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The Westminster Foundation for Democracy works to achieve sustainable political change in emerging democracies. Its programmes are centred on its capacity to undertake party development work, across the political spectrum, through the Westminster political parties. This is complemented by parliamentary, civil society and other non-partisan initiatives. In its activities priority is given to the European Union's eastern neighbours and Africa.

The Foundation was established in 1992. Its main source of income is a grant-in-aid from the Foreign and Commonwealth Office, currently £4.1 million per annum; and it raises additional funding to support its programmes.

The Westminster Foundation for Democracy is an independent agency sponsored by the Foreign and Commonwealth Office. It is a non-departmental public body (NDPB) and a company limited by guarantee. Its Board of Governors, which has 14 members, is constituted on a cross-party basis and appointed by the Secretary of State for Foreign and Commonwealth Affairs. There are six independent Governors, while eight are nominated by the Westminster political parties – three Labour, three Conservative, one Liberal Democrat and one representative of the smaller parties.

Speaker's Introduction



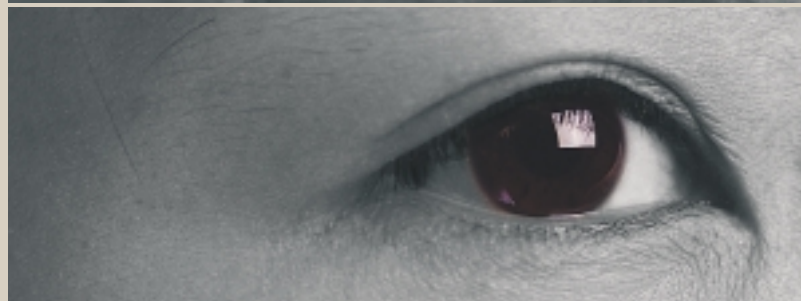
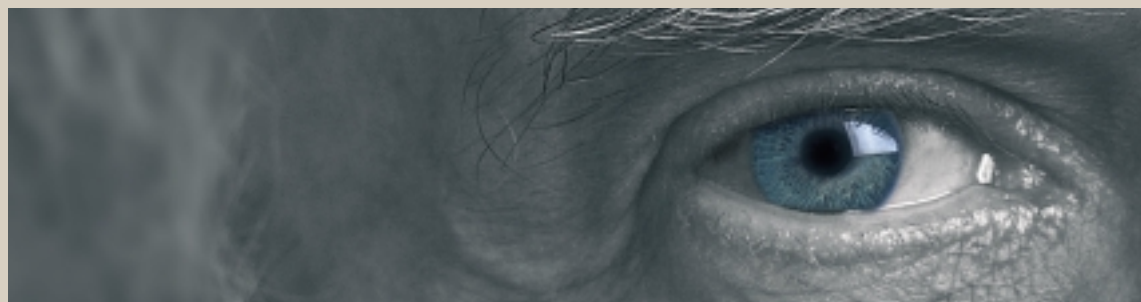
Democracy building has become a global imperative. Democratic governance is recognised more widely than ever as the best guarantor of human rights and inter-cultural tolerance, of development and prosperity.

When a cross-party group of senior Members of Parliament proposed the establishment of the Westminster Foundation for Democracy to the Government in the early 1990s they embarked on an initiative of both great importance and immense potential. I am delighted to lend my support to the Foundation and the Members of Parliament from every party represented at Westminster who are involved with its work.

In its first decade the Foundation has begun to demonstrate the power of that original idea in the support it provides for emerging democracies – encouraging the development of political parties, free and fair elections, an independent judiciary, a free and vigorous media and a thriving civil society in the countries in which it works.

But I do believe there is much more the Foundation can do. So I am delighted that the Board has taken the opportunity to review its work and resolved to build on its strengths as it enters its second decade. I look forward to continuing to lend it my full support as it develops its role.

The Rt Hon Michael Martin MP,
Speaker of the House of Commons



Chairman's Introduction



I was delighted to be invited by the Secretary of State for Foreign and Commonwealth Affairs to join the Board of the Westminster Foundation in August 2002 and to become its Chairman in September. I have long been aware of the value of international democracy building. The Westminster Foundation for Democracy is the UK's leading contributor to this vital task.

As a member of the British Government's team negotiating the Good Friday Agreement in 1998, I realised both the importance of rebuilding trust in divided societies and the long and patient work often required in doing so. When I 'shook hands' with people with no hands at the amputee camp in Sierra Leone in February 2001, I was reminded of the depth of human degradation which can result when democracy breaks down.

The Foundation works in some of the most conflicted societies in the world: Bosnia and Herzegovina, Sierra Leone and Nepal are all countries in which WFD teams were at work last year. In its approach to these challenges WFD is distinguished from most of its international counterparts by its cross party constitution and its unusual organisational structure: the responsibilities and accountabilities of Governors and staff span the Foundation and its constituent parties. Through this structure the Foundation can access first hand, current British political experience, on a multi-party basis, in the service of international political capacity building.

As you read this review you will learn more of how we have applied these distinctive strengths in the last year, and also of our plans to build on these foundations in the future. I encourage you to read David French's outline, on the next page, of the new strategy adopted by the Board in July 2003.

Our grateful thanks go to the Secretary of State for Foreign and Commonwealth Affairs, the Rt Hon Jack Straw MP, for his support and encouragement for our work, which is crucial to our success. We also owe much to the support of FCO staff in London and overseas posts, and of the Department for International Development, the British Council, the UN Development Programme and the European Union. We are grateful to them all.

