WORKING WITH CIVIL SOCIETY IN FOREIGN AID

POSSIBILITIES FOR SOUTH-SOUTH COOPERATION ?

Australian AID

UNDP

Empowered lives.
Resilient nations.

ACKNOWLEDGEMENTS

through detailed case studies. Information and perspectives gained from these cases form an integral part of the study. But they can also be read as stand-alone documentation. The following consultants made contributions:

United States Case Study: Carolyn Long,
Independent Consultant

Sweden Case Study: Pontus Modéer and Henrik Alffram,
Consultants, Rightshouse, Sweden

Australia Case Study and the INGO Case Study: Bill Morton,
Independent Consultant

As coordinator for the research, I prepared the Brazil and Turkey case studies, as well as some brief notes on India, South Africa, Republic of Korea and the Czech Republic. These case studies were based on available documentation and selected interviews with key informants. I want to thank them for their time and insights.

Of course, I alone am responsible for the study's summary conclusions and synthesis of the documentation. Also, I take full responsibility for any errors or misinterpretation of information.

Finally, I would like to say that this research has been a pleasure. In creating a synthesis of key elements of relationships between donors and CSOs, I hope that I have been able to point to some modest lessons. They are offered in the spirit of furthering dialogue between Southern civil society and aid-providers as new directions and policies for South-South development cooperation (SSC) are considered in the coming months and years. My understanding of SSC has been enriched by discussions with Southern researchers, informants and government officials. I want to thank UNDP China for the opportunity that made this possible.

Brian Tomlinson
AidWatch Canada
September 2013

CONTENTS

ANNEXES

CASE STUDIES

ABBREVIATIONS AND ACRONYMS

ABC	Agência Brasileira de Cooperação (Brazilian Cooperation Agency)
Abong	Associação Brasileira de Organizações Não Governamentais
ACFID	Australian Council for International Development
ACORD	Agency for Cooperation and Research in Development
ACP	African, Caribbean and Pacific
ANCP	AusAID CSO Cooperation Program
ARF	Africa Renaissance and International Cooperation Fund
AVID	Australian Volunteers for International Development
BRICS	Brazil, Russia, India, China and South Africa
CA	Cooperative Agreement
CAW	Commission on the Advancement of Women
CDO	United States cooperative development organization
CEE	Central and Eastern Europe
CONARE	National Council for Refugees
CPA	Country Programmable Aid (DAC calculation of aid accessible to partner countries)
CSO	Civil society organization
CzDA	Czech Development Agency
DAC	Development Assistance Committee
DAP	Direct Aid Program
DCD	Development Cooperation Directorate at the OECD servicing the DAC
DESC	Development Effectiveness Steering Committee
DFID	United Kingdom Department for International Development
DPA	Development Partnership Administration
DPG	Development Program Grant
EDCF	Economic Development Cooperation Fund
EU	European Union

FAA	Foreign Assistance Act of 1961
FAO	Food and Agriculture Organization
FBO	Faith-based organization
FOG	Fixed Obligation Grants
FoRS	Czech Forum for Development Cooperation
FRII	Swedish Fundraising Council
GNI	Gross national income
HLF4	Fourth High Level Forum on Aid Effectiveness (Busan, Republic of Korea)
HPA	Humanitarian Partnership Agreement
IATI	International Aid Transparency Initiative
IBSA	India–Brazil–South Africa Dialogue Forum
ICNL	International Center for Not-for-Profit Law
ICVA	International Council of Voluntary Agencies
IDEA	Office of Innovation and Development Alliances
IDRC	International Development Research Centre
IHA	International humanitarian assistance
INGO	International non-governmental organization
IPEA	Instituto de Pesquisa Econômica Aplicada
IRD	International Relief and Development
IWDA	International Women's Development Agency
KCOC	Korea NGO Council for Overseas Cooperation
KoFID	Korea Civil Society Forum on International Development Cooperation
KOICA	Korea International Cooperation Agency
KYM	Kimse Yok Mu
LGBT	Lesbian, gay, bisexual and transgender
MDG	Millennium Development Goal

MFAN	Modernizing Foreign Assistance Network
MINUSTAH	United Nations Stabilization Mission in Haiti
NGO	Non-governmental organization
NPOs	Non-profit organizations
OCHA	UN Office of Humanitarian Affairs
ODA	Official Development Assistance
OECD	Organisation of Economic Co-operation and Development
OFDA	Office of Foreign Disaster Assistance
PEPFAR	President's Emergency Program for AIDS Relief
PNAE	National School Feeding Programme
PRONAF	National Programme for Strengthening Family Farming
PVC	Private and Voluntary Cooperation
PVO	Private Voluntary Organization
RFA	Request for Application
RFP	Request for Proposals
SADPA	South African Development Partnership Agency
SAS	Small Activities Scheme
Sida	Swedish International Development Cooperation Agency
SMC	Swedish Mission Council
SSC	South–South cooperation
TIKA	Turkish International Cooperation and Development Agency
TUSEV	Third Sector Foundation of Turkey
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
USAID	United States Agency for International Development
USGLC	United States Global Leadership Campaign
WFP	World Food Programme

EXECUTIVE SUMMARY OF KEY LESSONS

The United Nations Development Programme (UNDP) 2013 Human Development Report 'The Rise of the South: Human Progress in a Diverse World' highlights a profound shift in global dynamics.[i] It draws attention to unprecedented developments in the South and their implications for human development. The impact of these changing dynamics on the global economy and politics will shape the future of development in many parts of the world. Building on this report, and responding to a request from the Chinese Academy of International Trade and Economic Cooperation (CAITEC), this study looks more closely at the implications of the 'rise of the South' for South–South cooperation (SSC) for development. Specifically, the focus is on the sometimes neglected roles — current and potential — for Southern civil society organizations (CSOs) in SSC.

As countries become increasingly involved in SSC for development, many are considering approaches that expand relationships with CSOs in their aid programmes. This study reviews the experiences of official development assistance (ODA) and the roles of CSOs in the traditional donor countries of the Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee (DAC) and a selected number of South–South aid-providers as a potential resource for policy discussions. It attempts to draw out some common themes and possible good practice in partnerships with CSOs.

The book is structured in two sections. The first part draws together lessons learned from the experiences that DAC donors and South–South aid-providers have in working with CSOs as part of their development cooperation in aid delivery. It seeks to highlight good practices and relevant issues from the perspective of SSC actors that are possibly planning to engage CSOs in the future. The second part of this book is a collection of more detailed case studies from the USA, Australia, Sweden, Brazil, Turkey and a few other South–South aid-providers. There is also a case study on working with international NGOs. The case studies provide country-specific in-depth knowledge on the experience of these countries in engaging CSOs in the delivery of their aid. The overall aim of the book is to provide a useful resource for different development actors by suggesting ways to engage civil society in their development policy and cooperation.

Rather than provide a detailed summary of the background and themes elaborated in the study, the executive summary points to several lessons derived from the long experience of cooperation with CSOs by traditional donors in their aid programmes. Some of these experiences and practices might be relevant for SSC assistance-providers as they consider how to engage civil society in their delivery of development assistance.

*See **Chapter 2** on the growing scope of CSOs in global aid delivery and **Chapter 3** on the CSO landscape in development.*

DAC donors' relationships with civil society have a long and rich history, with both challenges and advances for development cooperation. It should not be simply translated and applied as 'the model' for middle-income countries engaged in SSC. This

experience is not only highly diverse and complex; it is also based on a North–South, donor–recipient paradigm. It is essential that SSC engages civil society in ways that take account of the articulated principles and approaches of SSC — strengthening capacities for self-development, implementing principles of country ownership, equality and mutual benefit, and adjusting the development experience of the SSC assistance-provider to actual conditions in partner countries.

Equally important is an understanding that CSOs interested in SSC are not merely instruments that government uses in aid delivery. CSOs are themselves independent and voluntary organizations, each with their own mandate and guiding principles, accountable to their own constituencies — the people they represent — and governed by the laws of the country in which they work.

Despite its challenges, government collaboration with CSOs in the context of SSC can be highly enriching. CSOs bring a wealth of diverse development experience that can be an invaluable resource for broadening and deepening the reach of SSC in partner countries. CSOs can implement on-the-ground aspects of development cooperation particularly well — for example, in humanitarian assistance, in working directly with poor people in the social sectors, or in strengthening practices and accountability for development cooperation efforts. Including CSOs in development cooperation creates domestic awareness of global issues, and engages important domestic constituencies in concrete expressions of global solidarity. For an effective relationship between government and CSOs within SSC, it is important to establish clear areas of common purpose and objectives based on comparative advantages of each actor and on the developing-country context.

Even with considerable variation between different country contexts, there are some key lessons from DAC donor practice which countries involved in SSC may find relevant as they develop their own partnerships with CSOs. The review undertaken as part of this research of several countries that provide resources for development cooperation suggests the

following five important areas that may be of most relevance to SSC-providers as they consider the roles of CSOs in their development cooperation efforts:

1. DEFINING THE INCLUSION OF CSOs IN OFFICIAL POLICIES FOR SSC

Policy processes currently underway in SSC-providing countries can potentially be good occasions to consider opportunities, sectors and modalities for including CSOs in development cooperation in a way that is consistent with the principles that define SSC. These policies should reflect on the particular experience that CSOs could bring to SSC — effective humanitarian responses, working directly with poor people in social sectors, or holding all development actors to account for development outcomes.

*See **Section 3.3** on roles of CSOs in development cooperation and **Chapter 5** on donors' rationales for working with CSOs.*

Such policies may include:

i.   a rationale for working with CSOs;
ii. eligibility criteria for CSOs for collaboration;
iii. expected modes of collaboration;
iv. overarching criteria for selecting CSOs for partnerships;
v.   transparent processes for determining programming priorities with CSOs; and
vi. conditions for policy dialogue and periodic review of SSC policies.

Defining appropriate funding modalities is an essential aspect of policies for engaging with CSOs. The development assistance provider is rightly concerned with compliance with contractual terms and fiduciary accountability for finance channelled to CSOs. Nevertheless, DAC donors' experiences suggest that an equally important consideration should be the **choice** of the appropriate funding modality in terms of the shared objectives of

*See **Chapter 6** on the advantages and disadvantages of different funding modalities and the impact of these different funding modalities on the effectiveness of partnerships with CSOs.*

the partnership. As detailed in Chapter 6, each modality will have different implications for the relative capacities of CSOs to effectively achieve **and sustain** the agreed development outcomes of the partnership. The experience of traditional donors' funding modalities points to the importance of a diversity of funding modalities according to defined purposes of engagement. These modalities can vary between non-competitive project finance, call-for-proposal mechanisms, core institutional support or standing offers for humanitarian assistance.

The evidence suggests that no set of funding regulations in a particular modality reduces fiduciary risk any better than any other. Addressing fiduciary risk must be seen as a holistic exercise. Measures can be built into eligibility requirements for CSO partners and into the terms of the contractual regime. Nevertheless, the conditions of a particular modality can significantly affect the capacities of CSOs to maximize development outcomes on the ground. Small organizations might benefit from a project modality in which outcomes are geared towards specific local grass-roots benefits. Core institutional support for larger organizations, on the other hand, provides the flexibility, capacities for diverse partnerships on the ground, and the potential reach to maximize the scale of shared objectives of the aid-provider and the CSO.

Possible South–South funding modalities for CSOs might consider the following factors:

i. maximizing responsiveness to local CSOs;
ii. providing technical and financial resources to build on-the-ground CSO capacities;
iii. allowing programmatic flexibility and accountability, with more local control to guide work on the ground; and
iv. developing a sustainable partnership, not only a funding relationship.

2. CREATING AN ENABLING ENVIRONMENT FOR CSOs TO ENGAGE IN SSC

The legal environment for CSOs has evolved differently in each country. As independent actors in development, it is particularly important that CSOs have a clear and transparent legal framework within which to structure both their domestic work and their participation in SSC programmes. To assure maximum effectiveness, this legal environment should allow for a variety of SSC relationships with diverse stakeholders. It is important that regulations governing the operations of CSOs allow for both direct partnerships with aid-providing governments and for direct partnerships with other CSOs. The latter are often essential to many CSO roles in capacity development or strengthening accountability. South–South assistance-providers may consider developing a strong foundation of knowledge of the legal and regulatory environment for CSOs in partner countries. This way they can be assured that they are not undermining the enabling conditions for CSOs in these countries.

See **Section 3.5** *on the legal environment for CSOs.*

3. STRENGTHENING KNOWLEDGE AND CAPACITIES OF CSOs IN BOTH THE PARTNER COUNTRY AND THE ASSISTANCE-PROVIDING COUNTRY

In developing partnerships for SSC, neither CSOs nor funders should assume that all the skills required for effective development cooperation work overseas parallel those honed within their domestic context. Some important areas of capacity strengthening for effective collaboration between CSOs and governments in SSC might include: (i) analysing appropriate modes of conducting international cooperation; (ii) determining how best to establish mutually productive government–CSO partnerships; (iii) adapting approaches to the expressed needs of partners on the ground; (iv) understanding the unique cultural

See **Section 3.4** *on CSO partnerships,* **Section 3.7** *on CSO coordination and working through coalitions, and* **Section 6.4** *on modalities of direct donor support for CSOs in developing countries.*

or political realities in partner countries; and (v) working equitably with counterparts in other countries.

Similarly, assistance will be more effective if there is a good understanding of the current capacities and orientations of CSOs in partner countries. A mapping of the strengths and vulnerabilities of major CSO actors (in both partner and SSC-providing countries) may be a useful tool to identify CSOs and appropriate conditions for partnerships.

4. BUILDING TRUST

See **Chapter 4** *on CSO accountability and transparency.*

CSOs in developing countries have a variety of relationships with local and national governments, ranging from overt or hidden tensions to healthy cooperation and collaboration. These relationships are very context-specific, a function of many social, political and historical factors. Where there is little previous experience, an initiative to collaborate in SSC is likely best advanced through a step-by-step process. It will be one in which the SSC assistance-provider and the CSO build knowledge and trust of each other, perhaps initiated through pilot projects that test capacities, working relationships and institutional effectiveness. This initial space can be used to gather information and ideas on innovative ways of working. It can also in the future lead to more long-term collaboration.

5. CREATING SPACE FOR POLICY DIALOGUE AND LEARNING BETWEEN CSOs AND ASSISTANCE-PROVIDING INSTITUTIONS

Ongoing policy dialogue is an essential ingredient for developing trust and knowledge across different partnerships for SSC. Development cooperation is inherently risky, with many dilemmas and knowledge gaps on the part of all development actors. All actors, including governments, benefit from a forthright exchange of experience in elaborating policies, priorities and different approaches to achieve development outcomes. A great deal of this knowledge resides in the CSO community, in both the partner and assistance-providing countries. CSO coalitions and country platforms are ideally suited to facilitate government engagement with a diverse and broad range of CSOs that might not be easily accessible to government otherwise. Unfortunately, the current reality in many partner countries is that to date there seems to be limited space and little experience in government engagement with domestic CSOs. SSC involving CSOs may be an avenue for encouraging more collaboration between governments and CSOs for greater development benefits.

Partner-country governments, DAC donors and SSC assistance-providers have been working to clarify the principles that guide their development cooperation. The volume and ways of doing SSC are growing significantly each year. Perhaps the time has come to consider how to translate the experience of CSOs, long considered only as recipients of aid, into productive and responsible roles in SSC.

*See **Chapter 7** on CSO policy dialogue with government and **Chapter 8** on relationships between CSOs and developing-country governments.*

i   UNDP, 'Human Development Report 2013. The Rise of the South: Human progress in a diverse world', United Nations Development Programme, New York, 2013. http://hdr.undp.org/en/reports/global/hdr2013/

1   THE RISE OF THE SOUTH

The United Nations Development Programme (UNDP) 2013 'Human Development Report' focuses global attention on 'the rise of the South'. The South is developing "at an unprecedented speed and scale" with significant reductions in extreme poverty across many middle-income countries.[1] The UNDP report brings together much that has been written in recent years documenting the extent and meaning of important trends in the rise of a growing number of dynamic economies in the South. It focuses on the impact of these changing dynamics in the global economy and in global politics.

This study looks more closely at the implications of the 'rise of the South' in South–South cooperation (SSC), and more specifically at the sometimes neglected potential roles for Southern civil

society organizations (CSOs) in Southern-led development cooperation. It draws the main lessons and potential directions for good practice from existing research and several case studies. It reflects upon 40 years of experience among the Organisation of Economic Co-operation and Development (OECD) donor countries in engaging civil society in aid delivery. The principles guiding SSC — such as mutual benefit, reciprocity, non-interference in domestic affairs — provide an essential optic in applying these lessons to the engagement with civil society by Southern aid-providers. These principles suggest roles for civil society in South–South aid delivery that have great promise in strengthening social solidarity. SSC can strengthen relationships, not only with governments, but also between peoples across the South.

According to the 2013 'Human Development Report', by 2020, "the combined economic output of three leading developing countries alone — Brazil, China and India — will surpass the aggregate production of Canada, France, Germany, Italy, the United Kingdom and the United States."[2] These countries are joined by Turkey, South Africa and the Republic of Korea, among others. Advances along their own development path have been the result of very different domestic political and socio-economic forces in each of these developing countries. In some countries, those promoting and contributing to unique models and approaches have also included strong CSOs as domestic development actors.

As a result, more complex, but perhaps more balanced, forms of globalization are emerging. Developing countries' share of global merchandise trade has grown from 25 percent to 45 percent between 1980 and 2010. In the same period, the share of South–South trade has expanded from 8 percent to more than 26 percent.[3] At the same time, the 'rise of the South' is contributing to a more diverse architecture for development assistance. This architecture not only involves new actors but also challenges, as well as complements, traditional forms of North–South development cooperation.

Several transition countries, middle-income and leading developing countries — among them China, Brazil, Turkey, India, South Africa, Poland and Saudi Arabia — are rapidly expanding into new roles and modalities for SSC. According to estimates, current SSC was approximately US$17 billion in 2011. China, Saudi Arabia and Turkey are among the largest contributors, accounting for more than 70 percent of the total (see Table 1 for details). For Central/Eastern European and Southern aid-providing countries that report their aid to the OECD Development Assistance Committee (DAC), this assistance grew markedly by 56 percent between 2010 and 2011, from US$7.0 billion to US$10.9 billion.[4] This figure of US$17 billion for SSC is significant when compared to current aid flows from traditional DAC donors. SSC represents 12.7 percent of total DAC Official Development Assistance (ODA) in 2011 (but 24.5 percent of DAC Country Programmable Aid, including humanitarian assistance and food aid).

The middle-income developing countries have engaged in SSC for many decades, particularly through the Non-Aligned Movement. Initiated at the Bandung Conference[5] of 1955, SSC takes many forms, often bundling investment opportunities, technical assistance, the provision of appropriate technology, training and education exchange, through grants and concessional and non-concessional finance modalities. Within this broad array of cooperation, this study focuses on a smaller set of SSC development assistance activities, including those that are supported through grant aid, concessional loans and humanitarian assistance (i.e. the US$17 billion documented in Table 1).

As early as the 1950s countries such as Brazil and India began activities through modest technical cooperation programmes. Their main partners were countries in Africa and neighbouring countries of Latin America and Asia. By 1987, the Brazilian government had created the Brazilian Cooperation Agency (ABC) with a mandate to negotiate, implement and monitor programmes and projects in Brazilian technical cooperation.

Turkey launched its aid programme in 1985 with a grant of US$10 million for the Sahel countries of Africa. The Turkish government created a coordinating aid agency, TIKA, in 1992, charged with implementing its development cooperation policies. India has played a very strong role in SSC since its independence in 1947, through manpower training programmes, establishing an Indian Aid Mission in Nepal in 1954, and launching a Special Volunteers Programme in 1994.[6] In July 2012, the Indian government announced the implementation of its Development Partnership Administration (DPA), which will oversee Indian development partnership projects around the world with a substantially growing aid budget over the next five years. Despite the evolution of specialized aid agencies, SSC continues to be initiated and implemented in parallel by line ministries in most countries that provide SSC assistance. Comprehensive information about these initiatives is often incomplete.

Table 1 Notes

1 *All reported or estimated development assistance provided annually on terms similar to the OECD DAC definition of ODA (to allow comparisons between DAC members and other aid-providers). See 'Is it ODA?', Factsheet, November 2008, at* http://www.oecd.org/dac/stats/34086975.pdf *.*

2 *Estimate for 2011 based on modest growth for Other Aid-Providers Not Reporting to the DAC, between year available and 2011/12.*

3 *Country Programmable Aid (CPA) is the portion of ODA donors programme for individual countries, and over which partner countries could have a significant say. The figure in this table also includes Humanitarian Assistance and Development Food Aid, which is not included in the DAC calculation of CPA. (See also footnote 3.)*

Sources: Kang-Ho, Park, 'New Development Partners and a Global Development Partnership', in: Catalyzing Development: A New Vision for Aid, edited by Homi Kharas, Koji Makino and Woojin Jung, Brookings Institution, Washington, DC, 2011: 38–60. DAC Datasets, DAC1, accessed June 1013, Chin, 2012: 585 (Brazil); Chaturvedi, 2012: 569 (India); and UNDP China, 2013: 1 (China) for actual expenditures in 2012 plus estimate of concessional loans, and Reality of Aid 2012 Global Report, www.realityofaid.org *.*

TABLE ONE

SSC ASSISTANCE FOR DEVELOPMENT COOPERATION: REPORTED AND ESTIMATED TOTAL ODA-EQUIVALENT ASSISTANCE

Millions of Current US$

DONOR	ODA-EQUIVALENT/ CONCESSIONAL ASSISTANCE (NOTE 1)	DATA YEAR
OECD MEMBERS REPORTING TO THE DAC		
TURKEY	$2,531.6	2012
POLAND	$ 416.9	2011
CZECH REPUBLIC	$ 250.5	2011
HUNGARY	$ 139.7	2011
SLOVAK REPUBLIC	$ 86.0	2011
MEXICO	NA	
NON-OECD, REPORTING TO THE DAC		
SAUDI ARABIA	$5,094.9	2011
RUSSIA	$ 479.0	2011
UNITED ARAB EMIRATES	$ 942.2	2011
TAIWAN, CHINA	$ 381.2	2011
KUWAIT	$ 144.5	2011
ROMANIA	$ 163.9	2011
SLOVENIA	$ 62.8	2011
CYPRUS	$ 37.6	2011
LITHUANIA	$ 51.7	2011
LATVIA	$ 19.2	2011
ESTONIA	$ 24.2	2011
THAILAND	$ 31.5	2011
TOTAL REPORTING SSC-PROVIDERS	**$10,857.4**	**2011**
TOTAL REPORTING IN 2010	**$ 6,963.2**	**2011 Increase: 55.9%**
SOUTH-SOUTH COOPERATION AID-PROVIDERS, NOT REPORTING TO DAC (ESTIMATES) (NOTE 2)		
CHINA	$4,350	2012
INDIA	$ 850	2012
BRAZIL	$ 900	2010
SOUTH AFRICA	$ 40	2007
VENEZUELA	NA	
TOTAL SSC-PROVIDERS' ODA (2011 ESTIMATE) **PERCENT OF DAC ODA** **PERCENT OF PROGRAMMABLE ODA** (INCL. HUMANITARIAN ASSISTANCE & FOOD AID)	**$17,000** **12.7%** **24.5%**	
TOTAL DAC ODA (2011)	**$133,716 (DAC PROGRAMMABLE AID: $69,428) (NOTE 3)**	

Transition countries in Central and Eastern Europe (CEE) have also been increasingly active in SSC. Modest programmes for development cooperation have evolved in most transition countries since the mid-1990s, building on an experience in technical and other forms of international cooperation during the Soviet era. By 2011, these countries, including the Russian Federation, reported US$1.7 billion in aid disbursements to the OECD DAC. Aid from these countries has grown by an average of 5 percent annually since 2008 despite challenging economic conditions for several CEE countries. According to a recent UNDP Survey, SSC for CEE countries has drawn on their different experiences in transition since the early 1990s, with a focus on issues in good governance, democratization, civil society and human rights. Priority areas also include agriculture, water, social development, education and health.[7]

Governments in most of the countries which are major providers of South–South aid are developing both institutional structures (e.g. South Africa and India) and policy frameworks (e.g. China and Turkey) to guide the allocation and improve the effectiveness of increasing aid resources. SSC is deepening the relationship between these countries and counterparts in Asia, Africa and the Americas through new partnerships in trade, investment and aid. In doing so, these SSC partnerships have opened a new development cooperation discourse at the global, regional and national level. Partners in SSC are drawing lessons from their own development experience and increasingly affecting institutional strategies to address poverty and inequality at the international level.[8]

SSC providers are influencing current development cooperation discourse through the elaboration of a number of principles and characteristics that they insist distinguish their cooperation from traditional DAC donor aid.[9] Among these principles and characteristics are the following:

- solidarity based on a shared experience of colonial relationships and their historical position in post-colonial global architecture;

- respect for national sovereignty and non-interference in domestic affairs;

- promotion of mutual benefit and reciprocity in the relationship;

- appropriate expertise based on shared development challenges; and

- providing an integrated mix of concessional/non-concessional grants, loans and technical assistance to meet development challenges.[10]

The growing scope of SSC, however, is not the only dynamic that is affecting an evolving and more complex global aid architecture. The past decade has also witnessed the growth of non-governmental organizations (NGOs) or CSOs as major aid and development actors. These civil society aid actors now transfer an estimated US$50.8 billion to US$76 billion annually.[11]

CSOs as aid actors are not by all means an exclusively Northern donor-country phenomenon. In middle-income countries CSOs have been diverse, sophisticated development actors; they have played dynamic and innovative roles at all levels of socio-economic development. To date, they have done so mainly with external resources from official DAC donors or from Northern CSOs in the DAC countries. Many CSOs in Southern aid-providing countries would be supportive of strengthening SSC and would have invaluable experience to contribute. On the whole, Southern CSOs also reflect SSC principles in their own discourse on development cooperation practice.[12]

Recent research[13] has demonstrated that CSOs in partner countries for SSC are looking to their colleagues in the Southern aid-providing countries to share this experience more directly, particularly through initiatives motivated by the principles and values of social solidarity.

Modest programmes to channel donor aid through CSOs can also be found in some CEE countries (e.g. the Czech Republic), as well as Turkey and in the Republic of Korea. (See the Turkey and CEE case studies.) However, the SSC case study (Brazil) and a wide review of secondary research on SSC found little evidence that CSOs to date have been involved systematically in SSC programmes or in Triangular Cooperation (involving a Northern donor).[14] A review of Brazil's international cooperation undertaken through ABC and the Ministry of Foreign Affairs makes only passing reference to the involvement of a CSO in work with refugees in Brazil and some collaboration with CSOs in HIV/AIDS programming.[15]

At the policy level, China's Foreign Aid Statement[16] (April 2011) makes no reference to CSOs, while its Africa Policy notes only the importance of cultural exchanges between peoples' organizations and institutions. At the global level, the five BRICS summit declarations[17] to date make only one passing reference to expanding people-to-people contact.[18]

Despite this limited experience in engaging CSOs in aid delivery, a number of major assistance-providers (India, South Africa, Turkey, China) have expressed interest in developing policies and approaches that expand relationships with CSOs in aid programming. This study is intended to contribute to these processes through a comparative analysis of ODA undertaken in partnership with CSOs. It provides some background on common themes, issues to consider and possible good practices. The study looks at the experience and lessons from 40 years of North–South donor engagement with CSOs in the effective delivery of aid for development in the South.[19] This record of North–South cooperation through CSOs is fraught

with issues, and development outcomes have been mixed, to say the least. Nevertheless, it is a rich experience within which it is possible to synthesize some good practices.[20] Its goal is to bring together a number of lessons for consideration by SSC aid-providers to enable these providers to consider how to engage CSOs in their aid delivery.

