if that government was working with the opposition in those states. Therefore there is real value in having an actor, independent of the government, reporting to Parliament rather than being directed by the government. Thus the Panel agrees with the criteria set by the *SCFAID* report that:

1. The Centre should be established by Act of Parliament and, while maintaining its independence from government should report to Parliament annually through a Minister designated for that purpose.
2. There should be a multi-year commitment of resources to the Centre sufficient to put Canada among the world leaders in the field, with funding provided by annual appropriations or as a one-time endowment.
3. The Centre should be governed by a board of directors appointed by the government on the basis of all-party consultations.
4. The Centre's board should be representative of the Canadian community of practice on democratic development, should include representatives of Canada's democratic institutions and political parties, and could include some representatives from countries in which Canada has major democratic and development assistance programs.[12]

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[11] Report of the Standing Committee on Foreign Affairs and International Development, 128.
[12] Report of the Standing Committee on Foreign Affairs and International Development, 127-128.

The independence of the Centre will be further enhanced by the nature of the board appointment process recommended by the Panel. The Panel is recommending a small board (11-15 members), of which a majority (8) will be by Order in Council after consultation with the parties represented in Parliament. The government may also want to consult parties not represented in Parliament. This allows the board itself to appoint additional members, including possibly non-Canadians, distinguished in the area of democracy assistance (as recommended by the *SCFAID* Report). This too will enhance the Centre's independence. Members of the board should demonstrate a strong commitment to the democratic process, and should be chosen on the merits of their qualifications alone, with no member excluded based on their past or current political affiliations.

Further, the government should consider locating the headquarters of the Centre outside Ottawa. The advantage of this is that the staff of the Centre also benefit from perspectives outside the nation's capital which would improve the creativity and independence that are in such great demand when one is attempting such a difficult task as working for democratic advance in adverse circumstances. Certainly, the experience of the *Asia Pacific Foundation*, another institution mandated by Parliament and headquartered in Vancouver, demonstrates the value of outside-of-the-box thinking. There is, however, also a downside: the Centre should work constantly to engage the interest and support of parliamentarians, and this is obviously best done in Ottawa. There is also the detail of travel, which must be considered when deciding on the Centre's location. The Centre will be working in countries around the world, and ease of travel and communication is an important consideration. The Panel raises these points so that the location of the Centre's headquarters will be a conscious decision, rather than the automatic assumption that it should be in the nation's capital. We recommend that the government seriously consider this issue.

Multi-party cooperation is both possible and desirable

Recommendation fifteen of the *SCFAID* Report explicitly advocates a multi-party institution, and the report has a useful discussion of the merits of the *Netherlands Institute for Multiparty Democracy* (*NIMD*). The Report recommends too that the government consult representatives of Canada's parties on the makeup of the board. The Report clearly believes that what unites Canadian parties – a belief in representative democracy – is far stronger than what divides them, and that all parties have a contribution to make in assisting other societies to achieve pluralistic democratic institutions.

The Panel believes that the optimism of the *SCFAID* Report in this regard is warranted. The Panel itself is made up of individuals who have long associations with different parties, but after much discussion we were able to achieve the consensus that this

report represents. More significantly, members of the Panel have worked abroad with Canadians of differing partisan persuasions. The practical experience of the Panel is that there is usually a blending of talents and experience to provide the best possible advice to partners abroad.

In this spirit, the Panel recommends that the government consult representatives of parties in Parliament and perhaps also those parties not represented in Parliament, to provide the names of suitably qualified candidates for the board. Parties could be asked to provide three names each, giving the government the final authority on which name to select. Though the Centre will be mandated by the federal Parliament, names could also be suggested from provincial parties. The parties should also be asked to provide rosters of experienced practitioners who might be available for overseas work (much as Canada's Civilian Reserve, *CANADEM*, does now for development work).