I also particularly want to thank the Foundation's staff, in both the central office and the party offices, for what they have achieved in the last year as well as for their commitment to the development of the Foundation.

Mike Gapes MP, Chairman of the Board of Governors

Chief Executive's Introduction: Building on a Strong Idea



Any newcomer to the Westminster Foundation, as I was in January 2003, cannot fail to notice some unusual characteristics. The Foundation is an independent agency sponsored by the Foreign and Commonwealth Office (FCO). Yet it is structured and operates on a cross-party, political basis: half its work (in financial terms) is delivered through the Westminster political parties, developing party-to-party relationships across the political spectrum in the interests of promoting thriving, multi-party democracies. This unusual mix, combined with the Foundation's interests in supporting parliamentary, civil society and other non-partisan initiatives, gives it a position and capacity to operate in ways matched by few other organisations in the world.

When we began, earlier this year, to formulate a new strategic direction for the Foundation it quickly became clear to us that we should build on these distinguishing strengths, while contributing to the FCO's objectives of promoting democracy and the rule of law internationally.

The strategy approved by the Board of Governors in July 2003 is based on the vision of achieving sustainable political change in emerging democracies. It is centred on the Foundation's capacity to design and deliver co-ordinated party-to-party political development programmes in the countries in which it chooses to work. This political work will continue to be complemented by non-partisan initiatives; and our emphasis in future will be to bring together these interests in programmes which will enable the Foundation to make a multi-dimensional impact over time in the countries in which it is active.

Geographically, the Foundation will strengthen its commitment to working in two regions. Having undertaken much successful work in central and eastern Europe over its first decade, including a wide range of projects in countries which have joined the European Union, we shall concentrate our interests on the Eastern neighbours of an enlarged EU. We shall also continue and strengthen our commitment to democracy-building in Africa, focusing mainly on the sub-Saharan region, where again WFD has made a range of significant contributions in recent years. While we shall maintain an overall balance between the volume of work undertaken in these two regions, we shall also be devoting limited resources to exploring the opportunities to develop a third area of focus, in the Islamic world. Beyond these geographical interests we shall retain a limited facility, within specified criteria, to continue making small grants in other regions where a special case can be made.

The Foundation's new strategy anticipates the development of country-based programmes. Once we have committed to working in a country we shall expect to maintain a sustained interest in it over a number of years, with Westminster parties and the Foundation's central teams making contributions to the development of our work in the country. Countries will be chosen according to clearly-defined criteria, while the shape of each programme will reflect local interests and opportunities. Understanding the characteristics and influences in each locality will be an essential prerequisite of all our work. Wherever we work, the development of political party initiatives will be a norm,

complemented by parliamentary and civil society work appropriate to local circumstances.

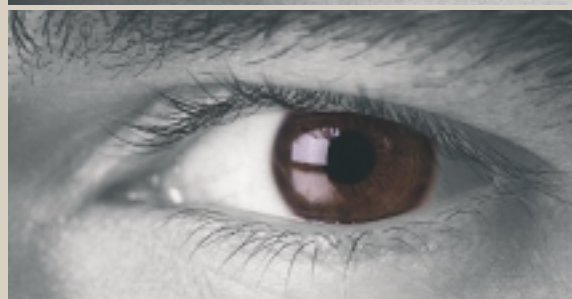
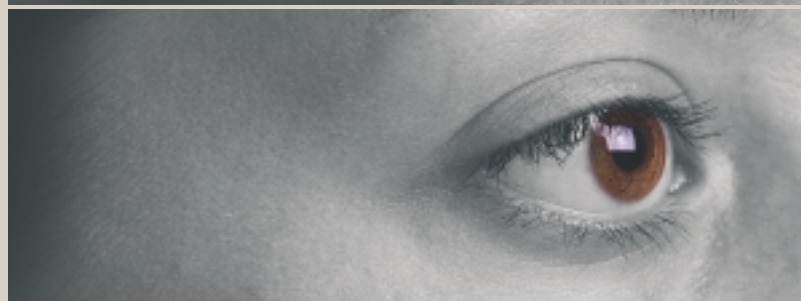
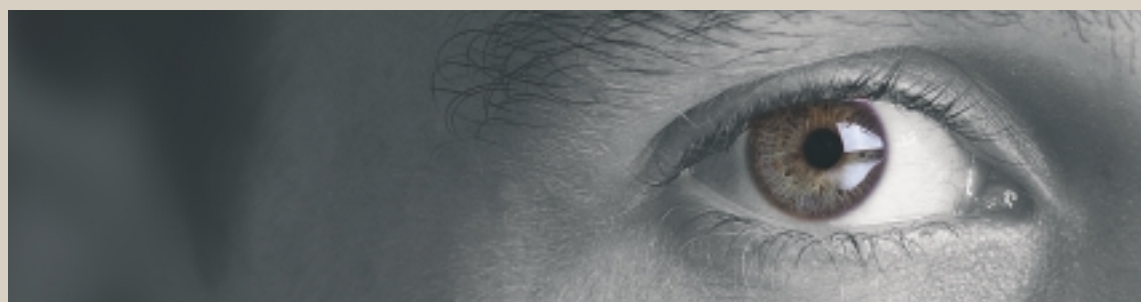
WFD's methodology will correspondingly develop to support the strategy. Achieving the highest standards of transparency and thoroughness both in the formulation of programmes and in their evaluation is important to us. Developments in the Foundation's operational and grant-making practice will seek to strengthen its relationships with funders such as the Department for International Development, the UN Development Programme and the EU and with FCO itself. The Foundation will look to substantial growth in its funding, since we are ambitious to build on the reputation we have established over our first decade; and we recognise the immense field of opportunity open to us.