To identify some lessons for expanding SSC engagement with CSOs, the study first establishes some trends, issues and practices. These are intended to situate the work of CSOs as development actors in five areas:

1. the scope of CSOs in aid delivery;
2. the operational and legal environment for CSOs;
3. CSO accountability and transparency;
4. policies, funding modalities and policy dialogue between donors and CSOs; and
5. CSO and developing-country government collaboration in aid delivery.

Based on this background, the study then concludes with some highlights and summary lessons for consideration by SSC aid-providers, taking into account the distinctive characteristics of SSC.

2 THE GROWING SCOPE OF CSOs IN GLOBAL AID DELIVERY

There are several entry points to understand the significance of CSOs in aid delivery. In the first instance, CSOs are delivering very large amounts of development assistance each year, with one estimate as high as US$76 billion a year (see below). Looking at the sectors in which CSOs are most active, CSOs provide large proportions of global aid to the social sectors, particularly health, humanitarian assistance and development food aid. Not only is there a great volume of CSO initiatives; there is also growing sophistication.

2.1 RELATIVE FINANCIAL IMPORTANCE OF CSOs IN DELIVERING AID

CSOs are playing a significant role in aid finance for both long-term development cooperation and humanitarian assistance. They do so in their own right as legally constituted independent organizations. They raise funds through private donations, from both the general public and from private companies and foundations, as well as through official donor agencies.

An exact measurement of the financial scope of their role in global development cooperation is impossible. This is due to the diversity in funding sources for CSOs as well as their numbers and independence as development actors. Saying this, however, some statistics are available. They provide a general (if incomplete) picture of the scale of CSOs in delivering aid.

In financial terms, CSOs are very significant development actors

Table 2 provides a breakdown of different funding sources for CSOs. An estimate of between US$50.8 billion and US$76 billion in aid was channelled through CSOs in 2011.[21] CSOs in DAC donor countries provided approximately one third of all aid resources from these donor countries in that year.

The estimated total aid provided by CSOs approximately equalled all donor's Country Programmable Aid of US$69.4 billion in 2011. CSO assistance from donor countries was also at least three times the level of SSC aid resource flows (US$17 billion) in 2011. Chart 1 provides an overview of the relative balance in the different channels for aid (DAC bilateral aid less CSOs, DAC multilateral aid less CSOs, DAC aid channelled through CSOs, and for comparison the estimate of total aid channelled by CSOs including private sources) coming from DAC member countries.

TABLE 2   **AID CHANNELED BY CSOs TO DEVELOPING COUNTRIES (2011)**

A. **RECEIVED FROM GOVERNMENT**	
DAC DONOR AID THROUGH CSOs	US$20.0 BILLION
OTHER GOVERNMENT AID-PROVIDERS THROUGH CSOs	US$24.4 MILLION (1)
B. **RECEIVED FROM PRIVATE SOURCES**	
ESTIMATE OF PRIVATE FUNDS RAISED BY CSOs IN DAC COUNTRIES	US$30.6 BILLION (2) TO US$56 BILLION (3)
ESTIMATE OF PRIVATE FUNDS RAISED BY CSOs IN OTHER AID-PROVIDING COUNTRIES	US$200 MILLION (4)
ESTIMATED TOTAL AID (ALL SOURCES) BY CSOS IN 2011	**US$50.8 BILLION TO US$76 BILLION (5)**

Table Two Notes

1 *Including countries that report their aid to the OECD DAC.*

2 *As reported by DAC member donors in their annual reports to the DAC for 2010.*

3 *As calculated from the Center for Global Philanthropy, 2012.*

4 *As reported to the DAC by non-DAC members. Several large SSC aid-providers do not report to the DAC; therefore, these figures underestimate flows through CSOs in SSC aid-providing countries. See footnote 21.*

5 *Total is $20.4 billion + $30.6 billion + $224 million = $50.6 billion, or $76 billion, using $56 billion in place of $30.6 billion.*

Sources: *OECD DAC Creditor Reporting System, accessed 29 May 2013 and Center for Global Philanthropy, 2012.*
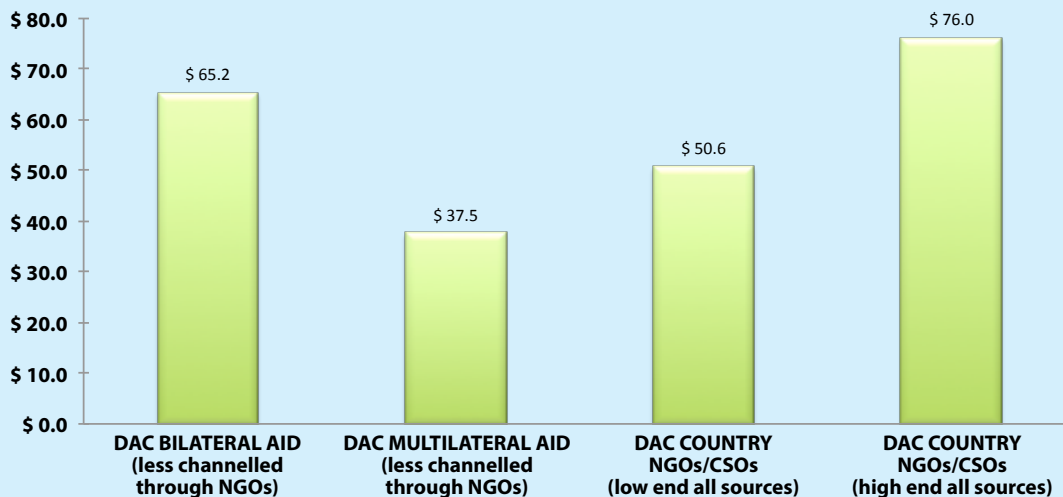
CHART 1   **CHANNELS FOR DAC AID ALL CHANNELS, 2011**

Millions of US$
(DAC Bilateral Aid is less Bilateral Aid channelled through NGOs, Support for Refugees, Debt Cancellation and Students in Donor Countries)
Source: *DAC Creditor Reporting System, May 2013*
Note: *DAC aid in this chart includes privately raised funds by CSOs in donor countries.*

Members of the OECD DAC submit annual statistics on the aid they channel through NGOs and CSOs. From this information the following points can be made:

- In 2011, DAC donors channelled more than 21 percent of their bilateral ODA through CSOs.[22]

- ODA channelled by DAC members through CSOs has been growing steadily in value since 2008 (from US$15.4 billion to US$20.0 billion), although it declined slightly between 2010 and 2011 (in 2011 dollars and exchanges rates).

Large differences in the amount of aid channelled through CSOs by different donors

There is considerable variance in the priority given to the CSO channel by donor countries for their bilateral aid, as indicated by Chart 2 (share of bilateral aid) for various donors. Donor partnerships with CSOs are extensive but also mixed, ranging from more than 30 percent of bilateral aid (Italy, Netherlands, Ireland, Switzerland, Sweden and Spain) to less than 10 percent (Japan, France, Portugal and the Republic of Korea). A long-standing and rich experience on the part of several DAC donors is the backdrop for several case studies and the assessment of lessons in subsequent sections of this study.

In dollar terms (Chart 3), five donors (the USA, European Union (EU) Institutions, the UK, the Netherlands and Sweden) channel more than $1 billion through their CSOs. These five donors make up 47.6 percent of all DAC donor funds channelled through CSOs. However, a large proportion of donor bilateral aid delivered through CSOs can be deceptive in relation to the priority given to CSOs in the larger picture. Looking at the six donors that provide more than 30 percent of their bilateral aid through CSOs (see the top six in Chart 2), their financial flows to CSOs make up just a fifth (21.3 percent) of total DAC funds

CHART 2

DAC DONOR AID CHANNELLED THROUGH NGOs/CSOs AS A PERCENTAGE OF BILATERAL AID (2011)

Note: *Bilateral aid is net of debt cancellation, support for students and refugees in donor countries.*
Source: *DAC Creditor Reporting System, accessed May 2013*

Country	Percentage
ITALY	42.1%
NETHERLANDS	39.6%
IRELAND	38.2%
SWITZERLAND	33.9%
SWEDEN	33.7%
SPAIN	32.3%
NORWAY	29.0%
LUXEMBOURG	28.6%
UNITED STATES	25.7%
BELGIUM	24.7%
DENMARK	22.9%
FINLAND	22.8%
CANADA	21.6%
AUSTRIA	20.5%
UNITED KINGDOM	20.4%
NEW ZEALAND	18.1%
AUSTRALIA	13.7%
GERMANY	12.8%
EU INSTITUTIONS	10.6%
JAPAN	5.8%
PORTUGAL	4.5%
FRANCE	2.3%
KOREA	2.3%
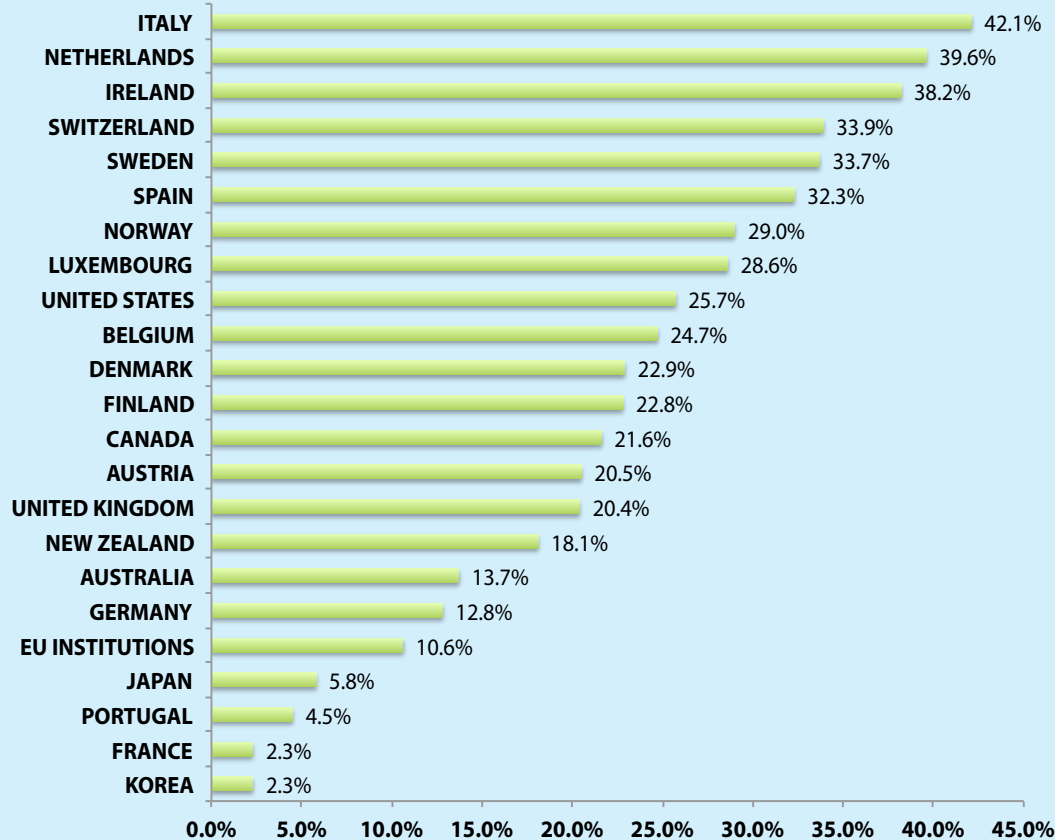
channelled through CSOs. The largest bilateral donors such as the USA, Japan or the UK and the EU channel much smaller proportions through CSOs.

Only one non-DAC country that reports its aid to the DAC identifies that it allocates finance to CSOs. The United Arab Emirates reports that less than 4 percent of its bilateral aid is through CSOs in 2011.

POSSIBILITIES FOR SOUTH–SOUTH COOPERATION?   **33**

In many DAC donor countries a small number of large CSOs are receiving a considerable proportion of donor funding for CSOs. In the 2000s, close to 60 percent of CSO funding in Norway went to five CSOs, 66 percent of Danish aid through CSOs goes to six CSOs, and in Ireland more than 85 percent was channelled to five CSOs.[23] Among the more than 580 CSOs registered with USAID, the top 10 USAID-funded grantees accounted for US$1.5 billion in grants being implemented in fiscal year 2012.[24]

Estimates of total aid channelled by CSOs are difficult to substantiate

There are no reliable statistics on total aid flows through CSOs that would accurately capture both ODA and private funds raised by CSOs for programmes in developing countries. This is true particularly for countries other than the USA, where there is more comprehensive information. The DAC members provide an estimate of the amount of CSO funds raised privately in their country, independent of government, from citizens, the private sector or foundations for aid activities. For 2010, DAC members estimated that a total of US$30.6 billion was raised from private sources in all these countries. Using other figures calculated by the US-based Center for Global Philanthropy, the estimate for privately raised funds raised globally by CSOs might be as high as $56 billion in 2010, of which the USA accounted for US$39 billion.[25]

Among the DAC donors, the USA represents the largest share of private aid funds raised by CSOs. In 2010 the USA reported to the DAC that US CSOs raised US$22.8 billion (or 75 percent of total private flows reported to the DAC).[26] Canada was the second largest, at US$2 billion, followed by Germany at US$1.5 billion. This is in contrast to the situation in Sweden, where privately raised funds account for only a very small part of the country's international assistance, with the exception of several faith-based organizations.[27] In Australia, while the amounts are less than the USA, the percentage of private donors is higher, representing 84 percent of the total funds managed by the CSO sector.[28]

CHART 3

DAC DONOR ODA CHANNELLED THROUGH NGOs/CSOs AMOUNT IN MILLIONS US$ (2011)

Note: *Bilateral aid is net of debt cancellation, support for students and refugees in donor countries.*
Source: *DAC Creditor Reporting System, accessed May 2013*

Country	Amount
UNITED STATES	$6,478.6
EU INSTITUTIONS	$1,870.2
UNITED KINGDOM	$1,687.1
NETHERLANDS	$1,480.4
SWEDEN	$1,001.0
GERMANY	$954.6
NORWAY	$951.6
CANADA	$773.3
SPAIN	$715.5
SWITZERLAND	$596.1
AUSTRALIA	$587.9
DENMARK	$463.7
JAPAN	$368.9
BELGIUM	$352.4
IRELAND	$230.8
ITALY	$222.9
FINLAND	$183.0
FRANCE	$131.5
LUXEMBOURG	$80.1
AUSTRIA	$63.8
NEW ZEALAND	$57.2
KOREA	$22.8
PORTUGAL	$20.7

$0.0 $1,000.0 $2,000.0 $3,000.0 $4,000.0 $5,000.0 $6,000.0 $7,000.0
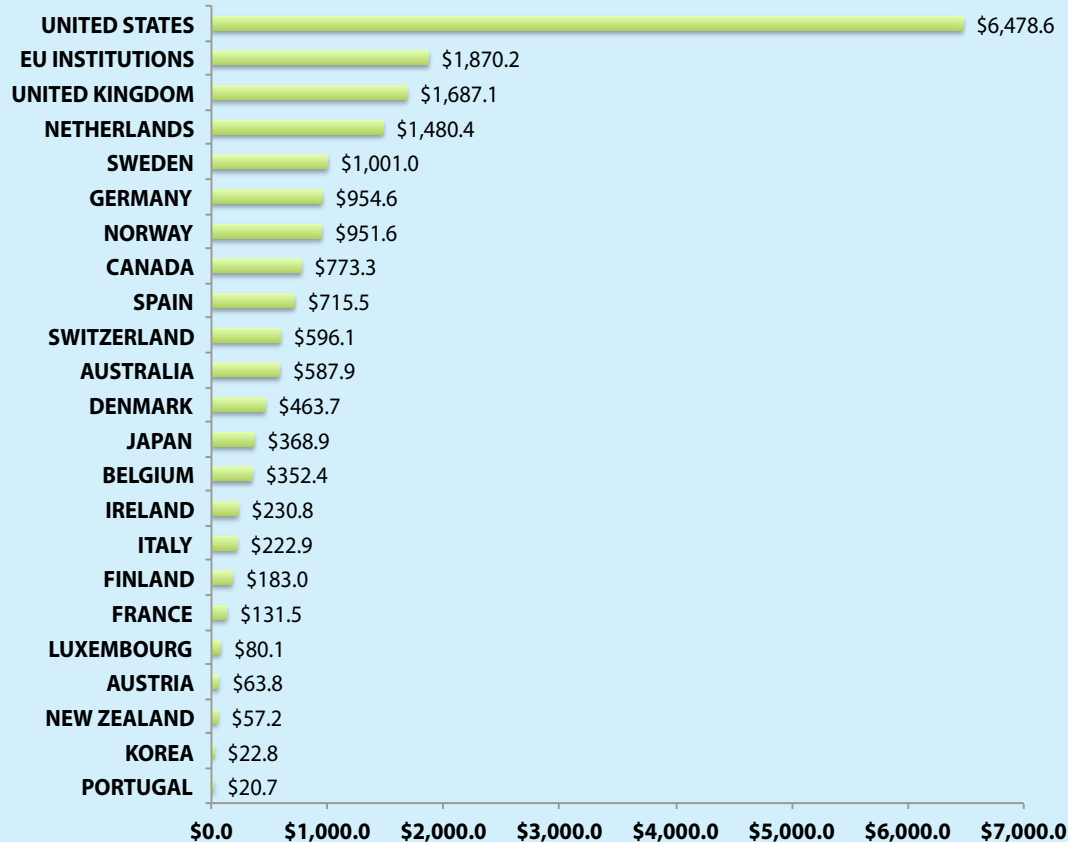
Aid by large INGO families
makes up a large proportion of CSO aid

Financial flows from the largest international NGO families (INGOs) make up a significant and growing amount of aid from CSOs. Eight global INGOs had combined global revenue from all their affiliates of over US$11.7 billion in 2011, up more than 40 percent since 2005. Only these eight INGOs would make up almost one quarter (23 percent) of the DAC reported funding by CSOs (US$50.6 billion).

**Direct donor aid to CSOs
in developing countries is growing**

Some DAC donors not only channel funds through CSOs in their own country, but they also channel resources directly to CSOs in developing countries. They do so most often through funds established for this purpose located in their Embassies or through joint donor funding mechanisms at the country level. In a survey conducted by the Development Cooperation Directorate (DCD) at the OECD, 20 of the 26 responding donors reported that they allocate between 1 percent and 30 percent of their aid directly to CSOs in developing countries.[29]

2.2 SECTOR DISTRIBUTION OF DAC ODA THROUGH CSOs

The DAC Creditor Reporting System (CRS)[30] provides a sector breakdown for all DAC ODA channelled through CSOs (see Chart 4). These statistics give a good indication of the sector allocation for donor funds channelled through CSOs. They could also serve as a likely indicator for the sector distribution of privately raised CSO aid, since there are no comparable data for the allocation of these private resources.

Some highlights from these statistics include:

● **CSO aid gives priority to 'social infrastructure and services':** More than half (54 percent) of CSO aid from DAC countries in 2011 is allocated to 'social infrastructure and services' (areas such as education, health, maternal health). This compares to 47 percent for these sectors provided through other channels for DAC members' ODA (i.e. excluding CSOs). CSOs are particularly strongly represented in basic health and reproductive health (see Chart 5).

CHART 4 **NGOs/CSOs DISBURSEMENTS AS A PERCENTAGE OF TOTAL SECTOR DISBURSEMENTS (2011)**

Donor Allocated Disbursements through NGOs/CSOs
Source: *DAC Creditor Reporting System, accessed May 2013*

Sector	Percentage
ALL SOCIAL INFRASTRUCTURE & SERVICES	21.6%
ALL EDUCATION	11.8%
BASIC EDUCATION	22.3%
BASIC HEALTH	35.3%
POPULATION & REPRODUCTIVE HEALTH	30.3%
WATER & SANITATION	7.0%
GOVERNMENT & CIVIL SOCIETY	26.2%
ALL ECONOMIC INFRASTRUCTURE & SERVICES	3.5%
ALL PRODUCTION SECTORS	16.2%
AGRICULTURE	21.0%
ALL MULTI-SECTOR PROGRAMMES	21.5%
DEVELOPMENT FOOD AID	47.7%
HUMANITARIAN ASSISTANCE	30.0%
ALL ALLOCATED SECTORS	19.4%
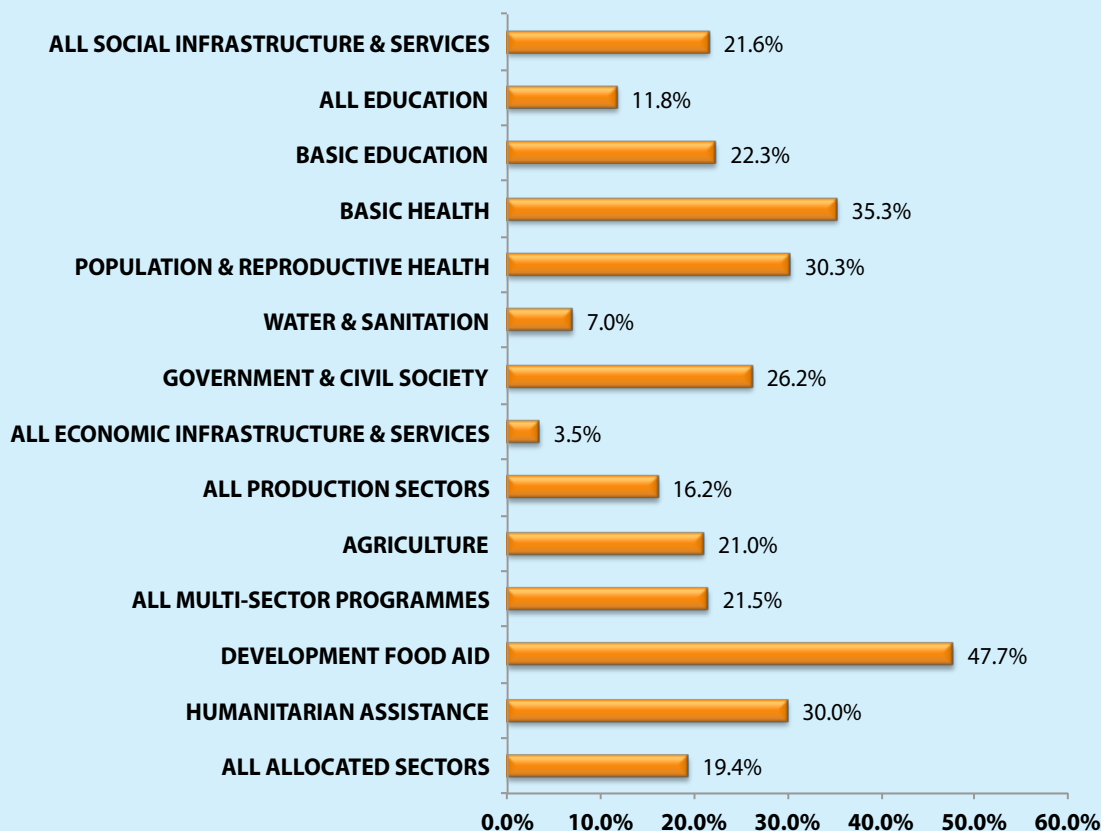
● **Humanitarian assistance for emergencies is a strong priority for CSOs:** Humanitarian assistance makes up 17 percent of CSO aid compared to 10 percent of DAC donors' ODA (again, excluding CSOs). Several donors (Australia and Canada) have developed special partnerships with select humanitarian CSOs that assure rapid response by these organizations in humanitarian crises. CSOs also delivered almost 50 percent of development food aid in 2011.

- **The productive sectors are relatively low priorities for CSOs:** 'Economic infrastructure and services' (banking, transportation etc.) and the 'production sectors' (agriculture, mining, forestry etc.) together are not a priority for assistance through CSOs — combined, they represents only 10.5 percent of CSO aid. In contrast, these sectors are important for DAC donors, making up 30 percent of their ODA excluding CSOs. Within these sectors, CSOs most often contribute specialized capacities in microfinance banking and support agriculture and rural livelihoods through cooperatives.
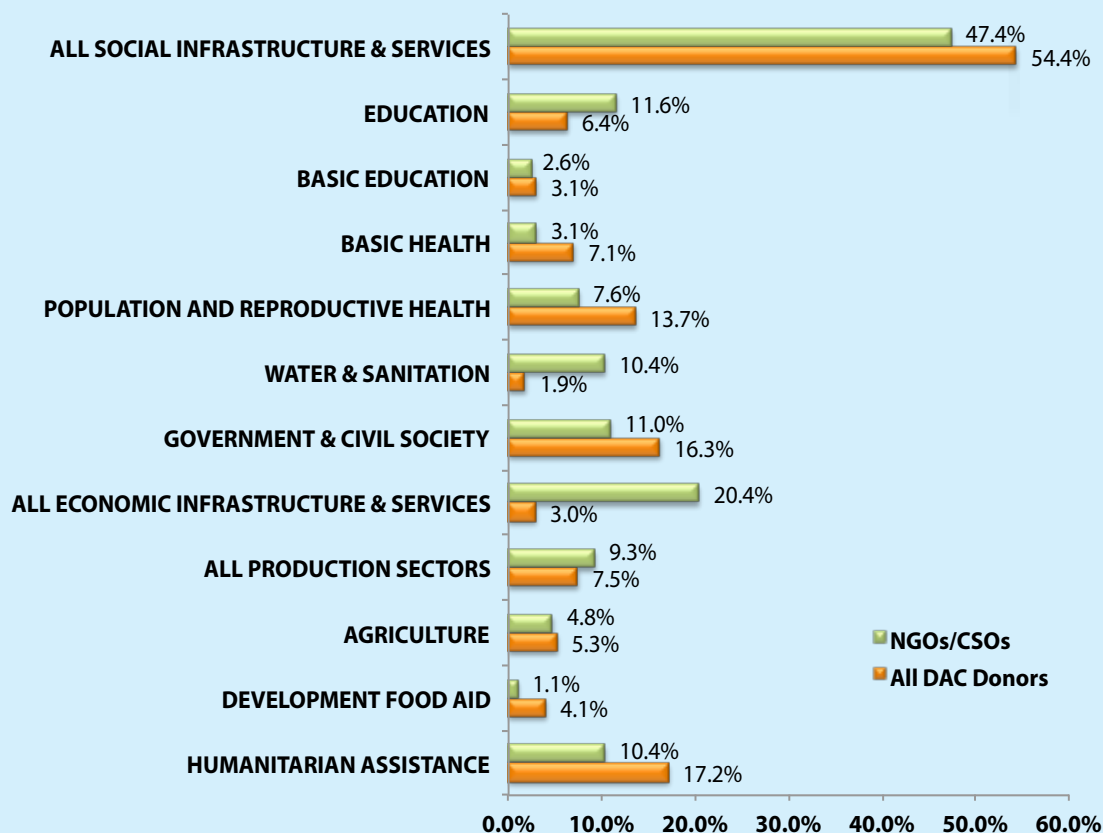
There is no comparable information on sector allocations of aid from middle-income aid-providing countries for SSC.