Local leadership of the democratization process is the essence

The principle of democratic development emphasized the most in the *SCFAID* Report is that, "democratization is a long, difficult, and inherently indigenous process – one that should be supported, but not imported from abroad."[13] Citing a series of witnesses, *SCFAID* is correct in asserting that there is a near-consensus in the international and expert community that democracy cannot be implanted from outside. Gordon Crawford, one of the world's great experts on democratization, for example, argues that democratic reform processes must be locally driven and that this is better expressed as country "authorship" rather than "ownership."[14] Given this imperative, the Report correctly argues that the Centre should ensure that "it engage in democratic development assistance with the benefit of detailed realistic country assessments that include the identification of credible and accountable local partners who must drive forward the democratization process within their countries."[15]

But how to achieve such detailed knowledge of local situations, and how to attract the best possible local partners? The Panel believes that the best way of doing so is to establish field offices abroad in priority countries, and commit significant long-term resources to the endeavour. Local knowledge and partnership cannot be acquired on the cheap. One could, of course, use Canadian consultants and staff to shuttle back and forth, to manage short-term projects, but if we are serious about achieving the local sensitivity that the *SCFAID* Report calls for, the new Centre must commit to having long-term programming run abroad in offices that can attain significant local expertise

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[13] Report of the Standing Committee on Foreign Affairs and International Development, 39
[14] Report of the Standing Committee on Foreign Affairs and International Development, 39.
[15] *Ibid,* 10.

and partnership. The central priority of the new Centre must be operational effectiveness, and this means that there must be a network of field offices abroad. The cost implications of this essential strategy are discussed in the section of this report dealing with issues of the budget.

Learning from experienced Canadian NGOs

The *SCFAID* Report emphasizes the need "to benefit from the experience and expertise of non-governmental organizations active in the field of democratic development assistance"[16], and it has an entire chapter reviewing the history of Canada's involvement in democratic assistance.[17] There is no need in this report to repeat this inventory of good practice, except to note that the new Centre will have an exceptional number of experienced individuals and organizations from whom it can draw. Grant Kippen, a Canadian and Chair of Afghanistan's Electoral Complaints Commission, for example, is much in the news following the recent Afghan election.

As defined by this Panel Report, the mission of the *CCAD* is complementary to the many Canadian organizations now in the field. It will concentrate on pluralistic party development, while other organizations continue their good work on human rights, federalism, and local government. But, pluralistic political parties do not develop in isolation. They are part of, and a great influence on, a country's civil society, governing institutions, and media framework. To achieve a sustainable, diverse, competitive party system, the new Centre must understand how parties interact with the wider dimensions of society. Many Canadian organizations are experts in such components of society. As stated above, the core mission of the Centre will be to create operational field offices abroad. It should also have a grants program to assist the priorities of sister organizations who have projects that will jointly contribute to the mission of the new Centre.

In addition to a grants program, the Panel also recommends that the Centre create an advisory committee made up of representatives of Canadian NGOs, international experts, and non-Canadians experienced in democratic assistance. This advisory committee, of not more than thirty members, would assist the Centre in many aspects of its work, and should come together at a minimum annually to meet the governing board of the Centre for a mutual exchange of information and expertise. This annual international symposium of democracy assistance providers, policy makers, experts and donors could compare experiences, analyze the results to specific evaluation work, and facilitate the mutual learning and cooperation that the *SCFAID* Report rightly recommends.

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[16] *Ibid,* 4.
[17] *Ibid,* 79-95.

Canada has a very good potential of bridging what is today a considerable gap between American and European approaches. Looking at democracy approaches from the U.S, the European approach is toothless. Looking from Europe, the American approach is counterproductive. This is not a productive situation. There is a need to look into ways of bringing these together because if democracy promotion by the main donor countries is to be effective, they should have more or less the same approaches. Canada, with its good neighbourly relations with the U.S. and with a high degree of credibility both with multilateral institutions and in Europe, could certainly play a role in that.[18]

– Vidar Helgesen, Secretary-General of International IDEA.

Learning from the international community

As with its emphasis on domestic expertise, the *SCFAID* Report equally recommended that a new Centre should stay "abreast of the activities of other donor countries, including of their NGOs and experts in this field, and continuous learning from their experiences."[19] Chapter 3 of the *SCFAID* Report[20] provides a good description of the programs and experiences of other donors and organizations.

There is an international community of democracy assistance organizations, which have practical experience in the case of the German party foundations going back over fifty years. In creating a new organization, Canada must learn from those organizations that have preceded it, and Canada should equally make a contribution to the field as a whole by having the capacity to donate to the many multinational consortiums organized by the *United Nations.* As stated above, representatives of the international community could have places on the board and the advisory committee. Further, the Panel recommends the development of an international database of programs, projects and evaluations from the world's practitioners that would include lessons learned and participant observations. This depository and inventory of the international community's insights, practices and evaluations would be especially useful to field officers being sent out on missions. This would benefit officers from the new Canadian Centre and would equally help practitioners from existing democracy promotion institutions.