While the new strategy builds on the successes of the past, these changes represent a major shift in method and style for the Foundation, and of course this will have a direct impact on the projects we can support. As the statistics on pages 14-15 show, the Foundation was active in 46 countries last year. We expect substantially to reduce this number over the next two years as we increase our commitment, and impact, in fewer locations.

The challenge of international democracy-building has never been greater. The challenge for the agencies involved in this work is to be smart in their choices, for there is no shortage of opportunity. The work of the Westminster Foundation for Democracy will continue to be characterised by close working relations with local and international partner agencies; and we are excited by the prospects of bringing our distinctive strengths to this vital work through the new approaches we are shaping.

David French, Chief Executive

Political Party Development



One of the key components of a sustainable democracy is the existence of stable, participative and transparent political parties.

The Westminster Foundation for Democracy, through its political party projects and activities, seeks to promote a number of essential values characteristic of democratic societies.

WFD seeks to inculcate, within the parties with which it works, a respect for the rule of law, which will inform and govern their electioneering and campaigning activities and their relations with economic and state institutions and the media.

The Foundation strives to promote a form of politics which is based on dialogue and civic discourse. The focus is on competition between different sets of ideas and programmatic solutions, in order to provide the electorate with a genuine and valid range of policy choices.

WFD encourages the development of political parties which communicate effectively with and are accountable to the electorate. It is the Foundation's aim that the parties should develop ways of undertaking political activity which are open to scrutiny by the public, the media and expert opinion. The purpose is to help political parties move away from a hierarchical structure in which power resides with a political elite removed from the electorate.

WFD seeks to promote the development of political parties in which individual members have a clearly defined role in the decision-making processes. The Foundation encourages parties to eschew traditional leader/follower forms of political organisation. WFD is particularly concerned to see that groups which in the past have been marginalised, such as women and the young, take on an effective role in the running and organisation of the parties.

The Westminster Foundation for Democracy is unique in its development of party-to-party relationships and activities. Half of its budget allocation is used by UK political parties to work directly with their partners around the world. Resources, consultation and training provided by the British political parties serve as practical tools for the development of participatory democracy. The UK parties provide expertise and ideas, adapting good practice flexibly and efficiently to meet the needs of partners over the longer term. This direct input, and the solid relationships that emerge from it, are key to WFD's success in promoting strong party structures within pluralist democracies.

In 2002-2003 the UK parties worked in over 30 countries on more than 200 projects. Training seminars, workshops, study visits and advice were provided on policy development, media and communications, campaigning, party organisation and development, and transparency and corruption. In addition the UK political parties joined forces to work on a 'cross-party' basis where no individual partners were identified. In this way they combined knowledge and ideas to strengthen democracy. They demonstrated the benefit of co-operation, even where ideologies differ. In the last financial year, such cross-party projects have taken place in Kenya and Lithuania.

Political Party Development



The Labour Party believes that the spread of democracy world-wide is a powerful force for peace. It has, therefore, continued to develop a strong and dynamic programme of work to support the development of democracy around the world.

The Labour Party's programme of activities for 2002-2003 was built mainly on its experience of traditional areas of work in party-building and campaigning techniques. Activities included developing mass membership parties, recruitment, policy-making and campaigning work. The Party has also sought to expand its range of programme themes. To promote the concept of diversity, for example, the Labour

Party designed activities which foster dialogue between communities. With this objective in mind, in central and eastern Europe workshops were organised to discuss the issues faced by Roma communities and to find ways of integrating them into society. In the Caucasus, training on conflict resolution was conducted for youth organisations. Training focused on teamwork, negotiation and compromise skills.

"Working to strengthen democratic institutions and values is not just the right thing to do but also a significant investment in the long-term security of the world. I wish the Westminster Foundation for Democracy continuing success in their support for democratic movements and the development of civil society worldwide."

The Rt Hon Tony Blair MP, Prime Minister



Liberal Democrats have focused on promoting the concept and values of liberal democracy through their work with sister parties around the world. They aim to provide voters with a democratic political option which has its roots in the broad electorate and is based on strong ideology, principles and policies.

Their work follows a cycle of needs assessment and research, followed by party-building, skills exchange and advice on and support with campaigns. The promotion of an exchange of ideas among parties in neighbouring countries and in similar situations, through networks or regional or cross-party training is an important element of the work.

The Liberal Democrats' programme over the last year has focused on encouraging strong policy-based parties in central and eastern Europe before accession to the European Union and beyond; promoting stable multi-ethnic parties in south-east Europe; and identifying and promoting liberal democratic parties in Africa. This includes the creation of an African Liberal Network through which parties can provide their own ideas about and answers to issues of governance and transition. Work with partners in the Council of Asian Liberals and Democrats (CALD) in Asia has continued.

"The promotion of democracy has become increasingly important as a vital tool to enable citizens around the world to choose and determine their representation and governance. The Westminster Foundation for Democracy continues to provide an excellent avenue by which to allow the expertise and knowledge of the British political system to be used by those seeking to increase democracy and good governance in their own countries. The funds available allow direct partnerships with sister political parties abroad, which can provide long term and flexible support and exchange, and act as a catalyst for progress towards democratic goals."

The Rt Hon Charles Kennedy MP, Leader of the Liberal Democrats



The long-term objective of the Conservative Party's activity continues to be the support and development of stable and effective political parties, which play a key role in the promotion of democratic principles and values within their countries.