CHART 5 **PERCENTAGE OF DISBURSEMENTS TO SECTORS NGOs/CSOs & ALL DONOR DISBURSEMENTS, 2011**

Donor Allocated Disbursements through NGOs/CSOs
Source: *DAC Creditor Reporting System, accessed May 2013*

3 THE CSO LANDSCAPE IN DEVELOPMENT: ROLES, LEGAL AND OPERATIONAL ENVIRONMENT

CSOs are an extensive and highly diverse set of actors in the public realm. There are thousands of organizations working to promote development and poverty reduction, and respond to humanitarian emergencies, including countries experiencing violent conflict. CSOs are involved in aid delivery as both donors and recipients of aid. They are not only part of aid implementation, but they also actively take part in policy dialogue around development policies. They engage governments in both the North and the South to monitor and influence official aid policies, priorities and practices.

This section provides an overview of the roles of CSOs in development and the environment within which they work to realize development outcomes.[31] The study briefly examines:

1. increasing numbers and diversity of CSOs in development cooperation;

2. the types of CSOs engaged in development cooperation;

3. the roles of CSOs in development cooperation;

4. the nature of CSO partnerships;

5. the legal environment for CSOs;

6. CSO governance and operational structures; and

7. CSOs coordinating and working through coalitions.

3.1 INCREASING NUMBERS OF CSOs IN DEVELOPMENT COOPERATION

The number and diversity of CSOs in developing countries has increased significantly. There are no reliable estimates of the number of CSOs working in development processes, but they can range from hundreds of thousands to millions. India alone may have more than 3 million CSOs operating at all levels of society. China has 460,000 officially registered non-profit organizations.[32] The Brazilian Case Study puts the number of Brazilian NGOs involved in development in that country at between 300,000 and 350,000. In Kenya, in 1974 only 125 NGOs were registered with the government; by 2006, this number had risen to 4200 organizations.[33] Many CSOs, however, may be short-lived and cannot be sustained. For example, Uganda had 3500 registered NGOs in 2009; however, research on Kampala-based NGOs could only locate 25 percent of the 1700 NGOs said to be located in that city.[34]

Many CSOs are involved in development activities in their country. A much smaller, but still sizable, number are directly involved in the delivery of aid through development cooperation from Northern donor countries. The annual Yearbook for International Associations currently registers more than 65,000 international voluntary organizations operating globally, but not all of them would work with aid. In the USA there are presently 580 US-based NGOs registered with USAID, another 95 registered NGOs from other countries, and six cooperative organizations.[35] In Australia there are more than 200 organizations providing funds for international development.[36] There are likely many more organizations working in delivering private aid without government funding in both these countries. For example, the Swedish Case Study suggests that in Sweden, with a relatively small population, an estimated 1000 CSOs engage in development cooperation.

3.2 TYPES OF CSOs ENGAGED IN DEVELOPMENT COOPERATION

CSOs involved in development cooperation and aid delivery come in many forms. A large number are small to medium-size CSOs working from individual donor countries. But the more visible are the very large INGOs (such as CARE International or World Vision International) that are a confederation of affiliates (or 'family'). They are based simultaneously in many donor countries and work in most developing countries around the world. As noted above, the eight largest INGOs had combined revenue in 2011 of US$11.7 billion, up more than 40 percent since 2005. Other forms of CSOs include civil society associations (e.g. trade unions, teachers or public health associations), faith-based organizations, or institutions with a component of work in development cooperation. Finally there are also NGOs that specialize in sending volunteers from donor countries to work in the developing world.

The vast majority of CSOs from DAC donor countries deliver a range of services for development. They do so sometimes through on-the-ground operations, but increasingly through various forms of partnerships with local and national CSOs in developing countries. The latter is particularly true of smaller and medium-sized CSOs. These organizations may also be specialized thematically (such as in cooperatives or microcredit), in a particular sector (education, health or housing), or work on a single issue (such as HIV/AIDS). While smaller organizations have less capacity than the large INGOs, these organizations tend to be more flexible, have particular expertise, and they sometimes pilot unique development innovations. While not as visible as INGOs, they can be making important development contributions through long-standing partnerships in developing countries. These partnerships link the experience of local communities and people in donor countries with civil society counterparts in developing countries based on shared values of solidarity, learning and practical capacity development.

Increasingly, the CSO counterparts in developing countries are demanding partnership arrangements with Northern CSOs consistent with aid effectiveness principles[37] (particularly country ownership) and, by extension, with SSC principles (mutuality and non-interference). They are seeking arrangements where power and decision-making is shared and negotiated in the context of long-term financing.[38]

Growing numbers of CSOs from DAC countries focus on humanitarian assistance in emergencies and conflict situations. In the USA, for example, approximately 70 organizations, or about a third of the members of InterAction (the main US coalition of development organizations), carry out humanitarian assistance. But of these, only 10 to 20 of the largest organizations have significant experience and strong capacities for rapid response to complex humanitarian emergencies. They are the INGOs such as CARE, Oxfam, the Red Cross, Save the Children or World Vision.[39] Similarly in

Sweden, three large organizations (the Red Cross, MSF and the Church of Sweden) provide humanitarian assistance.[40]

Humanitarian capacity has been developed over decades of coordinated responses to emergencies. These organizations have highly trained and experienced specialized personnel. They are supported by donors to enable rapid action for a timely launch of an emergency operation. Many of these humanitarian-oriented CSOs have evolved programmatically to include long-term engagement with local counterparts in situations of sustained conflict and immediate post-conflict reconstruction. But it is important to note that almost all CSOs working in the humanitarian field provide emergency services directly in developing countries, and seldom through local intermediaries.

3.3 THE ROLES OF CSOs IN DEVELOPMENT COOPERATION

CSOs have been widely recognized as independent development actors in their own right, most recently in the Fourth High-Level Forum on Aid Effectiveness (HLF4) held in Busan, Republic of Korea, in 2011. As such, the areas of work for CSOs are as varied as the numbers of organizations involved in development cooperation. The vast majority of CSOs from DAC donor countries have an exclusive mandate to carry out development programmes in developing countries, although some also work mainly in the donor country. This mandate has been developed by the members of each CSO and often codified in legal statutes with the government. They focus in large measure on various aspects of service delivery where they can have the most impact.[41] More broadly, CSOs are often perceived to have important tasks in the public realm to strengthen democracy, social solidarity and the participation of citizens as part of public policy discourse, and support policymaking through specialized information and experience in development.

More specifically, a number of increasingly interrelated roles for CSOs in development can be identified.[42]

Roles in service provision

CSOs respond to community and societal needs through the delivery of services such as education, health, reproductive services for women, agricultural support or food security, financial services and business support. Most CSOs acknowledge the primary role and responsibility of the State to provide health, education and other essential services to its citizens. CSOs, at their best, complement the work of government, fill gaps in the reach of government programmes to the poorest sections of the population, and create innovative alternatives with local populations. They can be an agile and flexible means of providing services and reaching populations that governments might have difficulty reaching. They can be incubators of these new and innovative solutions, which often require iterative experimentation and a time-frame beyond the normal scope of government programmes. From their vantage point at the front lines of service provision, CSOs are increasingly combining this practical role with support for affected populations to present their interests and concerns before local government or national ministries.

Roles in sharing expertise

CSOs bring unique and specialized knowledge (sectoral, ways of working) and on-the-ground development experience with local communities and constituencies to development processes. This experience is valuable in shaping policy and strategy, and in identifying and building solutions that are based on the realities of local people. CSOs can provide technical and professional services (including the organization and provision of volunteers) in areas such as environmental protection and management or the promotion and protection of human rights. Donors are often involved in many diverse partnerships. As a result,

they usually have very limited capacities for in-depth and particular knowledge of the complex dynamics of civil society and its evolving needs. But this knowledge resides in Southern CSO networks and in North–South civil society partnerships.

Roles in developing capacity

CSOs are well placed to transfer expertise and knowledge through training and capacity-building. As they are often closer to peoples' organizations, they are sensitive to the expressed needs of other development actors, including both grass-roots communities and local governments. Grass-roots organizations can also be marginalized by the high technical requirements of aid-providers or have great difficulty accessing these donors. CSO partnerships can act as intermediaries to transfer knowledge of donor requirements and facilitate access to funding even to the most vulnerable and hard-to-reach parts of society. CSOs in partnerships and networks also have the potential for direct peer learning from each other. These forms of learning are not likely in contractual relationhips between governments and donors, including government partnerships with CSOs in developing countries. The donors often use consultants for capacity development. This cannot replace access to learning and capacity-building in various CSO partnerships, where capacity-building is often an organic and sustained aspect of the relationship.

Roles as watchdog and advocate

CSOs act together to hold government institutions and officials to account, promoting transparency and accountability. They also act as a counter-weight to tendencies towards corruption. They draw on their on-the-ground expertise to raise awareness of societal issues. They do so often from the perspective of the rights of poor, marginalized or vulnerable populations. They promote various government policies and practices that bring these populations into a wider development process.

INGOs in particular have developed these policy-oriented capacities, and other smaller CSOs often work together in policy coalitions and networks. An important aspect of this CSO role is to work with governments and multilateral organizations to identify standards, norms and effective practices, consistent with human rights agreements and development results.

Roles in championing citizenship

CSOs in donor and other aid-providing countries play an important role in sensitizing citizens to global issues. They are instrumental in creating broad public support for development cooperation and in giving people opportunities to participate directly in development action as volunteers. Raising financial resources is also an important public role for CSOs in many donor/aid-providing countries. But it is important to remain aware that CSOs are not established in the first instance to be donors of money. Rather, they are first and foremost voluntary organizations of people who join together because they share values, goals and expertise.

These various roles are interrelated and are often carried out within the same CSO. Increasingly, new civil society actors are emerging that are crossing sectoral boundaries (facilitators that build trust between and among sectors). They are experimenting with new organizational forms (combining not-for-profit and private-sector mandates). These hybrid organizations pursue a social mission within a profit-making operational framework. One recent study reported that hybrids had moved beyond the microcredit, health care and education sectors into addressing issues such as the environment, food security, economic development, governance and housing.[43]

According to a recent report on behalf of the World Economic Forum, "information and communications technologies have opened up spaces of power, influence

and association to new configurations of actors, leading to a significant growth of online civil society activity and enabling networks to be built across geographical, social and physical divides."[44] These technologies have the potential to empower local organizations. They can bring to development the significant energy and global perspectives of young people under the age of 30. They create conditions to access information for improved transparency and accountability for citizens coming together to monitor and inform government policies.

3.4 THE NATURE OF CSO PARTNERSHIPS

Many of the largest INGOs maintain offices around the world, in many donor countries as well as most developing countries. On the other hand, medium and small CSOs and associations more often work from their donor-country base, creating partnerships with independent national CSOs in developing countries.

'Partnership' is a term commonly used by many CSOs to characterize their relationships in development. But this term has many different meanings, depending on the context and the nature of the CSOs. For example, INGOs such as CARE and World Vision would describe their affiliate organizations in developing countries as 'partners'. These are legal relationships based on the organizational brand, which carry on over many years. Others, on the other hand, will use the term 'partnership' to describe a specific time-bound subcontract with a local NGO.

Increasingly CSOs from developing countries are calling for a more equal partnership with their funders, based on aid effectiveness principles (ownership). Since 2005, developing countries, DAC donors and some middle-income aid-providers have agreed on five principles to improve the effectiveness of aid and development

cooperation. These principles of aid effectiveness and commitments to implement them are set out in the 2005 'Paris Declaration'.[45] The first and most important principle for aid effectiveness is 'country ownership' — whereby the priorities and interests of developing-country partners guide aid allocations.

In more equitable aid-effective CSO partnerships, power, goals and decision-making authority are shared and negotiated. These negotiations take place as part of the initiation of a project or programme funded through a grant or contributions agreement from a Northern CSO.[46] Box 1 sets out some good-practice guidelines for effective development cooperation through partnerships. These guidelines are not only for CSOs, but can be considered by all aid actors in defining equitable relationships, including those involved in SSC.

Since 2011, the guidelines in Box 1 have been agreed globally by CSOs as a framework through which to examine their own organizational practices. They are consistent not only with the Paris and Accra aid effectiveness principles agreed by DAC donors, but also with the principles and norms governing SSC. CSOs are accountable for reporting progress at the global level on their implementation through their participation in the Global Partnership for Effective Development Cooperation and its periodic ministerial meetings.

As noted above, almost all INGOs working in the humanitarian field provide emergency services directly in developing countries, and seldom work through local intermediaries or partnerships. The INGO affiliates collect funding from private and government sources in various donor countries for the emergency, but these funds usually enter the emergency situation in an organizationally coordinated fashion through a specialized team working on behalf of the INGO family as a whole.

| BOX 1 | **GUIDELINES FOR EFFECTIVE PARTNERSHIPS IN NGO–CSO DEVELOPMENT COOPERATION** |

Source: *Open Forum, 2011b.*

A. **Define, clearly and explicitly, the conditions and terms of partnerships in a 'Partnership Agreement'.** Responsibilities, contributions, decision-making processes and accountability mechanisms must be clearly established through respectful dialogue and in a freely determined agreement. Adequate allocation of resources is needed to ensure the mutual strengthening of organizations. The participation of and respect for women and their strategic gender needs is critical for determining the conditions and terms of partnerships.

B. **Build complementary actions by all partners towards shared analysis, programmatic goals and monitoring, rather than narrow project contracts.** Invest in and institutionalize long-term relationships rooted in partner leadership, appropriate development strategies, and with appropriate consideration of core institutional support, mutual accountability, dialogue to resolve differences, and the participation of all relevant stakeholders in the partnership.

C. **Acting as donors, align with partner organizations' programmatic goals, strategies and administrative systems,** wherever possible, and work to harmonize requirements with other donors based on the partner's systems.

D. **Strengthen collaboration for solidarity and to create synergies for common cause among CSOs, domestically and internationally.** Utilize existing opportunities and structures, such as platforms, coalitions and networks, and encourage new forms of collaboration and inclusion of other development actors such as academics.

E. **Establish mutually agreed conditions and mechanisms for ongoing risk management, monitoring, evaluation, information sharing and co-learning processes.**

3.5 THE LEGAL ENVIRONMENT FOR CSOs

The capacities of CSOs to operate effectively as independent actors in development require an enabling legal framework. Laws, regulations and policies create important conditions for CSOs to fulfil their roles in development. At HLF4 in 2011 all development actors agreed to "implement fully our

respective commitments to enable CSOs to exercise their roles as independent development actors, with a particular focus on an enabling environment, consistent with agreed international rights, that maximises the contributions of CSOs to development."[47] In working with CSOs in aid delivery, donors and SSC providers may wish to be assured that an enabling legal environment exists within which both CSOs and governments can fulfil their obligations.

CSOs in most DAC donor countries operate within a robust legal environment. In most countries they are required to be legally registered as not-for-profit companies or associations under the legal regime in the country where they are based. Each donor country has specific requirements for this registration. The registration and reporting requirements can be quite demanding and involve several layers and different government agencies.[48] Selective political interference in the implementation of the regulations in donor countries can sometimes affect the capacities of some CSOs to operate effectively.[49]

CSO incorporation (creating a legal foundation) normally requires the adoption and approval by government authorities of by-laws created by the founders of the organization. The latter must be independent of government. These by-laws set out the CSO's purpose, governance structure, expected activities, election procedures and qualifications for the Board of Directors. They establish the terms for banking and audit arrangements. In the case of registered charities, there are usually strict rules about the nature and extent of advocacy or lobbying activities they are allowed to conduct.

The regulation of CSOs in developing countries is equally complex. Increasingly, organizations must agree to comply with laws that set the terms for their operations. Some of these laws were established many years ago for self-help associations and have become ill suited to the growth of CSOs and nature of their work in development cooperation.

In India, for example, the existing law governing the activities of CSOs dates from the Societies Registration Act of 1860. The Open Society Institute and the International Center for Not-for-Profit Law have published a report setting out best-practice guidelines for laws affecting CSOs (see Annex 2 for a summary.) Parliamentarians, government officials and CSOs can draw lessons and approaches from these guidelines in the modernization of laws governing the operations of CSOs in their country.

The Brazilian Case Study reveals a difficult legal context for Brazilian programmes in SSC. Brazil has a regulatory environment shaped by the assumption of the country as an aid recipient.[50] The Brazilian legal system does not allow the transfer of funds by Brazilian organizations to other countries, whether from the State or from civil society. This greatly reduces the ability of these organizations to provide flexible financial resources, goods and services to partners in other developing countries. According to Abong, a broad coalition of Brazilian NGOs,

> *"The existing legal and regulatory framework for CSOs in Brazil is confusing, obscure and its lack of effective transparency and accountability instruments makes it vulnerable to corruption and misuse. Thus, the development of a new regulatory framework would decisively contribute not only to predictable and transparent access to government funding, but also to the creation of favourable public opinion, which would motivate citizens to support and participate in CSOs projects and programmes."[51]*

Reforms of the legal regime may be necessary to fully enable appropriate modalities for Brazilian international development cooperation, and particularly those that allow for the inclusion of Brazilian CSOs in SSC.[52]

3.6 CSO GOVERNANCE AND OPERATIONAL STRUCTURES

The legal framework in which CSOs operate requires an independent governance structure for the organizations. There are often strict regulations about the composition of an independent Board of Directors and requirements for audited financial statements. Governments set regulations for CSO by-laws, through which the organization establishes its purposes, governance structure, expected areas of activities, and the qualifications and election procedures for members.

Internal modalities for CSO operational decision-making on programming issues also vary widely according to the particular characteristics of each organization. In general, each organization works through a management team, which is ultimately responsible to a Board of Directors. INGOs have a more complex governance and management structure. Usually there is an overarching international governance structure with representatives from the different affiliates. This INGO global structure has a secretariat that coordinates with legally independent INGO affiliates. The latter maintain separate governance bodies in the various countries of operation.[53]

3.7 CSO COORDINATION AND WORKING THROUGH COALITIONS

A common critique of CSOs in development cooperation is their numbers, a resulting inherent lack of coordination and a resistance to working together. Various factors make coordination difficult. There are literally hundreds of CSO actors legitimately working in specific countries or in different thematic areas. The independent legal status of CSOs, combined with the recognized right of citizens to organize, makes insistence on coordination very difficult and complex. But within these limitations, many CSOs do

in fact coordinate with each other to create synergies that benefit the people they represent. The coordination is often on a voluntary basis and for different purposes such as humanitarian responses, provision of health services, or policy responses. It takes place at all levels, from the global to the local.

In almost every country around the world, CSOs have organized national coalitions of member organizations involved in development cooperation. In the DAC donor countries these are often referred to as 'NGO platforms' and sometimes 'framework organizations'. In the case study countries, examples of these platforms include Forum Syd (Sweden), InterAction (USA), the Australian Council for International Development (ACFID) and Abong (Associação Brasileira de Organizações não Governamentais) in Brazil. The International Forum of National NGO Platforms (IFP) is a global coalition bringing together about 60 country-level CSO platforms and coalitions.

National CSO platforms often implement accountability mechanisms (as described below), undertake learning activities to improve practice and understanding of development issues, and represent their members to governments and international bodies in policy dialogue.[54] Governments in countries where there is a good working relationship with a national CSO platform benefit from a coherent dialogue with their CSO community. By working with representative CSO coalitions or platforms, the government benefits from the efficiencies of speaking with a coalition rather than seeking out views from a multiplicity of individual organizations.

In addition to national platforms, CSOs create both formal and informal coalitions and networks in sectors (e.g. health or education), programme themes (e.g. ecological agriculture) and geographic areas (e.g. Sub-Saharan Africa Working Group). In Australia, for example, Australian CSOs

working in Afghanistan have established a country-based Afghanistan Working Group. The Australian Humanitarian Reference Group provides an opportunity to share information, coordinate actions and improve their NGO practices.[55] In the US Case Study two examples of these types of coalitions are described: 1) the CORE Group, which has 50 members that focus on issues of child survival and child health concerns, and 2) the Basic Education Coalition, which brings together 19 members focusing on universal access to quality education.

Sweden has been a leader in CSO coalition building. It has 15 'framework organizations' that coordinate Swedish government (Sida) funding with the members of these framework organizations. Among the largest are Forum Syd (163 CSOs), Swedish Mission Council (36 faith-based organizations), Olof Palme International Centre (27 organizations working in democracy, human rights and peace) and SHIA (30 disabilities organizations). These organizations receive block grants from Sida, from which they recommend support for particular projects created by their member organizations.[56] They promote coordination, provide timely support to members' projects, support innovation and reduce the government's administration burden for project management.

At the global level, in 2013 the BetterAid Platform and the Open Forum on CSO Development Effectiveness, which coordinated CSO input from hundreds of organizations, merged to form the Civil Society Platform for Development Effectiveness (CPDE). This platform continues to coordinate the participation of CSOs in the post-Busan Global Partnership for Effective Development Cooperation, promoting CSO efforts in improving aid and development effectiveness.[57] Regionally, CSOs come together within Concord in the EU,[58] PIANGO in the Pacific Islands,[59] ALOP in the Americas,[60] or as members of CIVICUS[61] at the global level.

A factor that has affected coordination is the practice of CSO 'branding', which has been developing over the past 15 years. Measures to strengthen the brand of the organization have been employed particularly by the larger INGOs. INGOs use the public recognition of their organizational brand (CARE, Oxfam etc.) to market their organization, to raise significant levels of funds from both government and the public, and to gain access to global development policy dialogue at the UN and elsewhere. The need for high visibility for the individual organizational 'brand' can interfere with a commitment to improve coordination with others working in the same geographic or thematic area.[62]

4 CSO ACCOUNTABILITY AND TRANSPARENCY

Issues in CSO accountability and transparency are crucial to assessing their legitimacy as actors in development and to mobilize resources and support. CSOs have a primary responsibility to be accountable to beneficiary populations for results that are consistent with the interests and inclusion of these populations. Accountability and transparency issues are particularly important because South–South aid-providers and developing-country governments face the practical dilemmas of determining the basis for making appropriate choices for partnerships with different CSO organizations. These aid-providers may be relatively new in developing relationships with CSOs in different country contexts, whether for delivery of longer-term development programmes or for emergency humanitarian assistance.

4.1 ACCOUNTABILITY

Over the past decade CSOs have responded to the challenges in improving their accountability. They are responding to both internal imperatives to be more effective, and demands from external development actors to demonstrate progress.[63] With the reality of large numbers and great diversity in independent CSOs worldwide, there are no simple frameworks for assessing CSOs as development actors and holding them to account. The most common approach at the country level has been local or national voluntary accountability mechanisms. These mechanisms can set standards and apply a framework for quality assurance.[64]

Voluntary mechanisms help to improve CSO practice, but also keep a requisite flexibility to safeguard CSO diversity and independence. The case studies of the USA, Sweden and Australia for this study demonstrate the variety of accountability mechanisms that are currently operational in these three DAC donor countries. In Australia, ACFID, the coalition representing Australian CSOs, has developed an elaborate code of conduct, to which all members must adhere. This code is unique in its direct role in establishing eligibility to receive funding from AusAID, the Australian government aid agency. To be accredited with AusAID, an organization must have formally adopted and be compliant with ACFID's code of conduct (even if they are not members of ACFID). The code has an independent 'complaints committee', and all adherents to the code are required to have their own individual complaints mechanisms.[65] Increasingly, CSOs in developing countries are working in national coalitions to develop similar codes of conduct, but oriented towards partnership and programmatic implementation in these countries.

Despite the many CSOs committed to their implementation, it is widely acknowledged that voluntary mechanisms also come with some inherent limitations and practical questions:

- **How is compliance to <u>voluntary</u> standards and quality assurance best implemented?** How can CSOs create processes that are transparent and open to outside interested actors? Most often voluntary codes are agreed through CSO platforms or coalitions at a national level. These bodies have limited means for carrying out independent assessments of their members' practices against the codes. Quality is assured mainly through organizational self-analysis and self-reporting — an inherent problem. To deal with this issue, some INGOs have implemented 'peer review' among member affiliates in their global structures. There are a few examples of more robust compliance and certification mechanisms, but this compliance can be difficult to enforce in a membership-based organization and is very costly to maintain.[66]

- **In what ways are accountability mechanisms accessible to the primary stakeholders and beneficiary populations for whom the CSO is mandated to serve?** CSO values and orientation suggest the most important constituencies for accountability are their primary beneficiaries. However, they face multiple demands for accountability. One of the most powerful is donors' contractual legal demands and the need to inform supporters in donor countries. These demands will drive CSOs to prioritize accountability to donors and governments (and their donor publics). Thereby they pay less attention to beneficiary populations with whom they have a moral obligation but seldom a legal contract.

- **How can CSOs manage the different requirements and levels of accountability?** A CSO will be accountable in varying degrees to oversight by the Board of

Directors, government regulatory requirements, and voluntary accountability mechanisms. These obligations need to be harmonized to create synergy and not an impossible burden on the limited staffing capacities of CSOs and their partners. CSOs, and particularly large INGOs working in many jurisdictions, can face many different and sometimes competing accountability and legal requirements. Despite a large revenue base at their disposal, these demands can consume considerable organizational resources to maintain.

At the project level, CSOs have developed various monitoring and evaluation systems. These tend to focus on donor accountability requirements, rather than learning processes to improve practices. A study by InterAction in 2008 reported that almost 100 percent of US and local NGOs had a monitoring and evaluation system in use.[67] For the most part, CSOs, in their role as donors, monitor progress through the combination of field visits, and financial and narrative progress reports from their programme partners in developing countries. DAC donors usually specify evaluation and accountability requirements as part of contribution and funding agreements. A review of DAC donor partnerships with CSOs put forward a number of different ways in which they assess the outcomes of their support for CSO programming. These measures tend to focus on financial compliance or 'value for money', rather than working closely with CSOs to define clear learning needs — what worked and why, in what context.[68]

At the global level several important accountability mechanisms have been established to which the major INGOs and many national CSOs adhere (see Annex 3 for more details on these three mechanisms):

- **The 'INGO Accountability Charter',**
(http://www.ingoaccountabilitycharter.org/) has 25 members, including the largest INGOs involved in development cooperation. The charter maintains a rigorous reporting regime against its principles and commitments, which focus on areas such as governance, partnerships and transparency.