The complexity of choosing where to work

The *SCFAID* Report recognizes that there are different stages in countries' democratic development, and that there are special problems in dealing with authoritarian regimes, countries in conflict, or the circumstances of "failed" or "fragile" states.[21] The Report quotes the wry comment of David French, Chief Executive of the UK *Westminster*

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[18] *Advancing Canada's Role,* 73. This comment was made during testimony before a Canadian Senate committee by Vidar Helgesen, Secretary-General of International IDEA.
[19] Report of the Standing Committee on Foreign Affairs and International Development, 4.
[20] *Ibid,* 59-76.
[21] Report of the Standing Committee on Foreign Affairs and International Development, 10.

Foundation that, "I never find anything other than complexities."[22] The Report quotes the *Economist Intelligence Unit Democracy Index for 2006*, revealing that 16.8% of the world's countries are full democracies, 32.3% flawed democracies, 18% hybrid regimes, and 32.9% authoritarian regimes.[23] Countries in conflict, like Afghanistan, are of obvious importance to Canadian efforts to promote democracy, given our major military and development focus there, but programs in warring states are enormously expensive because of the necessity of providing security for the field officers. If the board and CEO of the Centre chose to operate in too many war zones, it could quickly deplete the Centre's resources.

It is beyond the mandate of the Panel to suggest specific countries where the proposed Centre should operate, but we do suggest criteria that could guide the selection process. Both *DFAIT* and *CIDA* have recently undergone a "Countries of Focus" exercise, and their frameworks could guide the new Centre in developing an explicit plan, though democracy assistance from an independent Centre would differ from criteria designed to explicitly promote national or commercial interests. The Centre should have the ability, for example, to assist peoples in democratic need or even governments in exile, activities beyond the scope of day-to-day diplomacy. The Panel suggestions on explicit criteria for country selection are described below.

- *Reflecting Canadian priorities:* The two countries with the highest Canadian priority are Afghanistan and Haiti.
.
- *Reflecting foreign policy priorities:* The Canadian government recently announced that it would undertake an Americas Strategy. Haiti, of course, is in the Americas, and a country in Central America that could be considered is Honduras, whose army recently ousted its elected President. Honduras is also Canada's oldest aid recipient in the region.

- *Democratic assistance need:* The Centre must consider the needs of people as well as the convenience of governments. In some countries such as Myanmar or Cuba the need for democratic assistance is enormously pressing because the people are denied freedom by their governments. Other countries have regimes committed to democracy but they are under stress. Two examples of such countries are Ukraine and Lebanon. The key, in such cases, is determining the extent of democratic will among senior leaders. A subjective judgment in applying the criteria of democratic need is whether to concentrate resources on countries where democracy is completely absent, or to concentrate resources where the situation is deteriorating in hopes of preventing a total collapse, or to concentrate efforts where processes are improving and Canadian assistance could provide a benefit.

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[22] *Ibid,* 59.
[23] *Ibid,* 27.

- ***Presence of democratic institutions****:* A fundamental challenge for democracy promotion is that where there are no institutions there is not much to strengthen. In some countries, either in conflict or in immediate post-conflict situations, democracy assistance opportunities may be limited until the situation settles. Other countries, particularly those with repressive regimes, may have formal institutions but resist democratic reform. The new institution should evaluate each case to determine whether its programs can have impact. For example, the *CCAD* may seek to work with Kenya – an example of a country that does have parties and the beginnings of a democratic culture, but is far from being a consolidated democracy, and it could benefit from Canadian assistance.

- ***Ability of Canada to play a significant role****:* This criterion relates to the size of Canada's contribution compared to those of other donors. For example, *CIDA* now strives to be among the top five donors in countries where it has chosen to operate a bilateral program. By a similar matter, a Canadian democracy agency should assess whether it can play a meaningful role in countries it chooses to establish a field office. Cuba, with an authoritarian political culture, presents obvious difficulties; but Canada does have a significant presence in the country and has never broken off diplomatic relations. So Cuba might be a case where Canada has some advantages over other democracy assistance organizations.