The main centres of Conservative Party activity through 2002-2003 were in the Baltic states, central and eastern Europe and anglophone Africa. A significant new programme of work was also initiated in Mongolia. Addressing sister parties' needs, the Conservative Party provided expertise on a wide range of political areas tailor-made for each party. These included pre-election

preparation, party development, communication and campaigning strategy, policy development, media skills and grass-roots political work.

The Party has also worked throughout the world in close co-operation with like-minded international agencies. Its aim is to ensure synergy between them and add value to their activities.

"The Westminster Foundation for Democracy continues to play a pivotal role in promoting democracy around the globe. The unique way in which the British political parties are enabled to work both directly with their sister parties and on a cross party basis through the support of the Foundation allows us to promote the strengthening of those values and institutions, including democracy, the rule of law, and individual liberty, which are at the heart of our beliefs, in those countries and societies which are undergoing rapid and fundamental processes of change. I wish the Foundation every success for the future."

The Rt Hon Iain Duncan Smith MP, Leader of the Opposition

Smaller parties



Last year the smaller parties, in co-operation with WFD, focused on the position of smaller parties in their respective political systems, promoting their development and encouraging co-operation. Plaid Cymru established links with a small Ukrainian opposition party from which further work has grown. Members of the Scottish National Party (SNP) visited Namibia and proposed a strategy to promote unity of purpose and political co-operation among different parties. In co-operation with the Conservative Party, the Ulster Unionist Party (UUP) supported a Lithuanian party with resources and campaigning seminars; and the Social Democratic and Labour Party (SDLP) worked with the Labour Party on a conflict-

resolution project in Cyprus. For the coming year the plan is to expand on the work of the smaller parties in the field of conflict resolution and local government. This work will be conducted by individual parties as well as on a cross-party basis. Pooling resources will increase impact.

Political Party Development



Democracy Building Programme in Bosnia and Herzegovina

In 2002 WFD entered the final phase of a four-year programme aimed at the development of accountable and inclusive political parties in Bosnia and Herzegovina (BiH). The process of political, social and economic re-building has been slow, and the continuing frailty of state institutions is eroding people's confidence in the democratic process.

The Foundation has sought to reinforce the international community's strategy of strengthening support for moderate political forces capable of taking BiH through the transition period leading to European integration. The programme, supported by ring-fenced funding from the FCO, centred on political education for moderate democratic parties. The overall purpose was to encourage the conduct of value-based politics, with a focus on economic and social issues such as jobs and education rather than ethnic differences.

WFD recognises that addressing democracy-building and conflict-avoidance means taking a multi-track approach. There is no one element of public life and organisation which alone guarantees the existence of a democratic society. For this reason, the programme included specific local projects to develop the concept and practice of civic participation and the involvement of young people and women in public life. For example, in the run-up to the 2002 local elections, public debates were conducted to facilitate dialogue between female candidates and the electorate. The fact that the debates were broadcast increased the profile of the candidates. Increased public understanding of political issues and civic participation go hand in hand. With this in mind, a programme of seminars and public meetings was held to discuss corruption as one of the key problems facing government.

The centrepiece in the year's activity was the general election in October 2002. These elections offered the prospect of a first four-

year government in post-conflict Bosnia. The contest among the political parties was intense, and the British political parties sought to strengthen the influence of their partners.

The Labour Party supported the Social Democratic Party (SDP) in their publicity campaign and production of election literature. The Independent Social Democrats of Republika Srpska (SNSD), in collaboration with the Labour Party, conducted public debates for young people with the aim of raising their awareness and engagement in the political process.

The Conservative Party developed its partnership with the Party of Democratic Progress of the Republika Srpska (PDPRS) through the training of candidates in campaigning and communication. They also provided training for two small regional parties representing the Croatian community to help them challenge the dominance of the nationalist Croatian Democratic Union (HDZ).

The Liberal Democrats worked with a group of Centrist parties. They focused on assisting the Liberal Democrat Party (LDS) in BiH with the development of their campaign strategy and economic policy programme.

The success of ethnically-based parties in the October 2002 elections demonstrated that nationalist politics continue to define the country's political scene. Significantly, almost half of the electorate declined to cast a vote, sending a powerful message about the lack of substantive policy choices on offer.

The election defeat has led the moderate parties to re-evaluate their position and re-think their strategy. The UK political parties can play a constructive role in helping their partners to galvanize public support behind their distinctive policy options. Achieving success will require co-ordinated action across the pro-democratic political spectrum with support from non-governmental organisations (NGOs) and the independent media.

Defence of Human Rights and Integration of Minorities

Europe

With accession to the Council of Europe, the Balkan states have made a commitment to comply with European standards of human rights and protection for minority groups. This principle is central to WFD's strategy for the former Yugoslavia. In Serbia and Montenegro, training programmes on the European Convention of Human Rights (ECHR) for the judiciary have helped instil values that reinforce its independence while strengthening the rule of law. A bulletin summarising and analysing the European Court of Human Rights' decisions is helping to embed European standards into the practice of law. Public hearings provided a forum for politicians to consult with single-issue NGOs on key human rights issues. WFD has supported activities that seek to improve relations between ethnic communities and include minority groups into decision-making processes. Activities have ranged from awareness-raising workshops for local officials to a forum that helps community leaders to lobby for the incorporation of their proposals into policy-making.