- **The Sphere Project's 'Humanitarian Charter' and 'Minimum Standards in Disaster Response',**
(http://www.sphereproject.org/) is a voluntary initiative that brings major NGO humanitarian actors together around a common aim. The goal is to improve the quality of humanitarian assistance and the accountability of humanitarian actors to their constituents, donors and affected populations.[69] In May 2013, the Boards of Directors of the Sphere Project, the Humanitarian Accountability Partnership (HAP) and People In Aid agreed to launch by the end of 2013 a verifiable Common Standard for humanitarian assistance. This accountability framework will bring together various existing initiatives into a new architecture of good practice for aid workers and agencies to implement the Common Standard (see Annex 3).

The progress towards one common standard has many benefits for all aid actors. But one concern relevant to South–South aid-providers is the question of how a credible certification against this standard is achieved. The standard is largely based on the rich experience of large Northern humanitarian actors. Emerging CSO humanitarian actors within countries involved in SSC tend to relate to emergency situations in their immediate geographic area (e.g. Turkey for Syria or Brazil for Haiti). They have developed and evolved their own experience and practices, but usually without the capacity to undertake elaborate certification processes. The common standards will be very relevant to the

practices of SSC humanitarian actors. However, strict adherence to only certified CSOs by donor countries may limit access to humanitarian resources for CSOs from SSC countries.[70]

● Meeting in Siem Reap, Cambodia, in June 2011, more than 200 representative CSOs from 82 countries adopted the **'Istanbul Principles for CSO Development Effectiveness' and an International Framework** for guidance in implementing these principles. These Principles were explicitly recognized in the Outcome Document of HLF4 as those that should guide efforts in holding CSOs to account. Since 2011, CSOs in many countries have been working with the Principles accordingly to both assess and improve their practices as aid actors.[71]

4.2 TRANSPARENCY

Since 2008 there have been renewed commitments by all development actors to improve the transparency of aid transactions, as an essential foundation for not only improved accountability but also effective planning of long-term development initiatives. DAC donors, multilateral organizations, CSOs and developing-country governments have joined together, under the leadership of the UK Department for International Development (DFID), to create and implement the International Aid Transparency Initiative (IATI), with a focus on providing timely aid information for partners in developing countries. Over these four years, there has been some limited progress in the implementation of the IATI transparency standard.

At HLF4 in 2011, development partners agreed to go further to implement a common, open standard, integrating the IATI standard and the OECD donor Creditor Reporting System (CRS).[72] Aid transparency was seen in Busan as a necessary condition for making all forms of aid

more effective and measuring development impact. The adoption of the IATI standard and the publishing of aid data by donors and other stakeholders since early 2012 is a tangible result of increased commitment to transparency. CSOs have been a strong promoter of the IATI process and in parallel have also taken up issues in CSO transparency.[73]

Transparency is an important commitment for CSOs arising from the 2011 Istanbul Principles (see above). A growing number of CSOs from the UK, Netherlands and Canada have been publishing aid data and information to the IATI standard.[74] BOND, the UK CSO platform, and InterAction in the USA, are working closely with their members to conduct training programmes on the IATI standard. CSOs have also been taking action to strengthen their transparency beyond IATI through initiatives at global, regional, country and organizational levels. Rendir Cuentas, a regional CSO initiative in Latin America, for example, brings together 25 civil society networks in eight countries to improve standards of CSO transparency and accountability, independent of IATI. Open for Change is an international CSO network based in the Netherlands and hosted by the Dutch platform, Partos. It is working to increase access to data, knowledge and software applications within the global development sector, including with CSOs around the world.[75] CSOs in many different institutional contexts have been adopting open information policies, and are promoting transparency through commitments, codes of conduct and self-regulatory initiatives such as the INGO Charter of Accountability (see above).[76]

The IATI standard creates a common format for publishing open data to improve transparency of aid flows by all development and humanitarian actors.[77] It will offer unique opportunities for the users of data, including South–South aid-providers and developing-country governments. It will be increasingly possible to compare and aggregate CSO project and programme data and to track and visualize aid

spending and results at a country and local level. It should contribute to increased cooperation and coordination among development actors and, consequently, lead to improved aid effectiveness for CSOs.[78]

Improved transparency is a necessary condition for CSO accountability in their programme priorities and operations. Access to information is essential not only for donors and other aid-providers but also for CSO beneficiary constituencies. At the same time, CSOs have some challenges in improving their transparency. Some CSOs are working to improve transparency, but it is important that they also balance transparency with the practical difficulties of publishing timely data. These challenges include the cost and workload implications for staff, the capacities of affected small beneficiary organizations, and the protection of individual privacy and the rights of partners and vulnerable individuals, such as human rights defenders.[79] In some countries where governments already impose severe legal and political restrictions, there are partner organizations that may be made more vulnerable by publishing detailed data on funded programmes.

5 DONORS AND CSOs: CREATING POLICIES AND STRATEGIES TO GUIDE THE RELATIONSHIP

The relationships between donors and CSOs are long-standing in all DAC donor countries. But they also take many forms that are articulated through donor policies, donor funding modalities, support for local CSOs in developing countries and in CSO involvement in policy dialogue. This chapter examines the importance of policies, approaches and institutional arrangements to guide donors' work with CSOs in delivering aid. Subsequent chapters will discuss the advantages and disadvantages of different DAC funding modalities for CSOs as well as donor modalities for policy dialogue between governments and CSOs to engage citizens in development and to help shape effective donor policies. Each chapter draws out highlights that might inform the development and evolution of the engagement with civil society in SSC.

5.1 DAC DONOR RATIONALES, POLICY APPROACHES AND INSTITUTIONAL ARRANGEMENTS IN THEIR WORK WITH CSOs IN DELIVERING AID

As independent development actors, CSOs determine their own priorities and undertake programmes and long-term partnerships for development based on these priorities. As humanitarian actors, CSOs have developed strong capacities for rapid assessment of humanitarian emergencies and for effective humanitarian intervention. Donors, on the other hand, have their own goals and objectives for their aid programmes. Why then do donors decide to channel aid through CSOs, and on what terms?

DAC donor rationales for supporting CSOs

Most DAC donors have an explicit policy on partnering with CSOs and/or a strategy to guide their support for CSOs in delivering aid.[80] A transparent strategy is important for CSOs and governments to improve CSOs' understanding of the purposes and terms of their partnerships with governments, ensuring a better matching of goals and expectations. They are an opportunity to bring together learning and experience in delivering aid with CSOs in developing countries. Box 2 lists a number of these policies and strategies. The policy content and the nature of the relationships with CSOs vary considerably between donors, but they also share a number of common features.

According to a survey conducted with 26 DAC donors by the OECD Development Cooperation Directorate (DCD), DAC donors identify four basic rationales for the delivery of aid through CSOs.[81] These rationales are not mutually exclusive:

● to achieve a development objective in the donor's aid programme, often related to service delivery in partner countries;

- to achieve a development objective through the donor aid programme linked to democratic processes and social accountability in partner countries (supporting independent organizations working for development accountability in partner countries);

- to increase public awareness about aid and development issues in the donor country; and

- to strengthen CSOs' capacities in developing countries to be more effective in delivering aid resources to reach beneficiary populations.

Comparative advantages for donors in working through CSOs

In the same study, DAC donors pointed to several comparative advantages that CSOs may bring to development cooperation and the realization of donors' objectives for their aid programme.[82] Among the most important are:

- the ability of CSOs to reach more directly targeted beneficiary populations in partner countries, and to interact with them in a sustained way;

- the ability and capacities to respond quickly to rapid-onset humanitarian crises and to sustain an effective presence on the ground in humanitarian situations;

- access to special skills and capacities within CSOs for training, for including marginalized beneficiary populations, and for innovating alternatives that are effective in achieving development outcomes;

- the capacity in fragile and conflict situations to provide effective support to affected populations, which may be inaccessible to donors and multilateral institutions;

- extending the donor's geographic reach and presence in countries that are not its priority countries; and

- capacities to communicate with donor-country constituencies to sustain public support and capture additional non-governmental resources for development cooperation.

Achieving donor aid objectives with CSOs

Despite many evaluations of individual projects involving CSOs, there are few studies of the extent to which donors have achieved their policy and programmatic expectations and objectives with CSOs. One such study by NORAD (the Norwegian aid agency) confirmed that the majority of CSO projects targeted poor people and poor regions, including marginal and vulnerable populations. However, the study concluded that CSOs were usually no more successful than official donors in reaching the very 'poorest of the poor'. For the most part, the Norwegian CSOs examined did not have country-level strategies. Their development activities focused mostly on their specific partnership relationships, and not so much on donor or government country strategies. The study also concluded that while there were examples of innovation, "most projects used well-known approaches and technologies", which, the study points out, might have also been the most appropriate.[83]

Other DAC donors have identified some challenges they face in working with CSOs in the delivery of aid, consistent with the donor's aid objectives:[84]

- **high donor transaction costs in managing financial and programmatic relationships with many small organizations.** CSOs face these same costs in managing their partnership relationships at the country or community level. High transaction costs are a problem; nevertheless, these costs are probably necessary to achieve good and sustainable outcomes, given the often localized nature of the activities;[85]

- **duplication and coordination challenges** among CSOs working in similar sectors and/or geographic areas, and between donors and CSOs in partner countries;[86] and

- **CSO capacity issues** in terms of programme delivery, accountability and transparency.

There is continued debate on the effectiveness and impact of CSOs on achieving development outcomes (as there is with any delivery channel, such as government ministries or the private sector). Nevertheless, almost all DAC donors acknowledge that CSOs do make important and substantial contributions to development that cannot be duplicated through other mechanisms. They do so as independent actors, but ones that can have distinct advantages for donor programmes. CSO effectiveness in fulfilling roles in development (see Section 3.3) is only possible when they have the legal and political space to act as civic organizations and not as instruments of government. In this context, how then can these relationships between donors and CSOs be shaped to reflect donor priorities for geographic focus (priority countries), sectors or programming approaches?

Donors are increasingly using a variety of mechanisms to ensure that their support for CSO activities is focused on donor priorities.[87] The US Case Study outlines the contractual relationships that are currently being implemented between USAID and US NGOs. In these arrangements funding is provided exclusively "for sectors chosen by USAID and for donor-developed priorities and projects".[88] These CSOs must use their privately raised funds to pursue their own project objectives with their partners, separate from USAID-directed funding. US-based INGOs may also draw on privately raised funds from any of their affiliates in other donor countries for these latter purposes.

The case studies reveal that both Sweden and Australia allow for greater flexibility in their CSO partnerships than the USA. They have funding programmes that provide core institutional funding for programmes determined by Swedish and Australian CSOs. There is recognition in these government–CSO partnerships "that NGOs and government may have similar overall objectives, [but] NGOs contribute to development differently than government."[89] On the other hand, AusAID also supports CSOs through their bilateral funding window, which is focused on specific projects and directly linked to AusAID's bilateral country programme priorities. Approximately a quarter of Sida aid for CSOs in Sweden is not limited to Sweden's official geographic or thematic priorities. For the remaining 75 percent of available funding, Sida's policy states that the agency should be responsive to NGO priorities, but inside the framework of its geographic and thematic plans.[90]

The degree of focus on donor priorities in their funding of CSOs is closely linked to funding modalities (see below). According to the DCD survey mentioned above, half of the DAC members ensure compliance with their own donor priorities through financial incentives, and the other half, either through dialogue with the CSO sector or through *ex post* monitoring and evaluation of CSO activities financed by the donor.[91]

Based on the DCD donor survey, the DAC concludes that a sensitive balance is required. The donor's mandate and priorities need to be reconciled with CSOs' priorities and respect for their autonomy to carry out their roles and achieve development outcomes on the ground. CSOs cannot be considered solely contractors for donor programmes. But the balance, on the other hand, must also take into account the partner country's development policies and frameworks, particularly where these have evolved from an inclusive policy process at the country level. Among the DCD recommendations,[92] donors should:

- jointly define priorities and objectives with CSO partners, including expected compliance with donors' focus sectors and themes, through a negotiated framework with the CSO;

- adopt a balanced and transparent approach to conditions in their CSO funding mechanisms;

- when providing funding to a CSO, clarify beforehand whether the organization is expected to align with the development priorities of the partner-country government or fill gaps in these priorities; and

- include civil society in multi-stakeholder consultations on development issues, particularly working with CSO platforms and alliances to facilitate coordination among CSOs.

Donor institutional structures for supporting CSOs

Organizational structures for managing donor ODA vary considerably among donor countries. These structures range from a dedicated mechanism for coordination of development assistance through the Ministry of Foreign Affairs, stand-alone government agencies for development cooperation, to a mix of government ministries with line responsibilities for different aspects of development cooperation.[93] The DAC donor embassies in partner countries also play increasingly important roles in the decentralized management of aid programmes on the ground. Embassies are able to respond to the imperatives of greater synergies with country priorities. For some donors, embassies also have funds at their disposal for supporting small projects, often with local CSOs.

There are also a wide variety of administrative forms for managing the donor relationship with CSOs within these mechanisms for DAC ODA.[94] A large part of donor support is a funding relationship. A dedicated branch or section within the donor's administrative structures for aid usually manages this CSO relationship. Given the often

large number of donor partnerships with CSOs, donors tend to manage an institutional relationship with the CSO contracted to undertake the activities (through reporting requirements and periodic institutional evaluations). They often leave the CSO wide scope to manage its partnerships and programmes on the ground. This approach may be more 'hands-on' where the donor is contracting the CSO to implement a donor-initiated project in the donor's bilateral country programme.

But a donor government may also want a variety of engagements with CSOs beyond a funding relationship. Policy interaction with CSOs, for example, may be coordinated with foreign affairs and/or agency policy staff separate from those managing the institutional funding relationships (see the discussion of donor policy dialogue below). Staff in the embassy may play an important role in vetting and monitoring donors' country-based CSO projects and programme relationships in a given country. This embassy role may be particularly important in countries that are priority countries for the donor or where the donor may have sensitive political issues.

6 DONORS AND CSOs: EXPLORING FUNDING MODALITIES

Funding relationships both shape and are shaped by the donor's CSO policies and practices. CSOs raise financial resources for their programming from a variety of sources, but DAC donors have provided a crucial foundation of CSO development and humanitarian financing. As noted above, DAC donors, including the EU institutions, provided $20 billion in aid through CSOs in 2011. This support amounted to more than 21 percent of their bilateral aid for that year, making CSOs an important actor in aid delivery.

It is not possible to determine how much of this aid provided by donors through CSOs was received by local CSOs at the country level. As noted earlier, CSOs as donors increasingly work in partnerships on the ground. The dramatic expansion of

local CSOs is partly the result of this growing financing by CSO donors and donors' direct financing of local CSOs over the past several decades.

DAC donors have allocated financial support for CSOs through several different funding modalities. Lessons from the use of these funding modalities could inform policies and approaches by South–South aid-providers seeking to strengthen the effectiveness of their aid delivery through CSO counterparts.

6.1 ADVANTAGES AND DISADVANTAGES IN DIFFERENT DONOR FUNDING MODALITIES FOR CSOs

The case studies for the USA, Australia and Sweden highlight a complex array of funding channels and mechanisms for the delivery of aid through CSOs. Each DAC donor country has in fact developed a distinct array of mechanisms according to its own history, country contexts and needs. Relatively new donors such as the Republic of Korea and the Czech Republic have drawn on this experience in designing their own mechanisms.[95]

Despite these differences, donor mechanisms for funding CSOs can be divided into four main categories:

1. support for specific CSO projects or programmes;
2. donor call-for-proposal mechanisms;
3. partnership/framework agreement or core untied funding for a CSO; and
4. standing funding arrangements for rapid response to humanitarian emergencies.[96]

These modalities may not be mutually exclusive within a given donor's policies. CSOs, and particularly larger INGOs, may access funding through a combination of available donor windows.

1. SUPPORT FOR SPECIFIC CSO PROJECTS OR PROGRAMMES

Characteristics of the funding relationship:

- The CSO usually initiates the planning and implementation of one or more projects. It submits project(s) for donor financing on a non-competitive basis, against donor-established criteria. The CSO may be limited to submission of a set number of projects in any given year. The donor may establish set times during the year for the submission of proposals.

- Donor criteria may be limited to donor-determined priorities for project proposals (in sector or geographic areas of interest to the donor). Or criteria may allow for and be responsive to a broad range of CSO-initiated proposals beyond immediate donor country or sector priorities. The latter may permit the strengthening of smaller and medium-sized CSOs in carrying out programming.

- The donor manages an approval process at the donor headquarters (usually for CSOs in the donor country) or at the embassy (usually for CSOs in a partner country served by the embassy). Donor staff review proposals from eligible CSOs on their own merits, not in comparison to other proposals received.

- Some DAC donors have been open to broadly responsive non-competitive proposals from CSOs (giving opportunity to new and smaller CSOs). More commonly, donors seek non-competitive proposals from CSOs on specific sectors or themes. Donors can also use this mechanism to seek unique innovative and pilot proposals, based on the CSO's particular expertise.

- The donor usually requires a financial demonstration of support from the CSO through a matching funding arrangement. The CSO contributes a defined share (from 10 percent to 50 percent) of the project/

programme costs. This CSO contribution can often be provided as an in-kind (non-cash) contribution in the form of programme management and/or volunteers.

- While the mechanism is focused on financing individual projects, it can sometimes allow for a contribution to the CSO's 'overhead' costs in the budget submitted (10 percent to 12 percent). This allocation is an acknowledgement that projects cannot be effectively implemented by a CSO without a minimum in institutional infrastructure to accompany the project. Overhead is essential for both the recipient CSO in the donor country as well as the beneficiary partner CSO on the ground (although the latter is often not explicitly considered in donor financing criteria).

- The donor will enter into a contribution agreement with the CSO. This agreement will establish the scope of the project to be supported, including its budget, a schedule of payments (linked to periodic financial and narrative reports) and a results framework for the project.

When is this modality most effective?

- Support for small and medium-sized CSOs, sometimes relatively new, with limited capacities to absorb large amounts of funding, and limited means to develop large comprehensive programmes. Dialogue between the donor and the CSO during the proposal development stage is often beneficial for both parties. Such dialogue is not usually possible in a competitive call-for-proposal mechanism (see below).

- Support for a donor's programme objective by contracting with a CSO that offers a unique skill or programme capacity on a non-competitive basis.

- Support for pilot projects that promote innovation with respect to specific development issues/problems. Such

projects are often managed through an innovations fund. Given the unique aspect of innovation, it may be difficult to establish competitive criteria that define 'innovation', and a non-competitive approach for a small number of projects may be the best approach.

● Support for specific CSO efforts (workshops, training etc.) that focus on strengthening particular capacities in civil society in developing countries or CSO learning processes involving CSOs in both donor and developing countries.

2. DONOR CALL-FOR-PROPOSAL MECHANISMS

Characteristics of the funding relationship:

● Donor-initiated calls to CSOs (and sometimes other stakeholders) to submit proposals for projects or programmes. Submissions must be received within a defined time period. They must respond to donor-established eligibility, project or programme criteria and guidelines for this particular call for proposals.

● Eligibility to submit to a given call is established by the donor and may be limited to a segment of CSOs or can also be broadly inclusive of other actors such as the private sector. Eligibility to submit may be based on the CSO's nationality (e.g. only those in the donor country), the length of time of its existence/registration, minimum qualifications in a sector, and/or required programme capacities.

● The criteria and guidelines may differ between calls for proposals. The criteria are established based on the nature of the programming sought by the donor for each call. These criteria and guidelines are usually published when the call is issued. A given format for making a proposal takes the specific criteria/guidelines into account. A donor may also have guidelines and criteria that apply to all calls for proposals from CSOs.

- Among the requirements for a call for proposals, the CSO may be asked to demonstrate its own cash and/or in-kind contributions to the project. The CSO may be required to cover all or a proportion of overhead expenses.

- Staff in the donor agency/bureau use an assessment framework to assess all proposals. This framework creates a common grid of criteria for ranking the proposals. (Sometimes this assessment grid is made public at the beginning of the call, but not in all cases.) Donor staff will often assign a ranking (e.g. 1 to 5) for each criterion, but some criteria may be required (i.e. its absence makes the proposal ineligible). Most donors also include a qualitative assessment of each proposal that is taken into account in the final decision-making process. In most cases a senior donor official or the government minister responsible for development assistance signs off on the final list of successful projects.

- After a decision has been made, a contribution agreement is negotiated with the selected successful CSOs. The donor may insist on further refinements of the project and its financing at this stage. Standing regulations governing donor contracts are applied (for example, a logic model defining activities, a results framework of outputs and outcomes, a risk assessment, payment schedules, reporting requirements etc.).

When is this modality most effective?

- Donors are seeking CSOs as implementing contractors for donor-designed projects or programmes.

- Donors wishing to maintain their prerogative to choose CSO partners for activities that closely align with their priorities.

- Donors wishing to extend support to different CSOs over time (creating a 'level playing field'). Each competition gives donors options to support different organizations based on changing donor priorities. Non-competitive

processes tend to lock a donor into longer-term support for a set of CSOs, which in turn develop a strong capacity to relate to this donor.

● Donors seeking proposals that respond to a unique one-off situation (such as second-stage reconstruction following a country-specific rapid onset emergency).

3. A PARTNERSHIP/FRAMEWORK AGREEMENT OR CORE UNTIED FUNDING FOR A CSO

Characteristics of the funding relationship:

● The donor negotiates a multi-year framework agreement with a CSO based on a long-standing donor experience with this CSO. The CSO submits an institutional proposal covering all or a substantial number of programmes designed by the CSO, rather than a specific project or programme proposal (as they might for funding modalities 1 or 2 above). Annex 4 gives an example of the requirements for a framework agreement in Denmark.

● The CSO programme is planned and initiated by the CSO. It must be broadly consistent with the donor's development goals but not usually with specific donor sector or country priorities for its bilateral aid.

● The donor process often involves rigorous accreditation and/or regular institutional evaluations to sustain eligibility for a framework agreement.

● CSOs that have a framework agreement will work with a variety of programme CSO partners of their choosing on the ground in developing countries, with which they may have their own partnership agreements.

● Donor funding is linked to, and progress is assessed, in relation to a logic and results framework **for the organization as a whole** at the institutional level, and not usually for each programme or project. The CSO

has the prerogative and flexibility to realize the agreed institutional results (e.g. strengthen the capacity of CSO partners in creating more access to health care) in various ways through its different programmes.

- Donor agreements are multi-year (e.g. for a period of three to five years). There is often an annual assessment of progress against the organization's objectives and results framework. A schedule of payments over the life of the agreement is based on annual financial and narrative reports (and sometimes even quarterly financial reports).

- In some donor countries framework agreements are negotiated with CSO coalitions through which members of the coalition access funds on a core and/or project basis (see, for example, the Sweden Case Study).

- Framework agreements usually include a formula for the donor's (partial) financing of the organization's overhead costs through the agreement (e.g. 12 percent of the value of the annual donor disbursements to the organization).

When is this modality most effective?

- Core or institutional support for large, well-established and accredited CSOs. These CSOs are usually based in the donor country or part of a global family.

- Donors have confidence in a CSO's proven track record. This confidence is established thorough a history of partnerships with the CSO as well as donor-commissioned independent evaluations and institutional assessments.

- The donor goal is to strengthen CSOs as development actors in their own right by responding to CSO-determined programming across the institution as a whole.

- The arrangement enables the CSOs to be more responsive to partner interests and to respond to changing local conditions through an interative approach to programme impelementation.

- The donor responds to the need for predictability of finance for CSOs and their aid partners in developing countries as a principle of aid effectiveness.

- The donor reduces the administrative burden and transaction costs for both the donor and CSO given the three-to-five-year time-frame of the partnership, and predetermined disbursements based on annual reports.

4. STANDING FUNDING ARRANGEMENT FOR RAPID RESPONSE TO HUMANITARIAN EMERGENCIES

Characteristics of the funding relationship:

- Responding to humanitarian emergencies (floods, earthquakes etc.) requires capacities, flexibility and preparedness. Several INGOs have developed these capacities for rapid response in many parts of the world. Standing offers by the donor enable quick access to pre-approved donor funding for these immediate responses to rapid-onset emergencies.

- The donor has a pre-approval process for determining a selected group of effective CSO humanitarian actors. Pre-approval is based on donor and independent assessment of the CSO's experience and capacities for effective humanitarian response. The donor maintains (and periodically updates) a list of pre-approved CSOs, with a donor understanding of the different capacities and areas of the world in which each CSO can operate.

- With the onset of an emergency, the donor usually provides 100 percent quick-release financing to a number of pre-selected CSOs based on communication from these organizations and a demonstrated

presence in the field. This funding is targeted to first-responders to emergencies, and not to longer-term complex emergencies or reconstruction.

● Some donors sometimes collaborate with their CSO community to provide special donor funds to match a set amount of money raised by CSOs from the public for the emergency. The donor disburses these funds under funding modalities 1 or 2 above, focusing on longer-term reconstruction and post-disaster recovery programming. The donor's matching funding will not go to the organizations that raised the funds, but to those CSOs with the best projects as assessed by the donor.

When is this modality most effective?

● There is a body of humanitarian CSOs (often INGOs) with the capacity for strong and rapid responses to emergency situations, with highly developed standing capacities within the organization (such as the Red Cross or Red Crescent).

● It creates conditions for quick, flexible financing that responds to priority emergency needs, based on immediate on-the-ground assessments by CSOs present and working in the area or country.

Any of the above funding modalities might include a role for CSOs in the delivery of technical assistance. Since the 1990s there has been a surge in volunteers from the OECD DAC countries working in development activities. One estimate put the number at more than 50,000 volunteers in a given year.[97] There are also many CSOs in the DAC countries that specialize in sending volunteers. DAC donors play a large role in financing these programmes, but usually through the modalities described above. The largest organization for sending volunteers, VSO International, for example, received approximately US$70

million from various government sources in 2012. Five major Canadian volunteer-sending organizations received a total of more than Cdn$30 million from CIDA in 2011. CSOs provide technical expertise *inter alia* through direct service in institutions in developing countries, capacity development initiatives, or as an aspect of the partnership relationship with counterparts in developing countries.[98]

6.2 THE IMPACT OF FUNDING MODALITIES ON THE NATURE OF DONOR PARTNERSHIPS WITH CSOs

The evidence from four decades of donor financing points to the importance of considering a mix of funding modalities in donor relationships with CSOs. Funding modalities often determine the possibilities for good development outcomes in the work of CSOs with their counterparts in developing countries. It is best to tailor funding modalities to the purposes of the donor agency, the country context and the particular strengths and capacities of the CSOs — "one size does not fit all".[99]

In this regard, some donors have achieved an effective mix, while others have given sole priority to contracting CSOs for donor-determined priorities. Donor-selected CSO projects and call-for-proposal mechanisms, based exclusively on donor priorities, are a common practice among the DAC donors. In the case studies, Sweden is at one end of the spectrum, with an overarching policy to provide responsive programme-based and core funding for selected CSOs to the greatest possible extent. At the other end, USAID mechanisms for CSOs focus almost exclusively on government-determined priorities.