- ***Canadian cultural, demographic, and diplomatic/development ties****:* A Canadian agency would assess whether a country has ties to Canada through membership in, for example, the Commonwealth or Francophonie, the presence of diasporas in Canada and the extent of commercial exchanges. A related sub-criterion is whether, or not, Canada maintains a High Commission or Embassy in the country and/or an aid mission. Conversely, does that country have representation in Canada? Two countries mentioned above, Ukraine and Lebanon, have significant Canadian diasporas, as well as meeting other criteria. Obviously countries that meet several of the above criteria should be prime candidates for the new Centre's programs.

- Beyond the specific criteria described above the Panel recommends, generally, that for historic reasons, the Centre should view nations of the Francophonie and Commonwealth as well as the Americas as priority areas for the new entity to operate in.

The importance of research

The *SCFAID* Report emphasizes that, "Canada should invest more in practical knowledge generation and research on effective democratic development assistance."[24] Policy relevant research, it maintains, could be furthered by a "Democracy Partners Research and Study Program." The Centre's main priority should be delivering its own programs in field offices, but as with grants to the NGO community in comparable fields, the new Centre should include a research component.

In 2008, the government and *IDRC* commissioned George Perlin, a senior consultant with extensive international experience in democratic development, to conduct a literature survey that would seek to answer the question "What is known about existing applied research on democratic development, both in Canada and internationally?" What he found, regarding parties, is that recent literature has emphasized the weak performance of parties in developing democracies. Many of the problems identified in these analyses are similar to problems observed in research about parties in the established democracies.

An ongoing research program will improve the Centre's operational effectiveness.

The importance of evaluation

The *SCFAID* Report so valued the contribution of evaluation that it recommended that the government commission an independent evaluation of all public funding of Canada's existing democracy assistance programs in *CIDA* and *DFAIT*. It also argued for the necessity of evaluation in any programs undertaken by the new centre.

Michael McFaul, an international expert and the author of *Evaluating International Influence on Democratic Transitions* identifies the evaluation gap that will present challenges to Canada's efforts:

> "… everyday, literally tens of thousands of people in the democracy promotion business go to work without training manuals or blueprints or simply well constructed case studies in hand. Published case studies of previous successes are hard to find in the public domain, which means that democracy assistance efforts are often reinventing the wheel or making it up as they go along. Even basic educational materials for students seeking to specialize in the democracy promotion do not yet exist." [25]

The Panel agrees that a rigorous process of program design and evaluation will increase the impact of democratic assistance programs and that well researched case

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[24] Report of the Standing Committee on Foreign Affairs and International Development, 3.
[25] McFaul, Michael, Amichai Magen & Kathryn Stoner-Weiss. (2008) "Evaluating International Influences on Democratic Transitions: Concept Paper" Freeman Spogli Institute for International Studies, Stanford, 2008. 10.

studies and documentation of best practices will ensure that the Centre builds on the experiences of other organizations while avoiding duplication. It is inherently difficult to evaluate democracy assistance and the Centre should work with other democracy promotion organizations to further develop the theory and application of evaluative techniques to democracy programs. Members of the Panel who have attended international meetings on evaluation of democratic assistance can attest that other international organizations would welcome a significant Canadian contribution to the field and international experts like Peter Burnell and Gordon Crawford have already volunteered to join a Canadian-led initiative.

The budget

Chapter 3 of the SCFAID Report is devoted to learning comparative lessons from the experience, programs and budgets of other donors. The Panel built on this work by scanning the most recent budget figures from relevant agencies. Democratic assistance is certainly an important part of the foreign policy of Canada's allies and partners. It is estimated that Europe will spend more than $420 million U.S. this year on party assistance and strengthening, with approximately 80% of this amount coming from the major German party institutes, or *Stiftungen*.

The democratic assistance community is diverse, ranging from small European party foundations, with budgets of $2-4 million U.S., which seldom have a presence in target countries; to the large German *Stiftungen* with budgets over 100 million Euros, with extensive networks of field offices around the world; to the equally large American institutions like the *International Republican Institute*, *National Democratic Institute,* or the *Asia Foundation*, all of which have budgets comparable or even larger than their European counterparts ($80-100 million US). International organizations like the *Organization of American States* and the *United National Democracy Fund* are also active in democratic development.

The *National Democratic Institute* (*NDI*), for example, has six "functional" specialties: political party development; governance; citizen participation; election processes; women's political participation; and information and communications programming. Each functional team has a director and a small staff. These functional teams maintain "trainer" files, facilitate institutional learning and memory, develop training publications and manuals, and assist in employee training and orientation. While the functional teams also run stand-alone programs, most *NDI* programs fall under a regional umbrella of seven teams, each headed by a regional director. The regional teams maintain field offices, develop and manage grant funding and are semi-autonomous in both hiring and program design.