In Macedonia, WFD sought to address ethnic tensions arising from recent political upheaval. With the Conflict Management Group from the United States, WFD is implementing a project aimed at building trust among members of different ethnic groups while looking at ways in which they might peacefully co-exist. The purpose is to support the Ohrid Peace Agreement, a peace plan brokered by the EU and the US intended to address the grievances of the Albanian minority. The 12-month project, financed by £200,000 from the FCO's Conflict Prevention Pool, encourages local civic and political leaders to develop policy proposals for collaborative projects across ethnic divisions. The project will also seek to influence the national ethnic integration policy. It involves a range of local organisations and includes a fair representation of Macedonia's ethnic communities. Techniques include seminars on conflict management and political negotiation;

joint working groups; mentoring; and the completion of tasks by workshops and round tables. Monitoring and evaluation is built into the programme. Participants set their own objectives and assess the results.

In the countries of the Caucasus a legacy of conflict and ethnic divisions hinders democratic development. The main challenges have been to foster regional stability, to increase people's understanding of other ethnic groups and to engage political and community leaders in building confidence. WFD-funded projects were aimed at promoting the conditions necessary for people to uphold their basic rights, as a counter to conflict. In Azerbaijan, activities have included civic education in rural areas and human rights training for NGOs. In the disputed enclave of Nagorno-Karabakh, conflict-resolution activities included engendering public support for peace among the Armenians and Azerbaijanis, through advocacy and fieldwork. In the countries of central Asia, WFD-funded projects aimed to mitigate the effects of armed conflict and tension between states. A project in southern Kyrgyzstan (Ferghana Valley) sets out to reduce tension between communities by encouraging dialogue between them.

Africa

Angola, Sudan and the Democratic Republic of Congo (DRC) are working on initiatives to establish peace and stability. The inclusion of civil society in this process is essential. Supportive of these efforts, WFD has funded a project in the DRC designed to develop widespread awareness of the peace process. The project funded an independent information centre, a civic education programme and a capacity-building project to advise local political groups, women's organisations, trade unions and professional associations on formulating policy during the DRC's political transition. Similarly, after years of armed conflict, countries in the Mano River Union face difficulties in resolving persistent

political and security tensions. WFD supported a grass-roots civil society organisation to develop communication, negotiation and lobbying techniques in order to advocate for peace and the protection of human rights of displaced and disadvantaged persons.

WFD continues to support projects encouraging women to participate in the development of their countries. The Foundation seeks to address the political and socio-economic obstacles preventing women from active involvement in political processes. Women are often marginalised and discouraged from participating in politics. As part of a project in Ghana supported by WFD, district assemblies, traditional leaders and women's community-based organisations came together to develop and implement strategies which will strengthen women's role in local democracy.

Other Regions

Pakistan has seen an increase in the number of elected women parliamentarians, many of whom were new to politics. The Foundation funded a project to develop their lobbying and advocacy skills in order to influence democratic change in Pakistan.

In the Middle East, a region which has a poor human rights record and where political opposition is suppressed, WFD has supported an Iraqi NGO in Kurdistan. The purpose was to establish a network responsible for improving communication between Iraqis inside and outside the country. Diverse ethnic and religious groups from the Iraqi diaspora discussed democratic principles at a workshop. The Foundation also supported an independent news agency and a civic education programme for women in the refugee camps of northern Iraq.

Fostering Democratic Governance

Europe

In eastern Europe, the countries undergoing democratic transition are experiencing a lack of public confidence in political institutions and democratic reforms. As a result, there has been a lower voter turnout in elections, particularly in Serbia and Bosnia and Herzegovina. Right across the region, and in the former Soviet Union, people are disillusioned and tend to disengage from the political process.

In south-east Europe citizens are not well informed about the work of local government or their own civic rights and responsibilities. WFD activities promoted democratic participation and the involvement of citizens in local communities. In Serbia, training was conducted for local election candidates in the multi-ethnic regions of Vojvodina, Sandzak and Presevo. Here local knowledge of implementing partners was crucial. Themes included public relations, communication with the electorate, campaigning and fundraising. In Bulgaria, polls were conducted to determine what voters regard as priorities for policy. Voters voiced their opinions in focus groups, informing politicians about the needs of the electorate.

WFD secured an additional £45,000 from the FCO to address the issue of civic participation at grassroots level in Serbia. Local service delivery is poor and communities have little understanding of the competencies of the municipal authorities. In order to operate effectively, councils need to develop mechanisms to channel public views into the decision-making process. Two projects were designed in response to these needs.

WFD has started to establish a municipal public information centre (PIC) in Nis, Southern Serbia in partnership with the Local Democracy Agency and using the third-country experience of the Foundation for Local Government Reform, Sofia. The centre will provide information on the responsibilities of the city's administrative and public services

and will communicate citizens' initiatives and interests to the city council. In this way, the PIC aims to promote an active citizenry that engages with the local authority. The centre will add value to a larger US-funded project set up to improve the effectiveness and transparency of public service delivery.

In collaboration with the Centre for Modern Skills, Belgrade, WFD designed and conducted a training programme for newly-elected local councillors in the multi-ethnic Presevo Valley in southern Serbia. Many new politicians had no experience of local government and quickly needed to gain an understanding of the functioning of government based on the principles of democracy. Experienced local trainers and British politicians and officers conducted seminars on the basic functions of local government, communication skills and approaches to managing multi-ethnic communities.

In the former Soviet Union the general public feels marginalised from the political process which it perceives as the preserve of an elite. Public participation in politics is low. WFD-funded projects therefore promoted civic participation, particularly by developing links between NGOs and local government. In Ukraine, NGOs received training in advocacy skills, forming partnerships with local authorities and identifying community needs. As a result, NGOs developed joint action plans to lobby local authorities. In Russia a Citizens Advice Bureau was established as a means for single-issue NGOs to provide advice to the public on civil rights.