Donors might consider not only seeking consistency with donor priorities, but also paying attention to the impact of a donor-preferred funding modality on the capacities and effectiveness of the CSO in realizing the goals of projects

and programmes on the ground. CSOs in developing countries have identified a number of issues to consider in relation to donor funding modalities:[100]

● **The difficulty in the sustainability of core CSO institutional processes** due to terms and conditions of donor grants. CSOs point to little and declining core support, high transaction costs in managing donor grants, and the push by donors for short-term results. While CSOs may be able to attract resources for specific programming goals, the terms of this donor financing often preclude support for the basic operational functions of the organization. The latter include managing a Board of Directors, strategic planning and financial systems, computers and other administrative resources, and sustainable salaries. In the end this lack of support for core institutional functions undermines the organization's capacities to effectively undertake the programme.

● **Less collaboration at the country level due to competitive donor mechanisms.** CSOs more often now compete with each other for partnerships with INGOs or official donor funding. There are seldom any opportunities to develop and present strategic CSO sectoral plans for donor funding by CSO coalitions or networks in developing countries. With dependency on short-term, time-limited donor contracts, CSOs are always in a resource-seeking mode, competing with each other to profile their programmes for donors, even when working through networks or coalitions.

● **DAC donor CSO priorities (and often INGO priorities) are developed with little engagement with developing-country CSOs** and sometimes with little knowledge of conditions facing local CSOs. These donor priorities are more likely to reflect priorities determined by the donor agencies and in dialogue with stakeholders based in donor countries. The predetermination of donor priorities then precludes

for the most part opportunities for funding that is responsive to locally determined CSO priorities.

● **Access to information regarding government strategies and donor plans at country level** remains a significant challenge for many CSOs involved in development. If funding modalities aim to strengthen coordination or policy dialogue between different development actors, the issue of access to relevant information about these actors' programmes and intentions is crucial.

● **Pressure for uncritical alignment with government.** CSOs in developing countries wish to contribute to advancing social and economic development for poor and marginalized populations. They hope and expect that these objectives are in harmony with or complement the government's actual development strategies. But to enable closer alignment, government strategies need to be the outcome of inclusive processes with different development stakeholders. This engagement might include, where feasible, strong participation in the development of the strategy to assure that it reflects broad citizens' interests and support. In cases where country strategies are not the result of socially inclusive political processes, CSOs may legitimately argue that their programming fills missing gaps or speaks to the interests of populations whose interests have been marginalized. Similarly, without sustained access and dialogue between CSOs and government, practical collaboration and alignment with government is difficult.

An aid-provider might consider these CSO funding issues when reflecting on the advantages and reasons for selecting a particular mechanism for supporting CSOs.[101] Assessments by DAC and other analysts of funding modalities point to various important good practices in CSO support. Some issues to consider to strengthen the effectiveness of CSOs in delivering aid are:

- **The mechanism has been tailored to the specific CSO outcomes and objectives that the donor wishes to support.**[102] Strengthening CSO capacities over time, for example, requires a modality that targets and allows for sustained multi-year financing of a CSO's self-defined needs. On the other hand, providing support for medical services in a post-emergency situation may be best met through a one-off project through a competitive mechanism.[103]

- **The diversity of donor financing mechanisms could support the unique capacities and comparative advantages of different types and sizes of CSOs.** Medium-sized and smaller CSOs may not have the capacities to prepare a full bid in a competitive competition. But these organizations may, nevertheless, offer particularly important expertise or access to constituencies required for an effective outcome in a donor programme. As several commentators have suggested, the call-for-proposal mechanism encourages competition rather than collaboration among CSOs. Donors may choose to ensure that their financing mechanisms do not undermine the diversity of CSOs (by focusing on a few high-profile CSOs), particularly in developing countries where capacities are very mixed to enter funding competitions.[104]

- **Transparent funding guidelines that are evidence-based and provide clear instructions and criteria for making choices for the applicants are an important aspect of funding mechanisms.** Donors receive the best proposals when they have been clear about their purposes for funding CSOs; therefore, the expected requirements also need to be clear. Guidelines might be rooted in policies governing the financing of CSOs. These policies are best determined through both high-quality donor knowledge of the CSO community and through consultations with this community.

- **It is important to adapt reporting and monitoring requirements to the expected results and take into account the inherent risks of a particular development context.** Many forms of development are inherently risky, and specific outcomes are often difficult to predetermine. Successful outcomes are consciously built through support for learning from project experience and adapting programmes, rather than through a punitive and/or rigid monitoring approach to specific results in a log-frame.[105]

- **The harmonization of project application, reporting and monitoring requirements as much as possible between donors and different funding mechanisms will reduce transaction costs.**[106] CSOs in developing countries that receive financing from several donor sources are often burdened by different application and reporting requirements for financing their programme. This is not dissimilar to the experience of many ministries in least developed countries responding to multiple donors. Donor requirements often create (unnecessary) high transaction costs for the CSO involved, when the latter have much less capacity than governments to undertake these administrative areas of work.

6.3 DAC DONOR DECISION-MAKING PROCESSES FOR DETERMINING CSO FUNDING

Deciding which CSO to support is both complex and very context-specific. The decision is as much a political decision as one determined by technical criteria. The December 2011 'Busan Partnership for Effective Development Cooperation' [§22] acknowledged that donors and governments should measure the effectiveness of CSOs as development actors according to the 'Istanbul Principles for CSO Development Effectiveness'.[107] As the principles are highly generalized, they provide no immediate

assessment criteria to determine the choice of CSO partners. Nevertheless, CSO development effectiveness principles can be the foundation for questions about the background of applicant organizations. They can inform an aid-provider's framework for assessing institutional capacities and for determining areas of investigation in institutional assessments or evaluations of CSOs.

Knowledge of and sensitivity to the local realities for aid-supported CSO programmes are essential ingredients for good decisions. Being assured of a CSO's technical capacities to manage and report on funds to the aid-provider is essential, but understanding its programmatic abilities is equally crucial. An INGO or a developing-country CSO with good technical management skills, based in a national capital, for example, may not have the skills to work with poor and marginalized people at the community level. They require the trust of local people for the success of the project or programme. There is no technical criterion or substitute for purposeful and in-depth exploration to build the aid-provider's knowledge of the local context. This knowledge is iterative, built through consultations as well as commissioned research, and a key part of the process of allocating funds, particularly where the aid-provider is relatively unfamiliar with the CSO realities.[108]

SSC decision-making regarding CSOs, where there is little previous experience, might in the first instance involve the aid-provider and the CSO building knowledge and trust of each other. Pilot projects may be one way to test capacities and working relationships. In a detailed study of localizing development cooperation, the researchers concluded "generally, donors need to invest more time in understanding the civil society sector as a whole, in order to inform a strategic, long-term and system-wide approach, rather than focusing too much on their individual projects."[109]

Decision-making processes in determining which CSOs to support vary considerably among DAC donors and with respect to the various funding mechanisms. There are several areas of consideration to inform policy approaches to funding decisions:

- **Avoid rigidly defined processes and policies:** A call-for-proposal mechanism, for example, is characterized by very defined decision-making steps that have been built into the call. These steps include setting out strict criteria, eligibility and decision-making grids, with no pre-proposal exchanges between the CSO and government officials. This approach is common and increasingly used by DAC donors. It is praised for its transparency and the technical creation of a 'level playing field' in the aid-provider's management of short-term CSO project relationships. But as noted above, it is also criticized for not strengthening engagement with smaller organizations, for limiting access to longer-term CSO programmatic innovation, and for undermining sustainable and longer-term partnerships with CSOs in developing countries.

- **CSO accreditation and decision-making:** Funding modalities that provide core support for CSOs require a robust and lengthy accreditation process. It is essential that such accreditation be built into the aid-provider's decision-making process. Once these organizations gain this type of funding, they have the flexibility to undertake activities with minimal direction from the aid-provider.[110] The critique of this modality from the point of view of the aid-provider's decision-making is that it encourages notions of ongoing 'entitlement' on the part of the CSO being supported. However, recent research suggests that core funding can play an important role in strengthening the capacities of CSOs, including their responsive relationships with their beneficiary populations, thus strengthening country ownership.[111]

- **Rapid responses to humanitarian emergencies:** As noted earlier, many DAC donors have developed lists of pre-approved CSOs who are eligible for quick release of emergency funding at the onset of an emergency. This decision-making process requires at the time only a decision about the level of funding to be delivered through the pre-selected organizations. Creating the list of eligible CSOs requires a due diligence prior-screening process by the institution providing humanitarian aid.

6.4 FUNDING MODALITIES FOR DIRECT DAC DONOR SUPPORT FOR CSOs IN DEVELOPING COUNTRIES

DAC donor funding for local CSOs in developing countries may be allocated through partnerships of CSOs in the donor country and through funds allocated directly by the donor to local CSOs in developing countries. Unfortunately the actual balance is not known. Various studies have documented increased direct support by DAC donors for CSOs in developing countries.[112] Recently, 20 of 26 DAC donors have reported that they allocate between 1 percent and 30 percent of their aid directly to NGOs in developing countries.[113]

There is increasing interest among DAC donors in strengthening a whole-of-country approach. These donors wish to focus more on donor approaches to a comprehensive country programme that include as partners not only government ministries but also civil society and the private sector.[114] A whole-of-country approach assesses donor/developing country priorities in terms of national plans, but creates synergies between different actors in carrying out these plans, including support for CSOs in innovation and citizen monitoring. Such a whole-of-country approach is consistent with

the principles of SSC (solidarity and respect for national sovereignty). It is also an approach that is more inclusive of development actors, which might be important in achieving and sustaining development outcomes for SSC initiatives, particularly in the social realm.

DAC donors have historically mainly supported local CSOs through contractual relationships with intermediary CSOs based in the donor country, devolving the management of these relationships to the intermediary CSO. The latter in turn carry out programmes through local partnerships in developing countries. But as CSOs have evolved in developing countries as potential partners for donors, several recent donor funding modalities have emerged to support direct partnerships between donors and CSOs in developing countries:

● **Developing-country CSO intermediary:** Donors provide funding through individual intermediary CSOs in developing countries (including local affiliates of INGOs) at the national level to reach many smaller grass-roots organizations. These national organizations are selected on the basis of their technical capacities to manage the donor relationship, but also because they have proven access to community-based organizations. While such arrangements provide clear management relationships for funding and respond better to local conditions, they also rely on the implementing CSO's particular local partnerships and its reach into local communities, which may vary in quality.

● **Linking to sector support programmes:** Several donors (e.g. the UK's DFID and Canada's CIDA) have linked budget and sector support for a developing-country government ministry to an allocation of a proportion of this support to strengthen local CSO capacities in the relevant sector.[115] These funds enhance a broader ownership of these programmes, support CSO-sponsored innovation and allow for citizens to

monitor government aid-supported programmes. On the other hand, they may also increase cliental relationships between local CSOs and government ministries, reducing the independence of these CSOs.

● **Local pooled-funding mechanism:** Some DAC donors contribute to pooled funds that combine resources from different donors to create a harmonized fund at the country level. Donors and local CSOs manage these locally pooled mechanisms jointly in varying degrees. The funds in turn allocate funding to smaller local CSO initiatives. Pooled funds may have a thematic focus (governance in Uganda) or provide support across sectors (Tanzania).[116] These arrangements can take advantage of local capacities and strengthen ownership through local CSO management of donor funds (where they have effective roles in governance of the funds). They can reach out to smaller and community-based CSOs that might not have the capacity for a direct relationship with a donor or a national CSO. But such funds require transparent funding criteria and decision-making, and accountability to the local CSO community, if they are to avoid the perception of bias and divide the local CSO community. Funding of local CSO initiatives is often managed through a donor's embassy. The Swedish Case Study reports that about half of the agreements with local NGOs were direct support, and the other half indirect through local intermediate organizations.

7 | DONORS AND CSOs: POLICY DIALOGUE AND CITIZENS' ENGAGEMENT

CSOs are increasingly engaging with DAC donors to influence policy directions and create learning environments. Selected CSOs are playing important roles in developing alternative policy proposals for government based on their unique experiences arising from their development practice. In most DAC countries, CSOs are very important actors in creating greater knowledge, sensitivity and support among the general public in the donor country for the activities of the donor government and agency in development cooperation. CSOs do so through their education programmes in schools, their fundraising activities, and their communications work with media, particularly in responding to humanitarian emergencies.

Social media and the Internet are increasingly important in engaging citizens and creating public support for aid.[117]

In the past decade CSOs have become major actors in strengthening the accountability of governments in both donor and partner countries. They do so through independent research and evidence-based advocacy to deepen donor and government commitments in development cooperation. With increased donor transparency, CSOs are able to monitor the allocation of donor funds, giving some independent assurance that it is going to the intended beneficiaries and achieving sustainable results on the ground. This CSO role assists donors and SSC aid-providers to check whether their interventions continue to be responsive to local needs in developing countries.

CSOs in donor countries also promote alternative development policies with both the public and donor agencies. Policy areas such as greater attention to food security, health, children's rights, climate change adaptation or livelihood issues affecting poor and marginalized populations, among others, are all important. Northerm CSOs still tend to dominate spaces for policy dialogue in international forums, such as UN bodies and processes, but Southern CSO networks are becoming increasingly stronger voices in these and other global processes.[118]

Domestic CSOs in many middle-income countries involved in SSC have also been active in domestic policy dialogue and advocacy over the past several decades.[119] However, to date, these CSOs, in India or Brazil for example, have not paid much attention to policy directions for their country's SSC. According to the Brazilian and Indian Case Studies, this exclusively national policy focus on the part of some of these CSOs may be changing as SSC expands and becomes more widely known in the country providing SSC aid. These CSOs could also play roles in deepening understanding and support for expanding their government's role in SSC among their populations.

In Brazil a periodic dialogue has evolved between Abong, the Brazilian NGO platform, and the government engaging with Brazil's international cooperation.[120] There is, nevertheless, evidence of growing interest in other parts of the government to take advantage of Brazilian NGO expertise.[121] In India, the government created in September 2012 its Development Partnership Administration (DPA) to streamline all aid activities. Soon afterwards, DPA officials sought out Indian CSOs to discuss potential areas for dialogue and cooperation. In 2012 and 2013 a series of multi-stakeholder meetings were convened under the Forum for Indian Development Cooperation. These sessions aimed to increase mutual understanding of India's global development cooperation efforts, including the experience of Indian NGOs globally, and to establish some mechanisms for dialogue on India's external development policies.[122]

In April 2013, TIKA, the Turkish aid agency, working with UNDP, held a workshop with more than 30 Turkish NGOs involved in Turkish development cooperation. The intention of this workshop was to contribute to the development of a TIKA development policy that included its relationships with Turkish CSOs.[123] While these initiatives are relatively modest, early indications reveal intentions with several South–South aid-providers to interact more regularly with their civil societies. They will do so to deepen not only programmatic relationships but also policy dialogue.

CSOs in developing countries have also organized themselves to contribute to local and national government policy processes. A recent evaluation of DAC donor support for national policy initiatives by domestic CSOs in Uganda, Mozambique and Bangladesh has identified some important ingredients and lessons for effective policy engagement.[124] The evaluation highlighted several critical factors that make for more effective policy engagement that are relevant to both CSOs and government:

- **Links with constituencies:** CSOs that can sustain and demonstrate links with large relevant constituencies have legitimacy and credibility in their voice for policy changes they propose with government.

- **Evidence-based research:** CSOs can contribute strong evidence-based, high-quality research and monitoring of government policies, on which governments can build an ongoing dialogue on policy options.

- **Sustained engagement:** Engagement with CSOs is best when it is not episodic and solely instrumental to government immediate policy needs. Most of the 'successful' policy engagements were the result of a decade or more of engagement. Governments and CSOs progressively built a mature relationship through dialogue. CSOs were able to strengthen support for development options through allies within government and the legislatures.

- **Skills and training in policy dialogue:** It is advisable to pay attention to the skills needed for effective policy dialogue and engagement. Professional human resource capacities for policy dialogue are weak in a majority of CSOs, particularly outside capital cities. Similarly, government officials may require new skills to organize effective consultations with CSO actors.

- **Working with CSO coalitions:** Governments are able to engage a wider range of CSOs when they work with representative CSO coalitions and networks. The latter can be a CSO national platform that brings together common CSO concerns that have evolved through the coalition's deliberations with its members.

In policy dialogue, country politics shape the possibilities for engagement both nationally and locally, regardless of formal legal recognition of CSOs by governments. The donor evaluation drew a useful distinction between **invited space** (where governments seek out CSO policy advice) and **claimed space**

(where CSOs must claim for themselves the right to assert their policy perspectives 'from below'). When governments and CSOs have a shared interest in policy (such as expanding primary education or developing external aid policies), invited space is often a welcomed approach. In such spaces, however, CSOs can be wary of governments 'using' CSOs only to promote the legitimacy of predetermined policies. Annex 5 highlights some best practices for donors and governments in maximizing the mutual benefits from 'invited' policy dialogue. But CSOs in all three countries also 'claimed space' with local communities and organizations to promote policy changes and new laws. The evaluation pointed to significant disabling conditions for CSOs to claim a rightful space to undertake such policy engagement. The country studies drew attention to instances of government manipulation of regulatory and legal requirements for CSOs, limiting their operations and potential funding. Governments sometimes impose limitations on the right to assembly, which affects the space for participation and advocacy by representative people's organizations and other CSOs.[125]

8 TRENDS IN DEVELOPING-COUNTRY CSOs: GOVERNMENT COLLABORATION

CSOs in developing countries have a variety of relationships with local and national governments, ranging from overt and hidden tensions to cooperation and collaboration. These relationships are very context-specific, a function of many social, political and historical factors. These factors include the government's faith and trust in the ways CSOs work, the overall political climate, gender relations, and the goals and strategies of particular CSOs — to name just some of the variables. There are, therefore, many variations to the government–CSO relationship that affect the interests of donors and SSC aid-providers in creating inclusive country ownership of local development policies and strategies.

8.1 DEVELOPING-COUNTRY GOVERNMENT FUNDING OF NATIONAL AND LOCAL CSOs

While there are no comprehensive statistics, all the studies consulted, along with several interviews, confirm that almost all funding for national and local CSOs involved in development cooperation comes from foreign donors.[126] A study of Kenyan CSOs documented that more than 90 percent of their funding came from international sources. Only 1 percent of CSO funds derived from the Kenyan government, either at the national or local level.[127] In a case study in Uganda, external grants accounted for more than 80 percent of total funding for CSOs in that country, whereas private contributors accounted for less than 3 percent. The remaining 17 percent of funds was from business income. Successful Ugandan NGOs have developed over time many skills in donor relationships. They usually have a broad portfolio of development interests, and these often change to meet changing donor priorities. Just as important are the links with local and international civil society networks to establish credibility and confidence with donors.[128]

In Brazil, a high middle-income country, fully 78 percent of the members of Abong (a Brazilian CSO platform) reported in 2007 that they receive financing from international sources. But while this financing made up a large part of these members' budgets in 2003, by 2007 this percentage had fallen significantly. Brazilian CSOs were becoming less dependent on foreign aid sources.[129] There are no verifiable public estimates for international funding of CSOs in India, but popular newspaper accounts suggest that it is substantial. This funding may also be in decline as some traditional donors re-orient their aid away from middle-income countries. In China, on the other hand, private local donations account for more than 90 percent of the financing for Chinese NGOs.[130]

8.2 RELATIONSHIPS BETWEEN CSOs AND DEVELOPING-COUNTRY GOVERNMENTS

In some developing countries, CSOs are seen as important actors by technical departments of government ministries at both the national and local level.[131] However, this interest seemingly has not yet translated into long-term collaboration in the implementation of development programming.

In Africa very specific collaboration has occurred where governments require access to CSO infrastructure to deliver particular services in health, education or relief food assistance.[132] These are contractual relationships to distribute government services. They usually involve either INGOs such as the Red Cross or sometimes CSOs that are created through government incentives for particular government purposes. Relationships with local government involving local/national CSOs are becoming more common, but these relationships are often affected by local cliental politics.

Ugandan CSOs have been successful in providing services that fill resource gaps of government agencies. These CSOs have established policy guidelines for development initiatives, and created awareness and empowerment of community members to engage in these processes.[133] While these CSO initiatives may be carried out independently of government, government is still able to influence the nature of CSO programming through various regulatory means. For example, in education programmes, government usually requires registration of the CSO, can set limitations on CSO interventions (geographic area or types of interventions) and can enforce standards (teacher qualifications or school curriculum).[134]

In India, Pakistan and Bangladesh, there have been a greater variety of collaborations between CSOs and government.

These have ranged from CSO assistance for primary schools, management of government health centres, and support for local government sanitation programmes.[135] In many cases, the CSOs in question have developed a successful and mutually beneficial contractual relationship with the government. At the same time, they have been able to maintain autonomous programming as a CSO.[136] For example, in Bangladesh extensive CSO experience in basic education at the community level has formed the basis for collaboration with the national government. This collaboration has involved both expanding basic and early childhood education opportunities and formulating the National Education Policy.[137] CSOs that were more financially independent were more likely to enter into a successful partnership with government.[138]

Conditions for effective government–CSO collaboration for service delivery

There are a number of important areas that seem to affect the capacities and outcomes of collaboration between governments and CSOs for service delivery. Clearly, every country government and each country's CSO sector are different and distinctive in what they might bring to collaboration, and both change over time.[139] Recognizing these dynamics, some common features for collaboration can be identified:[140]

● **An enabling legal framework:** The stability of an enabling legal and regulatory framework for CSOs is an important precondition for mutual respect and contractual relationships between the State and civil society.[141] This framework recognizes CSOs as development actors in their own right, and not merely as government subcontractors. The absence of such a framework in many developing countries makes it difficult for both government and CSOs to have sustained co-financing agreements. As noted earlier, in many developing countries the legal framework may be

outdated (e.g. India) or create restrictive conditions for CSO operations (e.g. putting limitations on sources of funding, demanding lengthy and complex registration processes or uneven regulatory frameworks etc.).[142]

● **Government–CSO dialogue on appropriate programmatic approaches:** An open and transparent national policy for service delivery is an important element for effective partnership.[143] In some countries, CSOs expanded into service delivery partly because of the perceived failure of government programmes to provide these services. In the absence of dialogue on appropriate implementation policies at all levels, many highly competent CSOs are reluctant to enter into contractual arrangements with governments (or other external donors). The fear is that they will have little say over the directions of these programmes, particularly at the local and district level. Inflexible government contracts may also reduce the effectiveness of CSOs to be innovative and respond to local conditions and local ownership.

● **Building confidence is essential:** Relationships between governments and CSOs in developing countries are often fraught with suspicion on both sides. Wariness includes questions as to which side is truly serving the public good, distrust over access to financing, and a concern over patronage networks in local governance. Case studies in South Asia demonstrate the importance of gradually building trust. Positive outcomes are more likely where contracted activities can operate based on shared objectives with government, but on an understanding that CSOs retain their autonomy as organizations.

A long history of effective CSO service delivery (for example, in Bangladesh), recognized by all development actors, creates an important foundation for collaboration. In these situations governments do not feel threatened

to acknowledge that CSOs contribute in areas that the government cannot (e.g. access to work with communities and/or the provision of technical skills). On their side, CSOs work with the acknowledgement that the primary responsibility and mandate of government is to provide health or education services to its citizens. In this context, both government and CSOs share an interest in ensuring that the service delivery capacities of CSOs are continually improving.[144] Donors and governments often seek firm contractual conditions based on measurable short-term outcomes. These contracts can be a subject of tension, with iterative learning and exchange between CSOs and government. CSOs, on the other hand, often want to preserve informal relations despite contracts with government. Through informality, CSOs are able to strengthen areas for mutual advantage, which may not be apparent at the beginning.[145]

INGOs and collaboration with developing-country governments

In developing countries, INGOs and Northern CSOs must work within the legal framework established by the government of the host country. In situations where INGOs have a significant presence on the ground, the government will often engage with these organizations at both a formal and informal level.[146]

International financing of domestic CSOs (from donors, INGOs and CSOs in donor countries) is the primary means of support for the vast majority of domestic CSOs. A number of developing countries are beginning to track foreign financing of domestic CSOs, particularly for organizations involved in various forms of public policy monitoring and advocacy. Ethiopia, Egypt and the Russian Federation are high-profile examples, but the International Center for Not-for-Profit Law reports that in 2012 Pakistan, Bangladesh, Kazakhstan, Nicaragua and Malaysia also

were considering or have adopted foreign funding restrictions.[147] Governments have a legitimate concern and interest in tracking the work of CSOs in their country to maximize synergies and enable more effective government planning, but the imposition of funding restrictions and controls is a worrying trend for CSOs. The potential impact, whatever the stated intentions of government regulations, may be to limit an important role for CSOs dedicated to strengthening government accountability. Such controls may also affect the effectiveness of all CSOs working at the country level to make strategic holistic contributions in their respective areas of development, such as the provision of health care or education.

Increasingly, foreign CSOs are also required to enter into Memoranda of Understanding with a government of a developing country, which outline an agreement for their programme or presence.[148] Developing-country governments reasonably want information and agreement on INGO activity in service delivery. Both would want to avoid overlap and increase complementarity in the range of services being provided. Given the numbers of CSOs involved in development cooperation, aid transparency may offer a practical approach to realizing greater coordination. As more INGOs adhere to the IATI, the result should be a central registry of information about INGO programming around the world. Advances in data mapping will increasingly allow governments and other stakeholders to visualize the specific location and purposes of CSO programming and could lead to greater coordination.[149]

9 ISSUES FOR CONSIDERATION: DEEPENING CSO INCLUSION IN SOUTH–SOUTH DEVELOPMENT COOPERATION

The experience of DAC donors in delivering aid through CSOs cannot easily be translated and applied as a 'model' for middle-income countries providing aid for SSC. This experience is highly diverse and difficult to generalize as a model for good practices. Equally importantly, SSC has its own principles and approaches within which greater engagement with CSOs need to be considered. Furthermore, CSOs in the DAC donor countries have been embedded and strongly influenced by a North–South 'donor–recipient model' of aid delivery for many decades. For both governments and CSOs in middle-income countries, SSC partnerships aim to be distinct from this

donor–recipient model. At its best, SSC is the result of common development experiences as middle-income countries, and the relevance of their different development practices to the conditions facing low-income developing countries.

With the exception of Turkey and a few CEE countries, research on middle-income countries involved in SSC did not reveal systematic inclusion of domestic CSOs in these programmes. There is, therefore, almost no SSC experience from which to draw lessons in structuring the inclusion of CSOs in SSC. Indeed, to date, it appears to be the case that there is very little dialogue with domestic CSOs in most South–South aid-providing countries to identify the issues involved. However, years of development experience of these CSOs could be highly relevant to the goals of SSC. It also seems that some Southern aid-providers have an interest in engaging more with domestic CSOs in their own country and in partner developing countries. Including CSOs in development coopration efforts can both create domestic awareness on global issues as well as contribute to sustainable development results of SSC efforts.

Some interest, therefore, exists to deepen CSO engagement in SSC programmes. To take advantage of this interest, further groundwork may be required on the part of Southern governments and CSOs. It is useful to start by focusing on some overarching questions:

- Does the government providing assistance have any interest in building a relationship with CSOs for SSC, and if so, why is this? If not, why not?

- What are the SSC aid-providers' intended purposes for the aid programme in a particular country in which CSOs might participate? What are the intended roles for CSOs?