As described above, the *SCFAID* Report outlines eight basic principles and objectives that should inform and guide Canadian democratic assistance. It is upon these principles, and their own experiences in working abroad, that the Panel has calculated three different funding scenarios that would give effect to the *SCFAID* principles. To recap the main budget points implicit in the principles:

- The *Canadian Centre for Advancing Democracy* (*CCAD*) should create and maintain field offices to achieve the local knowledge and partnerships that all acknowledge are the keys to the enterprise. Democratic assistance is a people business – training, encouraging, protecting and linking democratic activists who are fighting the good fight for pluralistic political systems.

- The *CCAD* should work with the international donors community, and this means contributing to internationally sanctioned missions. In making a contributing grant to such consortiums, the *CCAD* would have a hand in the formation and direction of the mission.

- The *CCAD* should have a partners grants program to assist other Canadian NGOs in joint projects in target countries.

- The *CCAD* should have a research, education, and evaluation program to ensure program effectiveness, and to work with its partners abroad.

The central issue in examining budget capacity is the cost of a field office network. Based on comparative data, the annual cost to operate a field office is usually between $3-4 million and a field office in a high-security environment could double that figure to $6 million Canadian. Democracy promotion agencies, because they are a people's business, have office and administration (O & A) costs of 20-25% of their total budget. This category includes head office space, staff salaries and statutory deductions, travel, and such. If a donor "buys a program" or supports the programs of others, rather than "makes" its own program, its O & A costs are reduced, but the central recommendation of the Panel is that the Canadian Centre should create the capacity to deliver its own programs in the field.

The country criteria described above recommends that Canada, at a minimum, have field offices in Afghanistan and Haiti, with presence in both countries evoking real security concerns. If this recommendation is accepted, the number of other field offices, the amount of programming and the size of the grants program depend on the level of the budget. Three examples are given, with a model represented as an equation: $ for Field Offices + (.25*FO for O&A) + Programming + (.10*Total for grants) = Total.

A: $30 million budget

For example, if the agency were to have two field offices in Afghanistan and Haiti under the scenario of a $CAN 30 million budget, the result would be the following:
- $12 million field offices + $3 million O & A + $12 million programs + $3 million grants = $30 million

B: $50 million budget

Under the assumption of field offices in Afghanistan, Haiti and five other countries (at $3 million a piece) under the $50 million scenario, the result would be the following:
- $27 million FO + $ 6.75 million O & A + $11.25 million programs + $5 million grants = $50 million

C: $70 million budget

Under the assumption of field offices in Afghanistan, Haiti and eight other countries under the $70 million scenario, the result would be the following:
- $36 million FO + $9 million O & A + $18 million programs + $7 million grants = $70 million

Given the varied costs of creating and ramping up a new agency and for reasons of long-term planning, funding for the CCAD should be spread over a five year cycle. This is consistent with some other national agencies such as the *NIMD*. This approach justifies three scenarios:

#1.   For $30 million option, $150 million over five years.
#2.   For $50 million option, $200 million over five years.
#3.   For $70 million option, $350 million over five years.

The essential point is that costs vary depending on what the Centre seeks to achieve, and the *SCFAID* Report sets out a very ambitious agenda.

The smaller European foundations certainly do good work within their $2-4 million budgets restrictions, but they rarely have a presence in target countries, and they usually do not have internal program capacity. To achieve the goals set out in the *SCFAID* Report would require a Centre with an annual budget of at least $30 million, with $50 million or $70 million giving the Centre real capacity to deliver the objectives outlined in the *SCFAID* Report. The Panel believes that it is not worth the effort to create a new organization unless it has sufficient funds to make a real difference.

Conclusions

Jennifer Welsh, a respected Canadian analyst teaching at Oxford, described the *SCFAID* report as "ambitious," and though Ms. Welsh raised caveats about various aspects, she concluded "I have a great deal of sympathy for the boldness underlying the report…a properly funded institute, focused on the particular theme of democracy, has the potential to improve our game considerably – particularly if it is 'arms-length' and does not have to address the myriad of interests and constituencies that government is responsible to."[26]

The Panel applauds the vision of the *SCFAID* Report, and the commitment the government of Canada to bring this vision to fruition. A multiparty, independent, *Canadian Centre for Advancing Democracy* would make a worthy addition to the international community of democracy promoters. The mission of the Centre to assist in creating pluralistic party systems that respect human rights emerges directly from Canadian values. Democracy is a vital part of Canada's history and an ongoing aspiration for our citizens. Democracy has been a boon for our citizens and we should do more to assist others less fortunate to enjoy its benefits. Advancing democracy abroad should be a defining priority of Canada's foreign policy, and a new Canadian Centre will give operational effect to this noble aspiration.