WFD also funded activities to strengthen state institutions such as the legislature and processes such as elections. In Russia, seminars on ethics and public standards were conducted and a public advisory committee for Moscow City Government was established to improve the accountability of officials. In Serbia, the Foundation supported a national government innovation unit developed to link social service

policy reforms with local communities. In Bulgaria, British MPs held seminars for their Bulgarian counterparts on issues such as public standards and relationships between parliament and the EU.

Africa

In Africa, the needs and interests of many citizens are often ignored by governments, whether authoritarian or democratically elected. This neglect can be traced to institutional weaknesses, practices of exclusion and a general lack of a pluralist democratic culture. To address these issues, WFD has supported projects that build the capacity of civil society organisations to articulate the needs and concerns of the citizens to political representatives and state institutions. The Foundation is supporting projects of this kind in Ghana, Uganda and Angola. In Ghana, for example, WFD supported a project to improve the capacity of the traditional councils and district legislatures. The project furthered decentralisation by improving communications between local government and voters.

WFD acknowledges the important role played by the media in civil society; that role is essential to the democratic process. In the last year, WFD conducted a project in partnership with the Mohamed Amin Foundation to develop the capacity of the media and improve broadcast journalism in east Africa. The aim of the project was to raise awareness of political and electoral issues, which was particularly relevant in the context of the Tanzanian and Kenyan elections and constitutional review process in Uganda.

In 2002, African leaders launched the African Union, a multilateral organisation whose mission is to improve governance in Africa. In relation to this, African leaders have accepted the New Partnership for African Development (NePAD), a strategic framework for African socio-economic and political development. The focus of the African Union and NePAD is the promotion of good governance, democracy

and human rights. WFD supported this initiative by funding a project focusing on political leadership and democratic reform of political systems. The project involves political actors from institutions including political parties, the executive, legislature and judiciary in Egypt, Nigeria, South Africa, Rwanda and Kenya. The outcome will be an assessment of the prevailing political culture and of the systems and processes which affect the development of policy and political practice in Africa.

WFD also assisted in strengthening the technical ability of civil society organisations to improve the monitoring procedures and communication skills of civic observers in the 2002 Kenyan elections. This project involved training workshops on campaigning and lobbying techniques. Training in public speaking was provided for women leaders of civil society organisations to enable them to engage effectively in elections. In Somaliland, the Foundation provided training and technical assistance to build the institutional capacity of the newly-established Electoral Commission to enable it to fulfil its responsibilities during the municipal elections.

In Sierra Leone, WFD assisted in building the institutional capacity of the parliament, parliamentary clerks office and house committees by funding a research and information centre in parliament. The project is planned as a continuation of WFD's commitment to democratic transition in Sierra Leone following years of conflict. The programme began before the elections in May 2002. The project aims to improve the performance and effectiveness of parliament, its members and committees through the provision of high-quality, timely, accurate and relevant research and information. By enabling Members of Parliament to perform their functions as representatives more effectively, the project will strengthen parliamentary democracy in Sierra Leone.

WFD has also assisted the Malawi Parliament. As part of a UNDP institution-strengthening grant for the Malawi parliament, WFD held workshops for parliamentarians supporting the consultation process for the drafting of a four-year strategic plan. The main output of the workshops was a framework for the strategic plan, with an action plan for wider consultation with party leaders and other key stakeholders in the donor community and civil society.

Other Regions

In Asia, the Foundation has been involved in a project in Nepal to strengthen the institutional capacity of the parliamentary Public Accounts Committee (PAC). The aim of the project was to identify ways of improving the committee's organisational and managerial capacity. The outcome will be a plan of action to further strengthen the Nepal parliament.

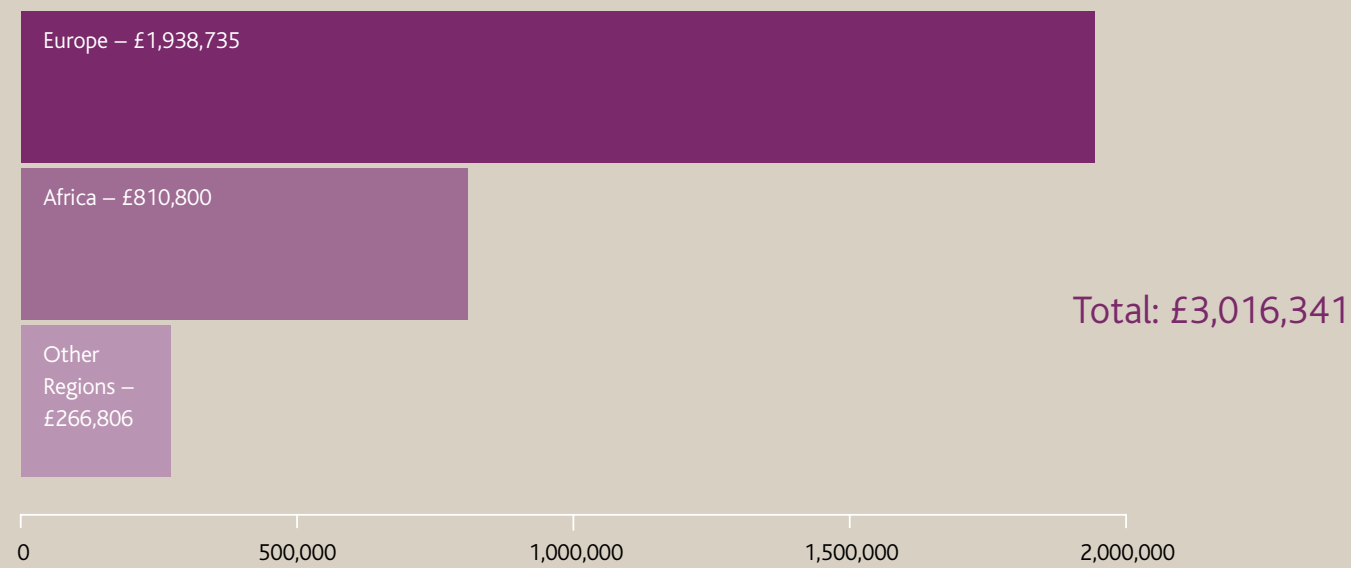
In the Middle East, WFD has funded projects fostering civic participation in Iraq, Iran and Jordan. In Jordan, the Foundation supported a voter education project in the run-up to the elections. It incorporated informative radio programmes, debates and profiles of candidates with women voters receiving special attention.