- What are the particular capacities of CSOs in these SSC aid-providing countries and partner countries, and do the services or CSO capacities match the purposes of SSC?

- Are there limitations in the current legal and regulatory framework for Southern CSOs, enabling or preventing them to undertake practical SSC through their own relationships in partner countries?

- What are the modalities for engaging in dialogue with CSOs in SSC aid-providing countries and partner countries to develop answers to the above questions?

If a greater engagement with CSOs in SSC evolves in the coming years, South–South development assistance providers could usefully undertake or enhance initiatives to work more closely with CSOs in five important policy areas:

1. define the inclusion of CSOs in official policies for SSC;

2. create an enabling legal and policy environment for development cooperation for all aid actors;

3. strengthen knowledge and capacities of CSOs in both partner countries and SSC aid-providing countries;

4. build trust through iterative programming relationships and mutual transparency; and

5. create space for policy dialogue and learning between CSOs and the institutions involved in SSC.

This conclusion will draw together some issues for consideration in each of these areas in turn.

9.1 SOME KEY ISSUES FOR CONSIDERATION

SSC emphasizes some key approaches — strengthening capacities for self-development, country ownership, non-interference or political conditionality, implementing principles of equality and mutual benefit, win–win and the need to "adjust the scale, arrangement, structure and sectors of its foreign aid in accordance with actual conditions" in developing countries.[150] Equally important is the point that many CSOs who are interested in SSC strive to be independent and voluntary organizations, with their own principles, mandates and programmes. Clarity in establishing areas of common purpose and objectives with these CSOs will be important for effective relationships in SSC. Clarity includes a shared recognition and agreement on limits in collaborations. From the CSO perspective this includes guarding against co-optation of their organization, real or perceived, as an extension of the SSC aid-providing State.

The five policy areas identified above provide a framework for considering a number of issues with respect to the roles of CSOs in South–South aid delivery.

1. **HOW TO DEFINE THE INCLUSION OF CSOs IN OFFICIAL POLICIES FOR SSC**

   As SSC partners increase resources and institutionalize the coordination of these resources, they are elaborating policies that define the purposes and directions of their development cooperation. These policies are important for both institutional coordination and external transparency. A number of SSC countries are in various stages of defining or updating existing policy statements.

   For those who wish to move in this direction, the process of developing policy presents an opportunity

to consider how the SSC aid-provider intends to work with CSOs in development cooperation within the context of SSC principles — such as self-development, mutual benefit and non-interference. CSOs are a well-established part of the development landscape in both partner and the aid-providing countries. There continue to be debates about the effectiveness and impact of CSOs, as there are with all aid delivery channels. But it is also recognized that CSOs can implement on the ground aspects of development cooperation particularly well — for example, in humanitarian assistance, in working directly with poor people in the social sector, or in strengthening practices and accountability in development cooperation.

CSO policies will, and should be, specific for each development partner country. This is also the case for most DAC donor countries. Within the context of implementing SSC principles, a government policy framework for SSC would usefully *inter alia* address the inclusion of CSOs as development actors, and at a minimum:

a. **specify the rationale for collaboration with CSOs,** the expected results and 'mutual benefits' from this collaboration;

b. **describe the eligible CSO constituency for cooperation** (national, INGO and partner-country) and their relationship to the SSC providers' priorities and principles of cooperation;

c. **set out the modes of CSO cooperation** (e.g. within government-to-government projects; drawing individuals from CSOs into technical assistance programmes; direct support from SSC-providing government to partner-country CSOs; use of CSOs in the SSC-providing country as aid implementers etc.);

d. **specify the overarching criteria for selecting CSOs** for programme partnerships (e.g. legal conditions; years/type of development expertise in SSC-providing or partner country; institutional capacities and governance; fiduciary capacities; existing relationships in partner countries etc.);

e. **provide an outline of the process for determining programme priorities with CSOs,** including the funding modalities (e.g. management through a dedicated section of a relevant ministry; decision-making processes for funding; types, purposes and periodicity of funding modalities etc.); and

f. **commit to periodic review of the implementation of these policies with affected CSO constituencies** in both the provider's country and in the partner countries to gather lessons and increase effectiveness (reviews would require transparency of funding opportunities and criteria; transparency in programme choices and outcomes, regular consultation mechanisms etc.).

Choice of financing modalities for CSOs

When determining appropriate modalities for financing CSOs in SSC, governments are rightly concerned about the issues of accountability and compliance with contractual terms in any funding arrangement. Nevertheless, the first consideration for elaborating policy on funding modalities will likely be the **choice** of appropriate modalities in relation to the objectives of the SSC provider and its potential CSO partners. As detailed for DAC donor funding modalities in Section 5 above, any modality will have different implications for the relative capacities of CSOs to effectively achieve **and sustain** agreed development outcomes. Limitations of current DAC funding modalities for effective partnerships with CSOs point to the importance of a diversity of funding modalities according to defined purposes of engagement.

No particular set of funding regulations in themselves reduces fiduciary risk any better than another. Addressing fiduciary risks is best seen as a holistic exercise. Measures can be built into eligibility requirements for CSO partners, into the terms of the contractual regime and into levels of monitoring the implementation of activities on the ground, irrespective of the nature of any particular modality, including long-term core programmatic support for some CSOs.

As noted in Section 5, the use of different modalities is more closely related to the aid-provider's overall purposes in engaging CSOs. In this regard, South–South funding modalities for CSOs might consider the following factors that are consistent with SSC principles:

- **Responsiveness to local CSOs:** A high degree of responsiveness to a local CSO's determination of conditions on the ground and the appropriate actions to address these conditions is consistent with SSC principles of mutual benefit and non-interference. Similar to SSC support for the priorities of partner governments, South–South aid-providers are better to resist the tendency to treat CSO partners as mere organizational instruments to deliver aid for their own purposes and objectives, in which these CSOs have had little or no opportunity to contribute.

- **Providing technical and financial resources to build on-the-ground CSO capacities:** SSC partners seek to strengthen equitable country-led development cooperation. If SSC is to work with a more diverse set of partners, it will be essential to be aware of and address the capacity needs of these partners in any funding relationship. Potential partners are more effective if they are fully engaged

in programme design at an early stage. South–South funding modalities might consider providing the needed technical and financial resources to strengthen local capacities for such engagement. Assessments of call-for-proposal mechanisms suggest that this modality, for example, is often not well suited for this purpose due to often built-in rigidities in requirements for implementation by the successful CSOs.

- **Programmatic flexibility likely to result in more local control and more effective work on the ground:** An iterative approach to programming activities in funding agreements, one that does not rigidly specify directions and a set of activities, allows for greater CSO scope for appropriate activities. This flexibility provides a basis for the CSOs to enter into respectful local partnerships. CSOs are able to meet the conditions of contractual accountability to the aid-provider but at the same time respect the centrality of local ownership needed to ensure an effective implementation by the local partner(s) of SSC development activities.

- **Developing a partnership, not only a funding relationship:** Many CSOs are willing to work with governments in programme delivery. But they also see themselves as independent organizations, not just a channel to deliver aid. Government actors in SSC, therefore, need to strike a balance — between a strictly contractual funding relationship (i.e. delivering a particular set of services or goods) and a more multifaceted partnership where over time increased trust allows for an exchange of experience and learning to improve development outcomes.

While acknowledging staffing and resource limitations of South–South aid-providers, best practice suggests

the importance of dedicating a small team within the aid institution or responsible ministry to managing CSO relationships in SSC. This formal structuring of responsibilities can take many practical and efficient forms, depending on the institutional context. Such a unit not only administers funding and partnerships with CSOs; it also coordinates these relationships with other parts of the agency or ministry and creates an important 'institutional memory' over time of the lessons and innovations arising from collaborations with CSOs.

2. CREATING AN ENABLING ENVIRONMENT FOR CSO ENGAGEMENT IN SSC

The legal environment for CSOs has evolved differently in each country. It is particularly important that CSOs have a clear and transparent legal framework within which to structure their domestic work, to participate in official SSC programmes and to undertake a variety of relationships with diverse stakeholders in the SSC aid-providing country.[151] It is important that provisions allow for both direct partnerships with governments and for direct partnerships between CSOs. Regulations for legal accountability, such as the requirements for financial audits, need to be robust. However, these measures also need to be sensitive to the unique operational conditions in international CSO collaborations with foreign governments and with other actors in a foreign jurisdiction, working in sometimes difficult emergency or remote situations.

Best practice shows that it is efficient for South–South aid-providers to develop knowledge of the legal and regulatory environment for CSOs in partner countries, particularly when considering partnerships with CSOs in these countries. As noted already, some partner governments have been revising these laws

and regulatory frameworks in ways that may further disadvantage the work of CSOs. To develop partnerships that would result in effective development outcomes, it is important for all development actors to structure their partnerships with CSOs in ways that strengthen the possibility of all CSOs fulfilling all of their roles (including policy advocacy). Aid-providers are unlikely to want their interventions to inadvertently further compromise CSOs' independence as development actors (e.g. via indirect partnerships with CSOs through partner governments with the intention of limiting the scope of CSO activities).

3. STRENGTHENING THE KNOWLEDGE AND CAPACITIES OF CSOs IN BOTH PARTNER AND AID-PROVIDING COUNTRIES

South–South partners will establish more effective partnerships with CSOs when they understand the CSO environment and the potential contributions of various development actors to their programming priorities both in the recipient country as well as in their own. A specific mapping by SSC partners of the different capacities of development actors at the country level may facilitate greater and more effectively targeted collaboration. This mapping analyses *inter alia* the different strengths and vulnerabilities of major CSO actors in both country contexts. Mapping could help to identify synergies between the aid-providers, CSOs in the aid-provider's country and CSOs in the partner country in meeting the aid-provider's development goals. This mapping would include the interests of the relevant ministries in the government of the partner country and the specific objectives of the partner country's development plans.

A mapping exercise could be conducted in partnership with relevant CSO coalitions and platforms at the

partner-country level, as a way to more ably understand the dynamics of civil society and other actors on the ground. Such mapping might also include familiarity with current codes of conduct for CSOs. It could identify diligence measures for the SSC aid-provider to be assured of both the legal legitimacy of potential CSO partners and the quality of their development experience and capacities. In some countries it is also important to be aware of laws and regulations that might affect the practice of CSOs as development actors and their accountability to government and other stakeholders.

CSOs in middle-income countries have largely worked inside a domestic arena where they often have had a recipient relationship to the aid system. In developing partnerships thorough SSC, it is important that CSOs and aid-providers do not assume that all the skills required in SSC are the same as those honed within this domestic context. To engage effectively, CSOs may benefit from capacity strengthening in a number of areas: capacities for analysing appropriate ways of conducting international cooperation, for determining the conditions of a productive mutual partnership, for understanding approaches to development within a different country's cultural and political realities, for adapting existing skills to respond to expressed needs of partners, or for working equitably with counterparts in other countries, among others.

4. BUILDING TRUST THROUGH ITERATIVE PROGRAMMING RELATIONSHIPS AND MUTUAL TRANSPARENCY

Where there is little previous experience, decision-making regarding CSOs' potential role in SSC is likely to be an iterative process. It is one in which the SSC aid-provider and the CSO build knowledge and trust

of each other over time. One good way to start the process is through pilot projects that test capacities and working relationships of both partners. This will create a foundation for further, longer-term collaboration.

5. CREATING SPACE FOR POLICY DIALOGUE AND LEARNING BETWEEN CSOs AND SSC PARTNERS

Ongoing policy dialogue is an essential ingredient for developing trust and knowledge across different partnerships for SSC. The initiation of the multi-stakeholder Forum for Indian Development Cooperation, for example, will likely deepen relationships between the Indian government's Development Partnership Administration (DPA) and a range of Indian CSOs. Development cooperation can be affected by many dilemmas and knowledge gaps. Development actors benefit from systematic exchange of experience in elaborating policies, priorities and the most effective approaches. A great deal of this knowledge resides within the CSO community. CSO coalitions and country platforms are often ideally suited to facilitate engagement with a diverse and broad range of CSOs not easily accessible to the development assistance provider or government. They are also well suited to socialize information on SSC opportunities across a wide spectrum of potential CSO partners. Working with these coalitions and platforms to institutionalize regular dialogue and focused learning sessions could be an important element in SSC in both the aid-provider and partner countries.

A very limited space for and experience of government collaboration with domestic CSOs seems to be the current reality in many developing countries. Given the strong orientation within SSC to work with government partners, pilot initiatives could be explored to encourage collaborations between CSOs

and governments. Supporting direct partnerships between SSC-providing governments and CSOs is a way of assuring stronger capacities of domestic CSOs in partner countries. Research suggests that CSOs in partner countries are seeking closer working relationships with CSOs in countries providing SSC.[152]

In recent years, governments, traditional donors, South–South aid-providers, multilateral organizations and CSOs have agreed on measures to improve their development practices. Many CSOs are learning from their experience to become more effective development actors. The result is stronger civil society — organizations with better credibility, effectiveness and policy advocacy for locally owned alternatives. Governments, traditional donors and SSC aid-providers have also been working to clarify the principles that guide their development cooperation. SSC is growing significantly each year. Perhaps the time has come to consider how to utilize the experience of CSOs, long considered only as recipients of aid, as the basis for productive and responsible SSC.

NGOs AND CSOs: A NOTE ON TERMINOLOGY

Many aid actors, particularly among governments in developing countries, refer to 'NGOs' and their role in international aid and development cooperation. But the phrase 'NGO' is contested terminology, and for many has been subsumed within a broader category of 'civil society organizations' or 'CSOs'. This study has chosen to use the term 'CSO'.

The study uses a definition of CSOs put forward by the 2007–2008 Advisory Group on CSOs and Aid Effectiveness and now adopted by the OECD DAC:

> "[CSOs] can be defined to include all non-market and non-state organizations outside of the family in which people organize themselves to pursue shared interests in the public domain. Examples include community-based organizations and village associations, environmental groups, women's rights groups, farmers' associations, faith-based organizations, labour unions, co-operatives, professional associations, chambers of commerce, independent research institutes and the not-for-profit media."

CSOs are voluntary organizations with governance and direction coming from citizens or constituency members, without significant government-controlled participation or representation.[153]

The recent 'Busan Global Partnership for Effective Development Cooperation' recognized CSOs as "independent development actors":

> "Civil society organizations (CSOs) play a vital role in enabling people to claim their rights, in promoting rights-based approaches, in shaping development policies and partnerships, and in overseeing their implementation" (§22).

There are many types of CSOs involved in delivering aid, including faith-based groups, trade unions, professional associations, internationally affiliated organizations with branches in many different countries etc. 'NGO' is sometimes used interchangeably with 'CSO', but NGOs should be properly understood as a subset of CSOs involved in development cooperation, albeit often one with no clear boundaries. Constituency-based organizations, such as trade unions or professional associations, for example, often do not self-identify as NGOs, but rather as CSOs.

In the USA, the term generally used to refer to US CSOs involved in international development and humanitarian assistance is Private Voluntary Organizations (PVOs). According to USAID, a PVO is "a tax exempt, nonprofit organization that solicits and receives case contributions from the general public and conducts or anticipates conducting international programme activities consistent with US Foreign Policy objectives."[154] In the USA, the category of CSO sometimes includes for-profit organizations.

International NGOs (INGOs) can be seen as a distinct category among non-state actors, which have been very prominent in development cooperation during the past decade. They constitute a subset of NGOs in which coalitions or families of NGOs, based in various donor and developing countries, have formally associated in an international or global governance structure.[155] These international structures coordinate their 'NGO family' programming at the global level. This characteristic changes the INGO's relationship with a given donor or public in an individual donor country as these organizations develop, finance and promote programmes across donor countries. Some well-known examples are World Vision International, CARE International and Save the Children International.

Rather than delve into a debate on the pros and cons of this terminology, which is a reflection of the diversity of non-governmental actors (many of whom are not involved in aid delivery), this study has chosen to use 'CSOs' as the most inclusive concept.

CSOs include a diverse set of organizations, ranging from small, informal, community-based organizations to the large, high-profile, INGOs working through local partners across the developing world. Their governance structures are equally varied, a function of their mandate and constituency. However, all share a common characteristic: CSOs, by their very nature, are independent of direct government control and management.

One final note: while not-for-profit universities, research institutes and 'think tanks' can be included within a definition of CSOs, these bodies have been excluded from this study, as their relationship to the delivery of aid was covered in another study commissioned by UNDP China.

AN ENABLING LEGAL AND REGULATORY ENVIRONMENT FOR CSOs

Based on international experience of laws and regulations affecting CSOs in DAC donor countries, a number of good practices have been identified that enable CSOs to be effective in fulfilling their roles as development actors.[169] Those considering drafting new or revised laws and regulations for CSOs might consider the following elements:

1. Acquisition of legal status as voluntary, based on objective criteria, and not a prerequisite for the exercise of rights to expression, peaceful assembly and association.

2. Civic organization laws written, clearly defined and administered so that it is quick, easy and inexpensive to establish and maintain a civil organization as a legal entity in perpetuity, with a defined and reasonable time limit for decisions and written justification for denial of status, subject to appeal.

3. All acts and decisions affecting formal civil organizations as subject to appropriate and fair administrative and independent judicial review.

4. Laws and regulations as excluding or simplifying reporting procedures for small, provincial, community-based organizations and alliances.

5. Laws and regulations as sustaining effective processes and instruments that ensure social participation in public policy development, implementation and evaluation.

6. Laws and regulations as providing guarantees for civil organizations with the right to speak freely on all matters of public significance, including existing or proposed legislation, state actions and policies, and the right to non-partisan criticism of state officials and candidates for public office.

7. Civic organizations as facilitated to carry out public policy activities such as education, research, advocacy and the publication of position papers.

8. Laws, regulations and policies as providing for mechanisms and processes that allow for less bureaucratized, consistent, transparent and more efficient access to public funds, with accountability on the part of both government and CSOs.

9. Laws, regulations and policies as facilitating civic organizations to engage in any legitimate fundraising activity, with voluntary self-regulatory mechanisms for accountability, but public disclosure of the ways in which fund are raised and used, including fundraising expenses.

10. Laws, regulations and policies as creating an enabling tax regime that stimulates civic participation through tax incentives for donations from individuals and the private sector.

11. A formal civic organization that is properly established in one country would generally be allowed to receive cash or in-kind donations, transfers or loans from outside the country so long as all generally applicable foreign exchange and customs laws are satisfied. Such laws should not impose confiscatory taxes or unfair rates of exchange.

12. CSO laws and regulations as administered by an independent multi-stakeholder body. A government agency mandated to determine whether an organization qualifies for 'public benefit' or 'charitable' status, and to administer laws and regulations governing CSOs, might function as an independent commission with mixed stakeholder governance. It is appropriate for the regulatory burdens on civic organizations to be commensurate with the benefits they obtain from the State.

IMPROVING CSO PRACTICE: GLOBAL CSO ACCOUNTABILITY CHARTERS

While there are many national and sectoral accountability frameworks governing CSO development practices,[156] globally there are three prominent accountability frameworks to which the major INGOs and many national CSOs adhere: The **Sphere Project** address minimum standards in humanitarian responses; the **'INGO Accountability Charter'** provides an accountability and reporting framework for INGOs; and the **'Istanbul Principles for CSO Development Effectiveness'** and its International Framework establish global principles to guide CSO practices in development. This Annex sets out the main components for each of these three frameworks and the main direction through which the framework is implemented.

The common aim of the three global frameworks is to offer guidance and improve the quality of INGO and CSO development practices in various spheres of humanitarian and development activity. They do so primarily through voluntary recognition of the standards, ongoing and intensive training and learning processes, peer review and reporting mechanisms.

Each framework has been developed through collective and participatory reflections on experience and evidence from a wide range of development actors. While they offer practical advice on good practice for all actors in development cooperation, they are not intended as a simple 'checklist' to certify particular CSOs or INGOs. All organizations will have their own policies and operational strategies, which they have designed to meet their mandates. INGOs adhere to global standards through voluntary reviews and learning processes and change their policies and practices accordingly. There are no external international actors that certify conformity to a particular framework.

1. THE SPHERE PROJECT: STANDARDS AND GUIDANCE FOR HUMANITARIAN AND EMERGENCY RELIEF

The Sphere Project was initiated in 1997 by a group of humanitarian CSOs and the International Red Cross and Red Crescent Movement. It now gathers a large community of humanitarian practice around the world, including UN agencies, donors and aid-providers, and affected governments and academic institutions. A Board representing global CSO networks involved in humanitarian and emergency action oversees the Sphere Project. It is supported by a small Geneva-based team and through funding by Board organizations and some DAC donors. All documentation related to the Sphere Project can be found at http://www.sphereproject.org.

Humanitarian Charter: The Sphere Project aims to anchor global humanitarian responses in a 'Humanitarian Charter' that gives primacy to the rights of disaster-affected populations to life with dignity, to receive humanitarian assistance and to protection and security. The Charter focuses on two main pillars: protection and assistance. It provides the ethical and legal backdrop to protection principles and core and minimum standards for practice that follow.

Through this Charter, CSOs acknowledge the primary role and responsibility of the affected State to provide timely assistance to those affected, to ensure people's protection and security and to provide support for their recovery. It asserts the belief that a combination of official and voluntary action is crucial to effective prevention and response, and in this regard National Societies of the Red Cross and Red Crescent Movement and other civil society actors have an essential role to play in supporting public authorities. Where national capacity is insufficient, The Charter affirms the role of the wider international

community, including NGOs, governmental aid-providers and regional organizations, in assisting states to fulfil their responsibilities. It calls on all actors to respect the impartial, independent and non-partisan role of humanitarian agencies and to facilitate their work by removing unnecessary legal and practical barriers, providing for their safety and allowing them timely and consistent access to affected populations.

The Charter acknowledges that responses must be governed by the rights of disaster-affected populations. It elaborates these rights in three areas: 1) the right to life with dignity; 2) the right to receive humanitarian assistance based on the principles of impartiality and non-discrimination; and 3) the right to protection and security, particularly for civilian and displaced persons resulting from armed conflict, and the right to seek asylum and sanctuary.

The Sphere Handbook: 'The Sphere Handbook'[157] elaborates the implications of the 'Humanitarian Charter' for organizations working in relief and humanitarian responses to disasters and conflicts. It has been developed through a broad and consensus-based consultative process within the humanitarian sector and is periodically updated. It sets out six core standards for best practice:

1. people-centred humanitarian response;
2. coordination and collaboration;
3. assessment of need;
4. design and response to need;
5. performance, transparency and learning; and
6. aid worker performance.

For each of these core standards the Handbook suggests activities and actions to meet the standards, some key indicators that the standard has been attained, and guidance notes on points to consider in applying these six standards in different situations.

The Handbook also collects and elaborates evidence-based specific minimum standards in four essential areas of response: 1) water supply, sanitation and hygiene; 2) food security and nutrition; 3) shelter, settlement and non-food items; and 4) health action. This guidance is very specific: for example, a measurement of basic water needs per person is established for drinking, hygiene and cooking (pages 98 and 99).

The Handbook is an invaluable guide for humanitarian practitioners. Core agencies involved with the Sphere Project have developed training programmes associated with the core standards and practical guidance.

In July 2011, the Sphere Project joined with three international initiatives to go further to develop a common vision for developing and reporting on global standards.[158] This initiative is currently undertaking consultations with humanitarian and development workers, agencies, donors, academics, affected populations and others at events in the global South, Europe and the USA to gather views on the use and application of humanitarian standards and how standards can become more coherent and relevant. The outcomes of these consultations are available. In May 2013, the Boards of Directors for the three initiatives agreed to launch a verifiable Common Core Standard for humanitarian assistance by the end of 2013. They also agreed to work on a 'new standards architecture', which "will enable aid workers and agencies around the world to easily navigate and put humanitarian principles, the Common Core Standard and technical standards into practice."[159]

2. THE INGO ACCOUNTABILITY CHARTER: IMPROVING INGO TRANSPARENCY AND REPORTING FOR ACCOUNTABILITY

The 'INGO Accountability Charter' is an initiative involving 28 INGOs, which was launched in June 2008.[160] The Charter was in response to issues of INGO legitimacy and accountability in the light of their increasingly influential role in the international arena and their increased access to resources and policymaking circles. The focus for the Charter has been to implement a common framework and monitoring and evaluation mechanisms to improve the accountability and transparency of INGOs.

In 2008 the signatories to the Charter launched the International NGO Charter of Accountability Company Ltd, which is owned and governed by its member organizations to oversee the implementation of the Charter. In July 2010 the Secretariat of the Charter was transferred to the Berlin Civil Society Centre,[161] which is the global action platform for the world's leading CSOs and owned by seven major INGOs.

The Accountability Charter: The Charter acknowledges that the legitimacy of INGOs is multifaceted. It is derived from the quality of their work, the recognition and support of the people with and for whom they work, as well as from their members, donors, the wider public, and governmental and other organizations around the world.[162] Signatories commit to enhancing their transparency and accountability with respect to the provisions of the Charter. The INGO signatories recognize that they "can complement but not replace the over-arching role and primary responsibility of governments to promote equitable human development and well-being, to uphold human rights and to protect ecosystems". However, they can "often address problems and issues that governments and others are unable or unwilling to address on their own."

The Charter sets out a number of principles to guide the governance and ways of working for INGOs. Among these principles, INGOs are independent and non-partisan, both politically and financially. They work in the context of fundamental freedoms of association, expression and the rights and dignity of all human beings. INGOs commit to explicit ethical principles to guide the development of advocacy programmes grounded in their work and the common public interest. They will value non-discrimination, transparency and genuine partnerships with local communities. INGOs commit to ethical fundraising practices, ensuring that donors are informed about the causes for which INGOs fundraise, accurately describe their development and humanitarian activities, and will record and publish all major institutional gifts. With respect to partnerships, INGOs recognize that organizational integrity extends to ensuring that partners also meet the highest standards of probity and accountability, and commit to take all possible steps to ensure that there are no links with organizations or persons involved in illegal or unethical practices.

Reporting and monitoring the Charter: All signatories to the 'INGO Accountability Charter' are required to prepare an annual accountability report that is published on the website. These reports cover the organization's mission and values, objectives and outcomes achieved in programmes and advocacy, environmental impact of programmes, governance structure and processes, main sources of funding from corporations, foundations, governments and individuals, financial performance, compliance with the Charter and contact details.

Each member's annual report is reviewed by the Secretariat and forwarded to an Independent Review Panel,[163] which provides feedback on each report. This feedback report is also published on the Charter website.[164]

3. ISTANBUL PRINCIPLES AND INTERNATIONAL FRAMEWORK FOR CSO DEVELOPMENT EFFECTIVENESS

In June 2011, the CSO-led Open Forum for CSO Development Effectiveness brought together 200 representative organizations from 82 countries to adopt the 'Istanbul Principles for CSO Development Effectiveness' and an international framework as guidance in implementing these principles. Since 2009, thousands of CSOs and INGOs from around the world have been consulted in creating a shared framework of principles that define effective CSO development practice and minimum standards for an enabling environment for CSOs to implement these principles. The Open Forum process was based on the premise that CSOs are distinct and equal development actors and should be guided by principles appropriate for their diverse roles in development in very different country contexts.