> *"The world needs more, not less, Canadian leadership and action with respect to international democratic development efforts."*[27]

> *– Grant Kippen,*
> *Chair Afghanistan's Electoral Complaints Commission*

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[26] Welsh, Jennifer. (2007) "Promoting Democracy Abroad, Is it the right time for Canada to take on this file?". *Literary Review of Canada,* December 2007.
[27] Report of the Standing Committee on Foreign Affairs and International Development. (2007) "Advancing Canada's Role in International Support for Democratic Development." 39th Parliament, 1st Session, 113

Summary of Recommendations

Mandate

1) The government of Canada should create the *Canadian Centre for Advancing Democracy*, whose mission would be to support the process of democratization by helping to establish or strengthen pluralistic democratic institutions, particularly political parties, in countries where they are absent, or in need of further encouragement and development.

2) The core activity of the Centre should be to develop and operate its own programs based on local knowledge and partnerships in target countries. To do so requires a network of long-term field offices abroad.

3) In addition to its main activity of developing internal program capacity, the Centre should provide grants to existing organizations in their respective areas of expertise, establish an active research education and evaluation program to develop and refine the tools of democracy assistance, and contribute to the field as a whole by making grants to donor consortiums, and by working with experts and practitioners in the field on evaluation techniques.

4) The *CCAD* must choose a limited number of countries in which to operate to maximize its impact and avoid stretching its resources unduly. Countries in conflict raise the cost of democratic assistance, and this extra dimension must be considered in making selection decisions. To guide the CEO and board of the new Centre, the following criteria for country selection are suggested:

   • *reflecting Canadian priorities;*

   • *reflecting foreign policy priorities;*

   • *the democratic assistance need;*

   • *the presence of democratic institutions;*

   • *ability of Canada to play a significant role;*

   • *Canadian cultural, demographic, and diplomatic/development ties.*

   For historic reasons, the Centre should view countries of the Francophonie and Commonwealth, as well the Americas, as priority areas for the Centre to invest in.

Structure

5) The Centre should be established by an Act of Parliament, reporting annually to Parliament through a designated minister. In its strategic plan and annual report to Parliament, the Centre should report on its operations, and include evaluation reports on programs. Every seven years, there should be an independent evaluation of the Centre as a whole.

6) There should be a small board of eleven to fifteen members, with the Chair and a majority of the members appointed by the government. The board itself could appoint additional members, of whom some could be non-Canadians. The members of the board should be chosen based on the merits of their qualifications alone, and no member should be excluded based on their past or current political affiliations. The government should consult with political parties before appointing the board.

7) The CEO of the Centre would be nominated by the government and appointed by the board. The CEO would not be a formal member of the board.

8) The Order in Council appointing members of the board and Chair would be approved after consultations with all parties represented in the House of Commons, and with other interested parties. Former Canadian parliamentarians should be encouraged to participate actively with the new Centre.

9) The board should be guided by an advisory council made up of domestic and international experts, and from citizens of recipient countries, to encourage mutual learning and increase program effectiveness.

Mechanisms

10) Rosters of Canadian party activists, able and willing to work overseas should be assembled by the new Centre.

11) To strengthen the independence of the Centre, the government should consider locating the headquarters outside of the national capital.

12) The board should aim to meet with the Advisory Council annually in an international symposium on democracy assistance.

13) The Centre should initiate a database on programs, evaluations, and participant experiences of the international community to assist the education of field officers of the Centre and other democracy assisting organizations.

Budget

14) The Canadian Centre should be funded by an annual parliamentary appropriation of $30-70 million. Given the varied costs of creating and ramping up a new agency and for reasons of long term planning, funding for the *CCAD* should be over a five year cycle. This will allow the development of a field office network, including offices in high priority, but high conflict states like Afghanistan and Haiti. Should the Centre wish to invest in other high conflict areas, it would require supplemental funding beyond the core budget.