The Foundation sought to strengthen the institutional capacity of the Iranian legislature. In partnership with the Iranian Majlis Research Centre (MRC) and the House of Commons Research Service, WFD implemented a project focusing on the legislature's research capacity. The Foundation funded a Tehran-based civil society organisation to provide practical training for NGOs on effective engagement with policy-makers.

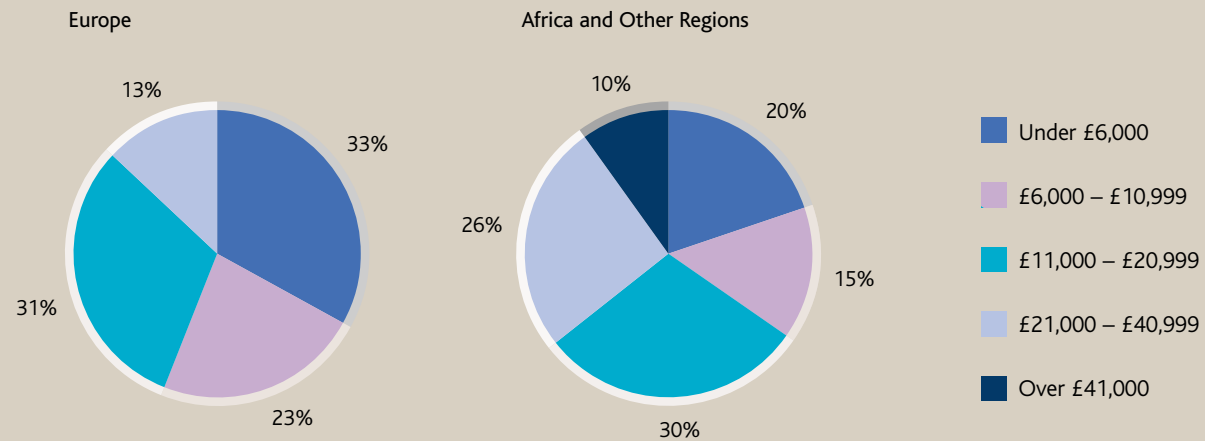


Statistics 2002/2003*

Expenditure by Region



Size of Grants



* Figures do not include additional project funding

Projects by Country and Theme

Europe

Region/Country	Political Party	Civil Society	Human Rights	Democratic Governance	Total
Regional	18		2		20
Albania	3				3
Azerbaijan	1	1	2		4
Belarus	6			2	8
Bosnia			4		4
Bulgaria	7		1	1	9
Caucasus Regional	1	1	1		3
Central Asia Regional			1		1
Croatia	4		1		5
Estonia	8				8
Hungary	4				4
Lithuania	7				7
Macedonia	2				2
Moldova				1	1
Mongolia	3				3
Poland	2				2
Romania	1		1		2
Russia	5	2		5	12
Serbia and Montenegro (incl. FRY and Kosovo)	11	3	4	2	20
Slovakia	7				7
Slovenia	4				4
Tajikistan	1	1			2
Ukraine	3	1		2	6
Total	98	9	17	13	137

Other Regions

Region/Country	Political Party	Civil Society	Human Rights	Democratic Governance	Total
Middle East Regional			1		1
Iran		1		1	2
Iraq			2		2
Qatar	1				1
Cambodia	1				1
India	1				1
Pakistan				1	1
Philippines	1				1
Sri Lanka	1				1
Latin America Regional	1				1
Caribbean	1				1
El Salvador	1				1
Total	8	1	3	2	14

Africa

Region/Country	Political Party	Civil Society	Human Rights	Democratic Governance	Total
Regional	11	1	1	3	16
Angola	1				1
DRC			1		1
Ghana	1	1	1		3
Kenya	3		2	1	6
Liberia		1			1
Malawi	1				1
Mozambique	2				2
Namibia	3				3
Senegal	1				1
Sierra Leone		1		1	2
Somaliland				1	1
South Africa	5				5
Tanzania	1				1
Uganda	1				1
Zambia	2				2
Total	32	4	5	6	47

The Westminster Foundation for Democracy Limited Summary Financial Statements

Foreword

The following summary financial statements are a précis of the information contained in the Westminster Foundation for Democracy Limited's Accounts for the year ended 31 March 2003. They do not contain sufficient information to allow a full understanding of the results and state of affairs of the Foundation. For further information, the full annual financial statements and Auditors' Report on those statements should be consulted.

It's easy to obtain our full annual financial statements and Auditors' Report –

View or download them from our website at www.wfd.org

Write for a free copy to: The Company Secretary, WFD, 125 Pall Mall, London SW1Y 5EA, or Email wfd@wfd.org

These summary financial statements have been prepared in accordance with section 251 of the Companies Act 1985 and the Companies (Summary Financial Statement) Regulations 1995 (SI 1995/2092) and were signed by Michael Gapes MP, Chairman of the Foundation, and by Michael Moore MP, Governor of the Foundation.