The 'International Framework for CSO Development Effectiveness'[165] sets out: 1) global principles for CSO development effectiveness (the Istanbul Principles); 2) guidelines for implementation of these principles by CSOs; and 3) minimum enabling conditions that will allow CSOs to fully participate in development.

In identifying with the Istanbul Principles and the International Framework, CSOs have committed to take proactive actions to improve and be fully accountable for their development practices. The realization of good practice based on the Principles will be distinct for each country or organizational context, given the diversity of country conditions, CSOs and their roles in development. All stakeholders involved in HLF4 explicitly acknowledged the Principles and Framework as those that should guide stakeholders in holding CSOs to account ('Busan Partnership for Effective Development Cooperation', paragraph 22).

The CSO Platform for Development Effectiveness (the post-Busan successor to the Open Forum) will report periodically on CSO progress in implementing the Principles.[166]

The 'Istanbul Principles for CSO Development Effectiveness': The Principles start from the premise that CSOs are created as not-for-profit, non-partisan organizations expressing people's right to development through voluntary association and work for change for the public good. CSOs established eight principles through the Open Forum process that should guide their development practice, as follows:

1. respect and promote human rights and social justice;

2. embody gender equality and equity while promoting women's and girl's rights;

3. focus on people's empowerment, democratic ownership and participation;

4. promote environmental sustainability;

5. practise transparency and accountability;

6. pursue equitable partnerships and solidarity;

7. create and share knowledge and commit to mutual learning; and

8. commit to realizing positive sustainable change.

All actors for development — governments, CSOs, the private sector — are interdependent and need to collaborate to effectively realize development outcomes for people living in poverty. CSOs involved in the Open Forum have committed to review their practices and partnerships against the Istanbul Principles. The International Framework also establishes some minimum enabling conditions on the part of government and aid-providers for CSOs to implement the Principles. These enabling conditions include laws and regulations consistent with international human rights standards on association and assembly, recognition of CSOs as distinct and autonomous development actors, best practice in structuring consultation and policy dialogue with governments, and financing policies and practices by aid-providers and governments for CSO development effectiveness.

Implementing the Istanbul Principles: The CSO-initiated Open Forum has worked with CSOs to create a number of tools to enable the implementation of the Principles. The primary guidance tool, which has been agreed by CSOs working in over 85 countries, establishes an interpretation and guidance for each Principle. In addition, an Implementation Toolkit provides concrete examples on the guidelines, mechanisms and indicators that CSOs might use to put the Principles into practice in different local and national realities. An Advocacy Toolkit provides complementary suggestions on creating a more favourable context for civil society based on minimum standards for enabling CSOs to be effective development actors.[167]

The implementation of the Istanbul Principles is intended to be an iterative learning process based on specific areas of concern, which will be undertaken by CSOs and their umbrella organizations in each country context.[168] Already in early 2012, a number of national processes were underway. In Canada, for example, Canadian CSOs are

reviewing the meaning of each of the Principles in terms of their particular partnerships with Southern CSOs. The CSO platform, Cooperation Committee for Cambodia, is holding workshops with its members to build awareness and accountability towards the Principles. In the Republic of Korea and in Japan, NGOs are undergoing training with respect to the Principles. In June 2013 the CSO Platform for Effective Development conducted a global training workshop for regional and country-level trainers to systematically encourage country-level and organizational discussion of the Principles and current issues in CSO practices in these countries.

DANIDA'S GENERAL REQUIREMENTS FOR CSOs AS FRAMEWORK ORGANIZATIONS

CSOs that aspire to become 'framework organizations' with Danida and the Danish aid programme must satisfy the following fundamental conditions:

- Capacity to document lengthy engagement and continuity in the planning of development assistance efforts and to describe core competences and focus areas.

- Provide a minimum of 10 percent in self-financing, calculated on the basis of the project and programme support under the framework grant.

- Activities financed over the frame, including selection of partner countries, partners, target groups, specific areas of focus and types of activity, must be in accordance with Danish development assistance policy, with the 'Strategy for Danish Support to Civil Society in Developing Countries' and Denmark's overall development policy as the main basis.

- Concentrate efforts financed over the frame in a limited number of countries and develop country strategies.

- Have a strategy for dealing with HIV/AIDS in focus areas.

- Activities financed over the frame must be formulated as part of larger, coherent development programmes within delimited sectors.

- Programmes financed over the frame must relate to the strategies of the programme country for poverty reduction.

- Organizations must cooperate or coordinate closely with other donors and other relevant actors and support the capacity of local partners to coordinate contributions to its activities.

- Organizations must ensure that they maintain and further develop a satisfactory level of administrative and technical capacity for implementation and quality assurance of the development activities.

- Organizations must ensure that partner organizations and others that receive part of the framework grant are not registered on either the UN or EU list of terrorist organizations.

- Organizations must observe good administrative practice and follow Danida provisions concerning proposals for framework consultations, reporting, accounts, audit and internal administration.

- Organizations must document the outcomes of development assistance efforts.

- Organizations must document strong, sustained popular rooting.

Source: DCD, 2011: 24–25, based on Danida, 2006. See also Danida, 2011.

GOOD PRACTICES IN MULTI-STAKEHOLDER GOVERNMENT-CSO CONSULTATIONS AND POLICY DIALOGUE

1. **It is important to be open to ways to change traditional practices in the political culture of all stakeholders — governments, NGOs and CSOs.** It is important to be explicit at the beginning to clarify the purposes and test the degree of shared interests among all involved stakeholders. It is important to determine whether this is a limited consultation or an ongoing policy dialogue. These purposes may vary among different stakeholders and may not be entirely clear at the beginning, but a shared common purpose is the foundation for the discussions, which will evolve from this purpose.

2. **In constructing a consultation or dialogue, acknowledged equality of all stakeholders is essential,** as is the inclusion of those with different interests; otherwise, advancement of the agenda will leave aside those who may be affected by the outcomes. It is vital that all stakeholders respect difference and work with the recognition that no stakeholder group is homogeneous in its views or approach to issues.

3. **Several good practice principles** are essential for productive limited consultations between CSO actors and government:

    ● timeliness — sufficient notice, within relevant time-frames for key decisions by government;

    ● participation — an inclusive format that enables an interactive exchange of views;

    ● transparency — clarity of purpose and process for the consultation, with preparatory dialogue and post-consultation feedback to those consulted;

- information — timely access to preparatory and follow-up documentation in relevant languages for those being consulted; and

- iteration — consultations are part of ongoing multi-stakeholder policy processes, not one-off events (at the end of a policy process).

4. **An open process, rather than a closed discussion.** Each stakeholder group needs concrete ways to reach out to its constituencies. This outreach helps clarify priorities for common ground, creates legitimacy for the process itself and provides the basis for socializing the outcomes. Accountability and transparency on the part of all stakeholders is essential for success.

5. **Adequate resources for the consultation or ongoing dialogue process** — with money to allow for all participants to be included in the engagement, with human resources to provide leadership on the part of each stakeholder group, and with appropriate venues that allow stakeholder groups to meet.

6. **Along with clarity of purpose for ongoing policy dialogue, it is equally important to deliberately establish a mandate, realistic but ambitious objectives, and expectations for progress, based on an assessment of what is realistic for each stakeholder group.** Instead of just focusing on agreed policy outputs, the process might also create opportunities to build understanding and trust among the participants. Building trust allows eventually for joint work on possible outcomes that achieve the purpose and objectives for the process.

7. **Be prepared to explore innovations in approach,** particularly in critical sessions that will strive for the maximum ambition in the outcomes. All stakeholders need to be prepared to look critically at issues that affect them. There are times when a well-prepared outside facilitator can move a process forward.

8. **Leadership is key, and leaders must be prepared to take risks.** For the best success, leadership will likely be multi-stakeholder. Leaders need to be able to rise above stereotypes of stakeholders and understand the constraints of each. At the same time, they must be prepared to take risks, even sometimes those that may alienate their respective constituencies if it results in failure. Success comes from accepting the possibility of failure but designing the process to maximize the chances of success.

9. **It is vital to demonstrate success for all stakeholder groups at the table.** Each of their constituencies needs to see an outcome that is relevant to the wider political interests that they represent. This establishes the sustainability and legitimacy of the outcome. Success in this regard is often driven by the political requirements of an external policy goal or political event.

10. **The challenge is to create links with the experience and practices of the various stakeholders at the table,** since these processes are by definition voluntary and any agreements are most often advisory in character. This condition requires the continuous gathering of and reflection on evidence on conditions shaping the policy goals and objectives of the process.

Derived from the experience of the multi-stakeholder Task Team on CSO Development Effectiveness and Enabling Environment and a presentation by the author at the 2011 CIVICUS World Assembly, Montreal.

BIBLIOGRAPHY

Advisory Group on Civil Society and Aid Effectiveness, 'Civil Society and Aid Effectiveness: Findings, Recommendations and Good Practice', *Better Aid Series*, Organisation for Economic Co-operation and Development, Paris, 2010.
http://www.oecd-ilibrary.org/content/book/9789264056435-en

Banks, N. and Hulme, D., 'The Role of NGOs in development and poverty reduction', *Working Paper*, No. 171, Brooks World Poverty Institute, University of Manchester, Manchester, 2012.
http://www.bwpi.manchester.ac.uk/resources/Working-Papers/wp_17112.html

Batley, R., 'Structures and strategies in relationships between non-government service providers and governments', *Public Administration and Development*, 2011, Vol. 31: 306–319.

Batley, R. and Rose, P., 'Analysing Collaboration between Non-Governmental Service Providers and Governments', *Public Administration and Development*, 2011, Vol. 31: 230–239.

Billing, A., 'Support to Civil Society within Swedish Development Cooperation', *Perspectives*, No. 20, Göteborgs Universitet, Gothenburg, June 2011.
www.science.gu.se/digitalAssets/845/845132_perspectives7.pdf

Brass, J., 'Why Do NGOs Go Where They Go? Evidence from Kenya', *World Development*, 2012, Vol. 40, No. 2.

Brown, L.D., *Creating Credibility: Legitimacy and Accountability for Transnational Civil Society,* Kumarian Press, Sterling, 2008.

Chaturvedi, S., 'India's development partnership: key policy shifts and institutional evolution', *Cambridge Review of International Affairs*, 2012, Vol. 25, No. 4, December.

Chin, G. and Quadir, F., 'Introduction: rising states, rising donors and the global aid regime', *Cambridge Review of International Affairs*, 2012, Vol. 25, No. 4, December.

China Development Brief, 'An analysis of the Diverse Forms of Public Advocacy in China', *China Development Brief* (English). http://www.chinadevelopmentbrief.cn/, March 2013. http://www.cdb.org.cn/upload/userfiles/files/Advocacy%20 Report%20English.pdf

CIVICUS, *State of Civil Society 2013: Creating an enabling environment*, edited by A. Firmin, C.-M. Pegus and B. Tomlinson, CIVICUS, Johannesburg, 2013. http://socs.civicus.org/wp-content/uploads/2013/04/2013State ofCivilSocietyReport_full.pdf

CPM, MESA and CRPE, 'Mapping of East-East and triangular cooperation initiatives in Europe and CIS: key players, issues, modalities, Part 1: Sharing knowledge and transition experience for development: mapping of selected new European donors', study commissioned by UNDP, New York, 2012.

Danida, 'Administrative Guidelines – Framework Agreements', Danida, Copenhagen, 2006.

Danida, 'General Principles Governing Support to Development Activities Implemented by Danish Non-Governmental Organizations', Danida, Copenhagen, January 2011. http://amg.um.dk/en/~/media/amg/Documents/Technical%20 Guidelines/Support%20to%20Civil%20Society/GENERAL%20 PRINCIPLES%20GOVERNING%20SUPPORT%20okt%202012.pdf

Darnton, A. and Kirk, M., 'Finding Frames: New ways to engage the UK public in global poverty', Bond, London, 2011. http://www.findingframes.org/Finding%20Frames%20New%20 ways%20to%20engage%20the%20UK%20public%20in%20 global%20poverty%20Bond%202011.pdf

Debelyak, K., 'Building Support for International Development: Results and recommendations from a multi-country study aimed at understanding and communicating with key policy constituencies', InterMedia, Washington, DC, 2012. http://www.audiencescapes.org/sites/default/files/FinalReport.pdf

Deen, T., 'Rise of South "Unprecedented in Speed and Scale"', Inter Press Service, 14 March 2013. http://www.ipsnews.net/2013/03/qa-rise-of-south-unprecedented-in-speed-and-scale/

Development Assistance Committee (DAC), 'Civil Society and Aid Effectiveness: Findings, Recommendations and Good Practice', Advisory Group on Civil Society and Aid Effectiveness, Paris, 2009. www.oecd.org/dac/publicationsseriesbetteraid.htm

Development Assistance Committee (DAC), 'Managing Aid: Practices of DAC Member Countries', OECD, Paris, 2009. http://www.oecd.org/dac/peer-reviews/35051857.pdf

Development Assistance Committee (DAC), 'How DAC Members Work with Civil Society Organisations: An Overview', CDC/DAC(2010)42/FINAL, OECD, Paris, 2011. http://www.oecd.org/dac/howdacmembersworkwithcivilsociety organisationsanoverview2011.htm

Development Assistance Committee (DAC), 'Partnering with Civil Society: 12 Lessons from DAC Peer Reviews', Draft Version, 15 February, OECD, Paris, 2012. http://www.oecd.org/dac/peer-reviews/12%20Lessons%20 Partnering%20with%20Civil%20Society.pdf

Dreher, A., 'Are "New"' Donors Different? Comparing the Allocation of Bilateral Aid Between non-DAC and DAC Donor Countries', *World Development*, 2011, Vol. 39, No. 11.

Dubochet, L., 'The Changing Role of Civil Society in a Middle-Income Country: A Case Study from India', *Oxfam India Working Paper Series*, OIWPS - XI, Oxfam India, New Delhi, 2011. http://www.oxfamindia.org/sites/default/files/XI%20The%20 Changing%20Role%20of%20Civil%20Society%20in%20a%20 Middle-Income%20Country.pdf

Dulany, P. and Winder, D., 'The Status of and Trends in Private Philanthropy in the Southern Hemisphere', Synergos Learning Library, December 2001.

Elbers, W. and Arts, B., 'Keeping body and soul together: southern NGOs' strategic responses to donor constraints', *International Review of Administrative Sciences*, 2011, Vol. 77, No. 4: 713–732.

Fabiani, P.J., 'Emerging Societies, Emerging Philanthropies International Forum: Different countries, different philanthropic infrastructures, similar problems', *Alliance*, 8 July 2013. http://philanthropynews.alliancemagazine.org/different-countries-different-philanthropic-infrastructures-similar-problems/

Fafchamps, M. and Owens, T., 'The Determinants of Funding to Ugandan Non-Governmental Organizations', *The World Bank Economic Review*, 2009, Vol. 23, No. 2: 295–321.

Fallman, K., 'Implementation of the Nordic+ conclusions on civil society support: The case of Zambia', in *Global Civil Society: Shifting Powers in a Shifting World*, Centre for Sustainable Development, Uppsala, Sweden, 2012.
http://www.csduppsala.uu.se/civilsociety/index.php?option=com_content&view=article&id=55&Itemid=55

Gibson, A., 'Research finds rising number of "hybrid organizations" across sectors', *WebEx*, 24 June 2013.
https://www.devex.com/en/news/research-finds-rising-numbers-of-hybrid/81297

Giffen, J. and Judge, R., 'Civil Society Policy and Practice in Donor Agencies', Governance and Social Development Resource Centre, Birmingham, 2010.
http://www.gsdrc.org/go/display&type=Document&id=3866

Glennie, J., Ali, A., Maia, K., McKechnie, A. and Rabinowitz, G., 'Localising Aid: Can using local actors strengthen them?', *Working Paper*, No. 352, Overseas Development Institute, London, 2012.
http://www.odi.org.uk/resources/details.asp?id=6764&title=use-country-systems-localising-aid-budget-support

Glennie, J., McKechnie, A., Rabinowitz, G. and Ali, A., 'Localising Aid: Sustaining change in the public, private and civil society sectors', Overseas Development Institute, London, 2013.
http://www.odi.org.uk/sites/odi.org.uk/files/odi-assets/publications-opinion-files/8284.pdf

Gouveia, T. and Daniliauskas, M., 'Abong: panorama das associadas', Abong, São Paulo, 2010. http://www.abong.org.br/publicacoes.php.

Harcourt, W., 'Editorial: The Challenge of Civic Action for Development', *Development*, 2012, Vol. 55, No. 2.

IATI Working Group, 'Implementing the International Aid Transparency Initiative (IATI) Standard by CSOs: A Protocol', International Aid Transparency Initiative, 2012.
http://www.aidtransparency.net/wp-content/uploads/2011/05/Lunch_Paper_-_Final_November_CSO_IATI_Protocol_Nov_2012.doc

INESC, 'Presente e Futuro: Tendências na Cooperação Internacional Brasileira e o Papel das Agências Ecumênicas' [English Executive Summary], INESC, Brasília, 2012.
http://www.inesc.org.br/noticias/noticias-do-inesc/2012/abril/tendencias-na-cooperacao-internacional-brasileira

IRIN, 'Setting standards for the aid industry', *Relief Web*, 29 June 2013, http://reliefweb.int/report/world/setting-standards-aid-industry

Irish Aid, 'Development Education: Strategy Plan 2007–2011: Promoting Public Education for Development', no date.
http://worldwiseschools.ie/files/development-education-strategy-plan-2007-2011.pdf

Jaitli, H., 'Changing role of the Voluntary Development Sector in India', in *State of Civil Society 2013: Creating an enabling environment*, edited by A. Firmin, C.-M. Pegus and B. Tomlinson, CIVICUS, Johannesburg, 2013.
http://socs.civicus.org/wp-content/uploads/2013/04/2013StateofCivilSocietyReport_full.pdf

John, L., 'Engaging BRICS: Challenges and Opportunities for Civil Society', *Oxfam India Working Paper Series*, OIWPS - XII, Oxfam India, New Delhi, 2012.
http://www.oxfamindia.org/sites/default/files/Working%20paper%2012.pdf

Joint Standards Initiative, 'First steps agreed to develop a new humanitarian standards architecture', Joint Standards Initiative, London/Geneva, 16 May 2013. http://www.jointstandards.org/news/firststepsagreedtodevelopanewhumanitarianstandardsarchitecture

Jordan, L. and Van Tuijl, P., *NGO Accountability: Politics, Principles and Innovations*, Earthscan, London, 2006.

Joyce, B., 'Five rules for volunteering overseas', *WhyDev*, 1 April 2013. http://www.whydev.org/five-rules-for-volunteering-overseas/

Jupp, D., Sultan, M. and Costa, T., 'Joint Evaluation of Support to Civil Society Engagement in Policy Dialogue: Bangladesh Case Study Report', ITAD & COWI, Brighton, 2013.
http://www.sida.se/Publications/Import/pdf/sv/Support-to-Civil-Society-Engagement-in-Policy-Dialogue---Bangladesh-Country-Report_3447.pdf

Kabuchu, H., Abola, C., Felton, M. and Gariyo, Z., 'Support to Civil Society Engagement in Policy Dialogue: Uganda Case Study Report', ITAD & COWI, Brighton, 2013.
http://www.sida.se/Publications/Import/pdf/sv/Support-to-Civil-Society-Engagement-in-Policy-Dialogue--Uganda-Country-Report_3444.pdf

Karlstedt, C., 'Mapping of Donors Conditions and Requirements for CSO Funding', unpublished draft report, Sida, Stockholm, 2010.

Laite, I., Suyama, B. and Pomeroy, M., 'Africa-Brazil Co-operation in Social Protection: Drivers, lessons and shifts in the engagement of the Brazilian Ministry of Social Development', *WIDER Working Paper*, No. 2013/022, UNU-WIDER, Helsinki, 2013.
http://www.wider.unu.edu/publications/working-papers/2013/en_GB/wp2013-022/_files/89307792035545142/default/WP2013-022.pdf

Lloyd, R., Calvo, V. and Laybourn, C., 'Ensuring credibility and effectiveness: Designing compliance systems in CSO self-regulation', *Briefing Paper*, No. 127, One World Trust, London, 2010.
http://www.oneworldtrust.org/csoproject/images/documents/SRI_Compliance_Mechanisms.pdf

Mackinnon, M., 'Netizen', *Development*, 2012, Vol. 55, No. 2.

McLoughlin, C., 'Factors Affecting State-Non-Governmental Organization Relations in Service Provision: Key Themes from the Literature', *Public Administration and Development*, 2011, Vol. 31: 240–251.

Moore, D. and Zenn, J., 'The Legal and Regulatory Framework for Civil Society: Global Trends in 2012', in *State of Civil Society 2013: Creating an enabling environment*, edited by A. Firmin, C.-M. Pegus and B. Tomlinson, CIVICUS, Johannesburg, 2013.
http://socs.civicus.org/wp-content/uploads/2013/04/2013StateofCivilSocietyReport_full.pdf

Morvaridi, B., 'The Politics of Philanthropy and Welfare Governance: the Case of Turkey', *European Journal of Development Research*, 2013, Vol. 25, No. 2, February.

Nair, P., 'Evolution of the Relationship between the State and Non-Government Organizations: A South Asia Perspective', *Public Administration and Development,* 2011, Vol. 31: 252–261.

Nijs, L. and Renard, R., 'Reforming government funding of development NGOs. A comparative analysis of eight European donors'*, Working Paper*, No. 2009.01, Institute of Development Policy and Management, Universiteit Antwerpen, Antwerp, 2009.
http://www.ua.ac.be/main.aspx?c=.IOB&n=101945

Norad's Civil Society Panel, 'Tracking Impact: An exploratory study of the wider effects of Norwegian civil society support to countries in the South', NORAD, Oslo, 2012.
www.padev.nl/press_and_quotes/NORAD_2012.pdf

OECD, 'Busan Partnership for Effective Development Co-operation', Organisation for Economic Co-operation and Development, Paris, 2011: paragraph 22a.
http://www.oecd.org/dac/effectiveness/49650173.pdf

OECD, 'Task Team on South-South Co-operation', Organisation for Economic Co-operation and Development, Paris, 2013a.
http://www.oecd.org/dac/aideffectiveness/taskteamonsouth-southco-operation.htm

OECD, 'Paris Declaration and Accra Agenda for Action', Organisation for Economic Co-operation and Development, Paris, 2013b.
http://www.oecd.org/dac/effectiveness/parisdeclarationandaccraagendaforaction.htm

O'Loughlin, E. and Wegimont, L., 'Global Education, Public Awareness-Raising and Campaigns on Development Issues: An overview of evaluation practices and Policies', DAC and Federal Ministry for Economic Cooperation and Development (Germany), Informal Experts Workshop, Bonn, March 2007.
http://www.oecd.org/dev/pgd/38405962.pdf

Open Forum for CSO Development Effectiveness, 'Country and Sectoral Consultations: A Synthesis of Outcomes', Open Forum for CSO Development Effectiveness, Brussels, 2010a.
http://www.cso-effectiveness.org/-open-forum-national-consultations,049-.html

Open Forum for CSO Development Effectiveness, 'Istanbul Principles for CSO Development Effectiveness', Outcome of the First Global Assembly of the Open Forum, Open Forum for CSO Development Effectiveness, Brussels, 2010b.
http://www.cso-effectiveness.org/-8-istanbul-development,067-.html

Open Forum for CSO Development Effectiveness, 'The Siem Reap Consensus on the International Framework for CSO Development Effectiveness', Outcome of the Second Global Assembly of the Open Forum focusing on implementing the Istanbul Principles, Open Forum for CSO Development Effectiveness, Brussels, 2011a. http://www.cso-effectiveness.org/-global-report,052-.html

Open Forum for CSO Development Effectiveness, 'The International Framework for CSO Development Effectiveness', Open Forum for CSO Development Effectiveness, Brussels, 2011b. http://cso-effectiveness.org/IMG/pdf/international_framework_open_forum.pdf

Open Forum for CSO Development Effectiveness, 'CSO Activities and Resources', Open Forum for CSO Development Effectiveness, Brussels, 2013a. http://www.cso-effectiveness.org/csos-activities,201

Open Forum for CSO Development Effectiveness, 'Toolkits', Open Forum for CSO Development Effectiveness, Brussels, 2013b. http://www.cso-effectiveness.org/Toolkits

PARTICIP, 'Evaluation of the EC aid channelled through civil society Organizations', Volumes 1, 2 and 3, Cideal, Channel, Research and South Research, with the collaboration of ECDPM, an evaluation commissioned by the European Commission, Brussels, 2008. http://ec.europa.eu/europeaid/how/evaluation/evaluation_reports/2008/1259_docs_en.htm

People's Republic of China, 'China's Foreign Aid', Information Office of the State Council, Beijing, April 2011. http://news.xinhuanet.com/english2010/china/2011-04/21/c_13839683.htm

Pratt, B., Adams, J. and Warren, H., 'Official Agency Funding of NGOs in Seven Countries: Mechanisms, Trends and Implications', *INTRAC Occassional Paper Series*, No. 46, INTRAC, Oxford, 2006. http://www.intrac.org/resources.php?action=resource&id=407

Ribeiro, M. and Lopes, L., 'The struggle for an enabling environment for Civil Society Organizations in Brazil: One step forward, two steps backwards?', in *State of Civil Society 2013: Creating an enabling environment*, edited by A. Firmin, C.-M. Pegus and B. Tomlinson, CIVICUS, Johannesburg, 2013. http://socs.civicus.org/wp-content/uploads/2013/04/2013StateofCivilSocietyReport_full.pdf

Stephens, M., 'Toward Good Practice in Public Engagement: A Participatory Evaluation Guide for CSOs', Canadian Council for International Co-operation, Ottawa, 2009.
http://www.ccic.ca/_files/en/what_we_do/002_public_engagement_2009-03_toward_good_practice_in_public_engagement.pdf

Tomlinson, B., 'Civil Society Organizations and International NGOs: Ways forward in implementing the IATI Standard. A Background Paper', paper prepared for the CSO IATI Working Group, 2012.
http://support.iatistandard.org/attachments/token/m9whau7z9pjq5cg/?name=Final+June+2012+IATI+Background+Paper.doc

Tujan, T., 'Civil Society – new power in aid and development?', in *Global Civil Society: Shifting Powers in a Shifting World*, edited by H. Moksnes and M. Melin, Uppsala Centre for Sustainable Development, Uppsala University, Sweden, 2012.
http://www.csduppsala.uu.se/publications/outlook-on-civil-society/

UNDP, 'Human Development Report 2013. The Rise of the South: Human progress in a diverse world', United Nations Development Programme, New York, 2013.
http://hdr.undp.org/en/reports/global/hdr2013/

UNDP China, 'China's Aid Flows and Mechanisms,' UNDP, South-South Cooperation China Program', *Issue Brief*, No. 1, June 2013, United Nations Development Programme China, Beijing, 2013.
http://www.undp.org.cn/downloads/publications_2012/ISSUE%20BRIEF%20China%20Foreign%20Aid%20June%202013_greenA4.pdf

USAID, 'Partnerships in Education: Key Findings on the role of NGOs in Basic Education in Africa', US Agency for International Development, Washington, DC, 2013.
http://pdf.usaid.gov/pdf_docs/PNACS082.pdf

Vaes, S. and Huyse, H., 'New Voices on South-South Cooperation Between Emerging Powers and Africa: African Civil Society Perspectives', research commissioned by 11.11.11 Research Chair on Development Cooperation (Belgium), Leuven, 2013.
http://hiva.kuleuven.be/en/publicaties/publicatie_detail.php?id=3449

Vielajus, M., 'China, NGOs and Accountability', *Open Democracy*, 8 April 2008.
http://www.globalpolicy.org/component/content/article/176/31434.html

Working Party on Aid Effectiveness, 'The Global Partnership for Effective Development Cooperation', Outcome Document of the Busan High-Level Forum on Aid Effectiveness, OECD, Paris, 2011. http://effectivecooperation.org

World Economic Forum, 'Future Role of Civil Society', *World Scenario Series*, World Economic Forum, Geneva, 2013. http://www3.weforum.org/docs/WEF_FutureRoleCivilSociety_Report_2013.pdf.