Summary Income & Expenditure Account for the year ended 31 March 2003

	Core Funds	Corporate Funds	Extra-budgetary Funds	2003 Total	2002 Total
	£	£	£	£	£
Gross Income					
HM Government grants	4,165,577	-	541,578	4,707,155	4,578,876
EU – Royaumont funding	-	-	-	-	70,413
UNDP	-	-	70,238	70,238	42,082
	4,165,577	-	611,816	4,777,393	4,691,371
Direct Expenditure					
Projects	3,187,546	-	598,256	3,785,802	3,909,368
	978,031	-	13,560	991,591	782,003
Other Expenditure					
Staff costs	550,699	-	-	550,699	437,171
Depreciation – owned assets	14,932	-	-	14,932	27,218
Other operating charges	418,181	-	-	418,181	284,644
Other operating income – rent	(32,313)	-	-	(32,313)	(36,715)
	951,499	-	-	951,499	712,318
Operating Surplus	26,532	-	13,560	40,092	69,685
Interest receivable	1,934	134	1,585	3,653	2,208
Surplus On Ordinary Activities Before Taxation	28,466	134	15,145	43,745	71,893
Corporation tax	-	(13)	-	(13)	(179)
Surplus For The Year	28,466	121	15,145	43,732	71,714
Balances brought forward at 1 April 2002	17,419	158,566	207,362	383,347	311,633
Transfer between funds	(75,808)	-	75,808	-	-
Balances Carried Forward at 31 March 2003	(29,923)	158,687	298,315	427,079	383,347

Summary Balance Sheet at 31 March 2003

	2003	2002
	£	£
Fixed Assets		
Tangible assets	11,531	19,837
Current Assets		
Debtors	21,397	34,576
Cash at bank and in hand:		
Core	73,406	11,401
Corporate	62,355	115,969
Extra-budgetary funds	294,860	252,362
	452,018	414,308
Creditors: amounts falling due within one year	36,470	50,798
Net Current Assets	415,548	363,510
Total Assets Less Current Liabilities	427,079	383,347
Funds		
Core	(29,923)	17,419
Corporate	158,687	158,566
Extra-budgetary	298,315	207,362
	427,079	383,347

Independent Auditors' Report to the Members of The Westminster Foundation for Democracy Limited

We have examined the summary financial statements on page 16 which have been prepared in the form and the basis set out in the summary foreword above.

This report is made solely to the Foundation's Governors, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Foundation's Governors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Foundation and the Foundation's Governors as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of the Governors, Chief Executive and Auditors

The Governors and the Chief Executive are responsible for preparing the summary financial statement. Our responsibility is to report to you our opinion on the consistency of the summary financial statement with the full annual financial statements and Governor's report, and its compliance with the relevant requirements of section 251 of the Companies Act 1985, and the regulations made thereunder, and the basis set out in the summary Foreword. We also read the other information contained in the Annual Review and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the summary financial statements.

Basis of opinion

We conducted our work in accordance with Bulletin 1999/6 "The Auditors' statements on the summary financial statement" issued by the Auditing Practices Board.

Opinion

In our opinion the summary financial statements are consistent with the full annual financial statements and the Governors' report of The Westminster Foundation for Democracy Limited for the year ended 31 March 2003 and it complies with the requirements under section 251 of the Companies Act 1985, and the regulations thereunder, and the basis set out in the summary Foreword.

Baker Tilly

Registered Auditors
Chartered Accountants
2 Bloomsbury Street
London, WC1B 3ST

1 July 2003

Patrons, Governors and Staff

Patrons

Rt Hon Michael Martin MP, Speaker of the House of Commons
Rt Hon Tony Blair MP
Rt Hon Iain Duncan Smith MP
Rt Hon Charles Kennedy MP
David Trimble MP
Ieuan Wyn Jones MP AM
Mark Durkan MLA
John Swinney MSP
Rev Dr Ian Paisley MP MEP MLA

Board of Governors

Mike Gapes MP, Chairman
Nik Gowing, Vice-Chairman
Michael Moore MP, Vice-Chairman
Michael Trend CBE MP, Vice-Chairman
Michael Aaronson CBE
Georgina Ashworth OBE
Nicola Duckworth
Mary Kaldor
Elfyn Llwyd MP
Patrick Smith
Frances D'Souza CMG
Caroline Spelman MP
Richard Spring MP
Gisela Stuart MP

Foreign and Commonwealth Office Adviser

Jon Benjamin, Head of Human Rights Policy Department

Staff

David French, Chief Executive

Europe Team

Jadranka Foster Programme Director, Europe and Deputy to Chief Executive
Carla Welch Programme Manager, Europe Team
Alex Romaniuc Programme Officer, Europe Team

Africa Team

Elizabeth Marsh Programme Director, Africa
Karen Miller Programme Manager, Africa Team
Marina Narnor Programme Manager, Africa Team

Finance Team

Gordon Lane Director of Finance and Company Secretary
Brian Merritt IT Officer and Assistant to Director of Finance
Nagina Ashraf PA to Chief Executive

Political Parties

Nabila Sattar Labour Party
Matthew Beevor Labour Party
Philippa Broom Conservative Party
James Marriott Conservative Party
Karla Hatrick Liberal Democrats
Alison Hughes Liberal Democrats
Tanja Hollstein Smaller Parties

Details current at 30 June 2003



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