INTERVIEWS

Vitalice Meja, Director, Africa Reality of Aid Network, based in Kenya; author of several consultation reports on government–NGO relationships relating to the issue of national ownership of development strategies.

Richard Ssewakiryanga, Executive Director, Uganda National NGO Forum, an independent and inclusive national platform for NGOs in Uganda (http://www.ngoforum.or.ug).

ENDNOTES

1   UNDP, 2013.

2   UNDP, 2013: v.

3   UNDP, 2013: 2.

4   Saudi Arabia, Turkey and the United Arab Emirates account for much of this increase. The increase for Turkey is likely the consequence of growing needs for support to refugees from the Syrian conflict in 2012. There are no up-to-date statistics for development assistance by China, India and Brazil. For these countries, estimates for SSC, equivalent to aid reported by other countries to the DAC, is based on research for 2008 and 2010. UNDP China recently published an estimate for China for 2012. See Table 1 Notes for a list of sources.

5   The Bandung Conference, hosted by Indonesia, brought together 29 Asian and African nations to promote economic and cultural cooperation and oppose colonialism.

6   Chaturvedi, 2012.

7   CPM, 2012. This study, commissioned by UNDP, provides an overview of the evolution of development cooperation in Central and Eastern Europe. It maps the development assistance of selected new EU Member States, mainly in the Eastern Europe and CIS region with a particular focus on sharing knowledge and transitional experience. The paper analyses the territorial focus and the thematic priorities, as well as modalities used by various donor countries in the region.

8   John, 2012: 9; Chin, 2012; and UNDP, 2013.

9   While many Southern governments and other development stakeholders, including civil society, have welcomed these principles, there is also a debate about the degree to which actual practices in SSC are guided by and truly reflect these principles (See Vaes and Huyes, 2013: 38–39; and Dreher, 2011).

10   Vaes and Huyes, 2013: 34–35.

11   See the following section and Table 2 for references for this calculation.

12   Vaes and Huyse, 2013: 45.

13   Vaes and Huyse, 2013: 61, 66; UNDP, 2013: 110–111; and John, 2012: 14, 23.

14   A scan of 110 case studies in SSC compiled by the Task Team on South–South Cooperation for an SSC High-Level Event in Bogota in 2010, for example, revealed only two that even mention NGOs and civil society. See the case studies in OECD, 2013a.

15 INESC, 2012: 39 and 43; and Vaes and Huyse, 2013: 59. The Brazilian case study in this e-publication, however, points to several other more substantial involvements of Brazilian CSOs in SSC in innovative social policies led by the Ministry for Social Development.

16 People's Republic of China, 2011.

17 The BRICS include Brazil, Russia, India, China and South Africa.

18 Vaes and Huyse, 2013: 40.

19 The study has commissioned case studies of the USA, Sweden and Australia as traditional donor countries, alongside cases of Brazil and Turkey and a short review of the Czech Republic, India and the Republic of Korea. The study includes also an annotated bibliography of secondary literature.

20 The study's methodology has its limitations in that it focuses on drawing attention to positive approaches to well-defined issues and problems for both donors and CSOs, when considering civil society in aid delivery. It also looks at 'good practice' in terms of overall conditions that strengthen CSOs as aid actors in the context of social solidarity (see endnote 9). It does not address, for the most part, the technical issues for both donors and CSOs in elaborating donor–CSO partnerships (such as, for example, structuring NGO sections of aid agencies for programme management, structuring administrative processes for making decisions on which CSOs to support, or setting out the scope for financial and programmatic CSO/NGO reporting for fiduciary and programmatic accountability to the donor). Further research and case study investigation of individual donors and their administrative practices for CSOs would be required to make recommendations in these areas.

21 These figures might significantly underestimate private resources raised in developing countries. For example, one estimate is that US$20 billion is donated by 1.5 billion Muslims as a moral duty embedded in Islamic values, which is not captured by the figures above. Quoted in Morvaridi, 2013.

22 ODA channelled through CSOs is included as bilateral aid under the DAC reporting system, and its share of bilateral ODA is, therefore, a more accurate measure (than total ODA) of the degree of importance that a donor gives to this channel in its ODA. Bilateral aid in this calculation does not include donor expenditures for debt cancellation, support for refugees and students in donor countries. While the DAC rules allow them to be counted as ODA, these latter flows are excluded because they do not directly benefit developing-country partners. See the note on Country Programmable Aid above.

23 Pratt et al., 2006.

24 See the US Case Study.

25 Using both the DAC numbers and the Center for Global Philanthropy, it is possible to provide a range for the total amounts raised by CSOs (funds channelled by donors plus privately raised funds). In 2010 NGO/CSOs disbursed between US$50.8 billion and US$76 billion, when these ODA flows and private flows are combined. These amounts are calculated as follows: DAC official funds ($20 billion) + DAC estimate of private funds raised ($30.6 billion) = $50.6 billion, and using the Center for Global Philanthropy's estimate of private funds raised ($56 billion), the total is $76 billion (20 + 56). It is interesting to note that the six INGO families above would make up 17 percent of this US$50.6 billion. See Center for Global Philanthropy, 2012: 3.

26 The US Case Study points out that USAID reports that, in 2010, NGOs registered with USAID received US$20.9 billion from private sources and US$6.8 from USAID and other government departments, for a total of US$27.8 billion that year. As noted above, the Center for Global Philanthropy reported that the USA accounted for $39 billion in privately raised funds. It is not clear from the methodology of the Center's report what is included in this figure in comparison to the amount reported by the US government.

27 See the Sweden Case Study.

28 See the Australian Case Study.

29 DAC, 2011: 11.

30 The DAC Creditor Reporting System is a database maintained by the OECD DAC to which each DAC donor annually reports its aid activities for each project. The donor provides information on sector coding, recipient partner country, implementing agent (e.g. by CSOs or multilateral institution etc.), special purpose markers (such as for gender equality or climate change) and types of aid (budget support, projects, technical assistance etc.). The database can be accessed and information constructed according to the needs of the user of this information. See http://stats.oecd.org/Index.aspx?ThemeTreeId=3

31 A limitation of this study is the fact that the documentation of the experience of CSOs in aid delivery is quite unbalanced. The vast majority of documented experience and assessments of CSOs in aid delivery have been produced in the North, primarily in DAC countries. See the annotated Bibliography for a list of sources examined by the study.

32 World Economic Forum, 2013: 5.

33 Brass, 2012: 1.

34 Fafchamps and Owens, 2009.

35 US Case Study.

36 Australian Case Study.

37 See OECD, 2013b.

38 For example, see the summary of CSO concerns about partnership arising in some recent CSO consultations in Open Forum, 2010a.

39 US Case Study.

40 Sweden Case Study.

41 CIVICUS, 2011.

42 World Economic Forum, 2013: 9; and Open Forum, 2011a.

43 See Gibson, 2013.

44 World Economic Forum, 2013: 6.

45 The Paris Declaration, which has been endorsed by countries, was agreed at the second High-Level Forum on Aid Effectiveness held in Paris in 2005. A third High-Level Forum in 2003 in Accra resulted in the Accra Agenda for Action to further implement and expand these principles. See OECD, 2013b.

46 See the US and Sweden Case Studies and their discussion of issues in partnerships.

47 OECD, 2011: paragraph 22a.

48 See the US Case Study, 60–61, for the complexity of the US situation.

49 See for example the Canada chapter in CIVICUS, 2013.

50 Ribeiro, 2013: 7.

51 Ribeiro, 2013: 1.

52 Brazilian Case Study; and Ribeiro, 2013.

53 See the INGO Case Study.

54 See the description of the work of platforms in the US Case Study, the Australia Case Study, the Sweden Case Study and the Brazil Case Study.

55 See the Australian Case Study.

56 As a CSO framework coalition, Forum Syd, for example, received US$30 million in 2010 through its framework agreement with Sida for projects implemented by its members; it also received US$9 million for its own projects. Forum Syd makes recommendations to Sida for the allocation of its framework grant, and Sida retains the final approval for each project. Each organization that receives funds for its project must provide a minimum of 10 percent of the project costs. Forum Syd maintains offices in countries where its members have significant numbers of projects, to facilitate project monitoring, particularly on behalf of smaller Swedish CSOs. (Sweden Case Study; Billing, 2011: 21–23).

57 See the CPDE website, http://csopartnership.org

58 http://www.concordeurope.org/

59 http://www.piango.org/

60 http://www.alop.org.mx

61 http://www.civicus.org

62 See the US Case Study.

63 Jordan, 2006; Brown, 2008.

64 Examples of voluntary codes of conduct and standards for CSOs include InterAction (US) 'Private Voluntary Standards' covering financial, operational and ethical code of conduct for its member agencies (www.interaction.org/sites/default/files/PVO%20Standards%20%20%20March%202%2C%202013.pdf); Canadian Council for International Cooperation's 'Code of Ethics', which includes a set of standards (http://www.ccic.ca/about/ethics_e.php); or Cambodia's 'Code of Ethical Principles and Minimum Standards for NGOs' implemented by the Cooperation Committee for Cambodia, a platform of approximately 140 Cambodian NGOs (http://www.ccc-cambodia.org/ccc-program/voluntary-certification.html One World Trust maintains a database of civil society self-regulating initiatives at http://www.oneworldtrust.org/csoproject/

65 Only Australia is known to use an NGO-managed code of conduct for determining eligibility for government funds. Other donors refer to these codes but manage their own eligibility criteria.

66 For a discussion of the issues of voluntary self-reporting codes and standards, see Lloyd, 2010.

67 Referenced in the US Case Study.

68 DAC, 2012: 47. For an example of an alternative approach that is sensitive to beneficiary interests, see the example of ActionAid's Accountability, Learning and Planning System (ALPS). http://www.actionaid.org/publications/alps-accountability-learning-and-planning-system

69 Sphere Project, 2011.

70 For a good summary discussion of issues in a common humanitarian standard, including the issue of certification of humanitarian actors, see IRIN, 2013.

71 See Open Forum, 2011a and 2013a, for an overview of activities relating to the implementation of the Principles.

72 See CRS data at http://stats.oecd.org/Index.aspx?QueryId=33364

73 See the IATI website at www.aidtransparency.net/ and the initiatives by CSOs to adhere to IATI at http://support.iatistandard.org/forums/20317313-for-ngos and http://support.iatistandard.org/forums/20584603-iati-cso-working-group

74 See the list of more than 150 stakeholders publishing to the IATI Standard at http://www.iatiregistry.org/publisher

75 http://openforchange.info/

76 For an overview of these initiatives and issues for CSOs in improving their own transparency, see Tomlinson, 2012.

77 The IATI Standard will come together with the DAC's Creditor Reporting System at the end of 2013 to form a common standard for aid transparency. It will contain all of the current dimensions of the IATI Standard, particularly those related to narrative information on project objectives, implementation and results.

78 The CSO IATI Working Group has published a protocol that both encourages CSOs to publish to the IATI Standard and sets out some issues arising from the unique position of CSOs as development actors in their own right. See IATI, 2012.

79 Open Forum, 2011a: 14–17; and Tomlinson, 2012.

80 See Annex A of DAC, 2011, for the most current policy for each DAC donor.

81 DAC, 2011: 15.

82 DAC, 2011: 16.

83 NORAD, 2012: 6–8.

84 DAC, 2011: 18.

85 NORAD, 2012: 6.

86 See also NORAD, 2012: 11.

87 Donors take different approaches to the institutional mechanisms and policies to answer this question. Their mechanisms continue to evolve. In early 2012, agencies working with CSOs in Switzerland, Ireland and the Netherlands were actively reforming their support mechanisms.

88 US Case Study.

89 Australia Case Study.

90 Sweden Case Study.

91 DAC, 2011: 19.

92 DAC, 2012.

93 DAC, 2009: 29–38.

94 While there may be some specific donor-country studies reviewing the design of administrative structures to manage CSO programmes, there is no accessible secondary or primary literature available to the author. This paragraph is based on the author's own experience working with Canadian CSOs in their relationship with CIDA over the past 30 years. Further research into donor agencies would be required to draw lessons on the best practices in the donors' institutional management of their CSO programming.

95 See DAC, 2011: 26–31; the Case Study Overview of Selected Aid-Providers; and CPM, 2012.

96 See DAC, 2011: 21–29; and the US, Sweden and Australia Case Studies.

97 For a short discussion of some issues in volunteers for development, see Joyce, 2013.

98 See the discussion of volunteers in the Australia Case Study.

99 DAC, 2012.

100 See, for example, CSO concerns expressed in Open Forum, 2010a.

101 See DAC, 2011: 22–23. Consultations with CSOs in the Open Forum from 2010 to 2011 identified a number of areas where donors' modalities of funding could strengthen the capacities of CSOs to implement the Istanbul Principles: "CSO development effectiveness will be enabled through funding modalities undertaken by official donors [and other middle-income aid-providers] with 1) a long-term results-oriented perspective, which includes core institutional support, based on the notion that CSOs provide public goods; 2) responsiveness to CSO initiatives; 3) access for a diversity of CSOs, including support for different-sized CSOs; 4) predictable, transparent, easily understandable and harmonized terms; 5) the view to promoting the mobilization of local resources; and 6) support for the full range of CSO programming and innovation, including policy development and advocacy." See Open Forum, 2011a: 24.

102 Nijs and Renard, 2009.

103 According to the US Case Study, USAID in the 1980s and 1990s provided grants intended to strengthen the administrative and programmatic capacities of US CSOs. Well-established US CSOs today were often the recipient of these grants in those years. These funds were also available for strengthening the institutional capacities of organizations in developing countries.

104 The call-for-proposals mechanism is often seen as cumbersome and highly demanding, often requiring major upfront investments by the NGO and its partners, and with significant losses if the bid proves to be unsuccessful. Only the largest organizations can afford regular bidding in calls-for-proposals. The system strongly favours Northern CSOs with access to information and consultants skilled in putting proposals together. The system works against collaboration and coordination, encouraging intense competition among CSOs at global, national and local levels. The system is not well adapted to sustainability for long-term initiatives whose achievement of outcomes will likely be beyond the limited funding period. See PARTICIP, 2008; See Volume 1 of PARTICIP, Box 5, 42.

105   See an important discussion of results frameworks and value-for-money considerations in various resources prepared for 'The Politics of Evidence Conference', 23–24 April 2013 sponsored by Big Push Forward, http://bigpushforward.net/resources

106   Karlstedt, 2010.

107   Working Party on Aid Effectiveness, 2011; Open Forum for CSO Development Effectiveness, 2010b.

108   Glennie et al., 2013: 67.

109   Glennie et al., 2013: 81.

110   See examples in the Australian Case Study.

111   Glennie and colleagues note that "core funding may be important for NGOs in terms of how responsive and demand-led their work with local partners is. Two NGOs interviewed in Uganda highlighted how the core funding they received allowed them to engage in a close and open dialogue with their partners on their needs and to deliver more bespoken support, including on organizational development issues other funders neglect." They also point out, however, that core funding has been a marginal type of support for local CSOs, often biased towards the large INGOs that do not necessarily pass the benefits of core support to their partners on the ground. See Glennie et al., 2013: 78.

112   DAC, 2011: 25; Giffen and Judge, 2010; and Fallman, 2012.

113   DAC, 2011: 11, 25.

114   Glennie et al., 2012.

115   See a case study in DAC, 2009: 82.

116   DAC, 2011: 26; NORAD, 2008; and Kabuchu et al., 2013.

117   See Mackinnon, 2012; Harcourt, 2012; Darnton, 2011; O'Loughlin et al., 2007; Irish Aid, n.d.; Stephens, 2009; and Debelyak, 2012.

118   See, for example, the work of Southern-based and Southern-led CSO policy-oriented networks: Third World Network (http://twnside.org.sg/) and Third World Network Africa (http://twnafrica.org/), Social Watch (http://www.socialwatch.org/), Via Campesina in food sovereignty (http://viacampesina.org/en/) or IBON International (http://iboninternational.org/) and its work within the Global Partnership for Effective Development Cooperation, among others.

119   See for example, China Development Brief, 2013; Dubochet, 2011; and profiles of members of the Brazilian NGO Platform, Abong, (in Portuguese) at http://abong.org.br/ and Ribeiro et al., 2013. John, 2012, is a review of NGO policy engagement with the meetings of the BRICS, including IBAS.

120   Ribeiro and Lopes, 2013.

121   Laite, 2013: 18; and Brazil Case Study.

122   See the brief discussion of the Forum for Indian Development Cooperation at PRIA (a major Indian policy-oriented NGO) at http://www.pria.org/events/general-events/details/168-indias-global-development-presence-and-engagement-of-indian-civil-society See also Vaes and Huyse, 2013: 40–41.

123   See the Turkey Case Study.

124   ITAD and COWI, 2012: 11–17.

125   ITAD and COWI, 2012: 13, 15.

126   Elbers and Arts, 2011. While this section focuses only on developing-country government funding of CSOs, there is a growing literature and attention on the role of philanthropic financing in developing countries, particularly some of the middle-income SSC aid-providing countries. See for example, Dulany and Winder, 2001; and Fabiani, 2013.

127   Brass, 2012: 5.

128   CSOs in Uganda that receive external funding have very different characteristics from those that do not: they are much more likely to be managed by educated, professional, well-connected leadership and be part of national or international networks. Many local CSOs disappeared when they were formed and received no external grants. See Fafchamps and Owens, 2009: 296–97, 307, 310; and Kabuchu et al., 2012: v.

129   Gouveia and Daniliauskas, 2010.

130   Vielajus, 2008.

131   ITAD and COWI ,2012: viii; and Batley et al., 2011.

132   No written documentation could be located to confirm the extent of this reliance on NGOs by various African governments. This section relies on interviews with knowledgeable African NGO representatives and a series of case studies relating to Bangladesh, India and Pakistan in a special issue of the *International Review of Administrative Sciences*.

133   Kabuchu et al., 2012: iv.

134   USAID, 2003.

135   See the elaboration of these cases in the special 2011 issue of the *International Review of Administrative Sciences.*

136   Batley et al., 2011; McLoughlin, 2011; and Nair, 2011.

137   Jupp, Sultan and Costa, 2012: xi.

138   Batley, 2011: 314.

139   Banks and Hulme, 2012.

140   These conditions are complied from the commentary of authors in the special issue of the *International Review of Administrative Sciences* and from interviews.

141 Nair, 2011.

142 See, for example, the introductory chapter (CIVICUS), the chapter on India (VANI) and the ICNL chapter on different country contexts for current legal conditions in CIVICUS, 2013.

143 For example, the Indian education plans recognize the role of NGOs in supporting government objectives and in deepening the reach of the government towards out-of-school children. In this case, "the government provides a broad framework of policy and funding within which state and local governments negotiate with NGOs their own form of collaboration. ...Many NGOs bring to these relationships their own additional funding" (Batley, 2011).

144 Kabuchu et al., 2012.

145 Batley, 2011: 317, 318.

146 See the INGO Case Study.

147 See Moore and Zenn, 2013.

148 See the INGO Case Study, the US Case Study and the Sweden Case Study.

149 See, for example, InterAction (US NGO Platform) 'NGO Aid Maps' for background on data mapping and a map of InterAction members' work in food security and in humanitarian assistance in Haiti and the Horn of Africa (http://www.interaction.org/work/ngoaidmap). See also background for a case study of new uses of aid information from IATI in Nepal at AidInfo, http://www.aidinfo.org/case-studies/better-information-better-aid-nepal-country-study

150 People's Republic of China, 2011.

151 See the Brazilian Case Study for references to the current limitations in the Brazilian context.

152 Vaes and Huyse, 2013: 64, 66.

153 Advisory Group on Civil Society and Aid Effectiveness, 2010.

154 Quoted in the US Case Study.

155 See the INGO Case Study.

156 See a comprehensive list at http://www.oneworldtrust.org/csoproject/

157 Available for download at http://www.sphereproject.org/resources/?category=22&subcat-22=23

158 See the website http://www.jointstandards.org/. The other initiatives are the Active Learning Network for Accountability and Performance in Humanitarian Action (http://www.alnap.org/), the Humanitarian Accountability Partnership (http://www.hapinternational.org/) and People in Aid (http://www.peopleinaid.org/).

159 See Joint Standards Initiative, 2013.

160 For details on the 'INGO Accountability Charter' see http://www.ingoaccountabilitycharter.org/). The original signatories were ActionAid International, Amnesty International, CIVICUS World Alliance for Citizen Participation, Consumers International, Greenpeace International, Oxfam International, International Save the Children Alliance, Survival International, International Federation Terre des Hommes, Transparency International and the World YWCA.

161 See http://www.icscentre.org/

162 The Charter is available at http://www.ingoaccountabilitycharter.org/wpcms/wp-content/uploads/INGO-Accountability-Charter_logo1.pdf

163 See the members and terms of reference of the Independent Review Panel at http://www.ingoaccountabilitycharter.org/reporting-monitoring-compliance/independent-review-panel/

164 Members' annual reports in compliance with the Accountability Charter are accessible at http://www.ingoaccountabilitycharter.org/list-of-signatories/members-reports/

165 The International Framework is available at http://www.cso-effectiveness.org/InternationalFramework . The process through which the Framework has been developed and agreed by CSOs can be found at http://www.cso-effectiveness.org/home,091

166 The Global Partnership for Effective Development Cooperation will bring together every 18 months ministers and other stakeholders committed to implementing the Busan outcomes. This will be an occasion for all stakeholders to assess progress with regard to the Istanbul Principles.

167 See Open Forum, 2013b.

168 See the list of country-level activities in Open Forum, 2013a.

169 These proposals for good practice in the legal and regulatory framework for CSOs are adapted from Open Society, 'Guidelines for Laws Affecting Civic Organizations', Open Society, New York, 2004, accessed July 2013 at http://www.icnl.org/research/resources/assessment/guidelines_en.pdf. They also take into account extensive research on the part of the International Center for Not-For-Profit Law (www.icnl.org) and the World Movement for Democracy, (www.wmd.org).

AUSTRALIA CASE STUDY:
AUSTRALIAN CSOs AND RELATIONSHIPS WITH THE AUSTRALIAN GOVERNMENT IN DEVELOPMENT COOPERATION

BILL MORTON

1. AN OVERVIEW OF THE CSO ENVIRONMENT IN AUSTRALIA

1.1 NUMBERS AND TYPES OF CSOs

Numbers of CSOs: There are no precise data on the exact number of Australian civil society organizations (CSOs) currently involved in aid delivery. However, it is estimated that there are between 150 and 200 active CSOs. This is suggested by:

- there are 208 Australian approved funds for international development listed with the Australian Taxation Office that have tax deductability status and that are, therefore, eligible under Australian regulations to receive funding from the Australian government. However, not all of these are active or currently receiving funds;[1] and

- there are 123 Australian CSOs that are signatories to the Australian Council For International Development (ACFID) Code of Conduct.[2] There are also additional CSOs that are not signatories to the Code but that are nevertheless active in development cooperation activities.

Types of CSOs involved in aid delivery: Similar to other major Organisation of Economic Co-operation and Development (OECD) donor countries, there is a

wide variety of Australian CSOs involved in aid delivery. They include the following:

- **International NGOs (INGOs) have relatively large budgets, staff and programmes and are members of international affiliations or confederations. They typically work in several major geographic regions and in multiple countries. They undertake a range of development programmes across different sectors and themes and with varied target groups, and usually also undertake humanitarian relief activities. Examples of these are Oxfam Australia, CARE Australia, World Vision Australia, ActionAid Australia and PLAN International Australia. These five organizations had a combined total revenue of AU$500 million in 2012. These organizations both undertake their own programmes on the ground, with their own staff and partners, and also fund and support programmes undertaken by their international affiliates.** For instance, World Vision Australia's relief, development and advocacy programmes are implemented through World Vision's network of national offices.

- **Smaller Australian national CSOs** are not members of international confederations or affiliations but are working specifically on international development. They often focus on a single or smaller range of issues, projects or activities, and often in a smaller number of countries (sometimes only one). Some, such as the International Women's Development Agency, have a focus on one specific target group or issue. These organizations may also have very few members of staff and may rely heavily on volunteers for fundraising or programme support. Examples include the 40K Foundation, Afghan Australian

Development Organisation, Australian Himalayan Foundation, Nusa Tenggara Association and the Australian Medical Aid Foundation.

- **Health-related CSOs** work specifically on health issues. They include both reasonably large and also much smaller CSOs, such as the Burnet Institute, Leprosy Mission Australia, The Fred Hollows Foundation, Sexual Health & Family Planning Australia, International Centre for Eyecare Education, Foresight (Overseas Aid and Prevention of Blindness), Australian Aid International, and the Australasian Society for HIV Medicine.

- Some CSOs are the **international development 'arm'** of organizations whose primary focus is on other issues at the domestic or international level. Many of these are non-profit organizations, such as faith-based organizations, trade unions or environmental agencies. Examples include some of the health organizations listed above, as well as Caritas Australia Overseas Aid Fund, Anglican Trust Fund for Development, Australian Lutheran World Service, Quaker Service Australia, Union Aid Abroad and the Australian Conservation Foundation.

- **Volunteer-sending CSOs** coordinate and manage the placement of Australian volunteers in developing countries. Australian Volunteers International is the largest of these, has a primary focus on volunteer programmes and receives substantial government funding. Some (often relatively much smaller) organizations specialize in volunteer placements related to specific expertise, such as Australian Business Volunteers, and may focus in a single country (such as Australian Doctors International).

1.2 CSO MODALITIES OF INVOLVEMENT IN DEVELOPMENT AND HUMANITARIAN ASSISTANCE

Australian CSOs contribute to development in a wide variety of ways. For instance, ACFID (the umbrella organization for Australian CSOs) states that CSOs reduce poverty and address global justice issues "through a range of engagements that includes community projects, emergency management, community education, advocacy, volunteer sending, provision of technical and professional services and resources, environmental protection and restoration, and promotion and protection of human rights".[3]

While Australian CSOs undertake some aspects of their work in Australia (such as raising funds or engaging the Australian public or Australian government), the majority of their activities occur in developing countries. Some CSOs are directly involved in 'on-the-ground' work in developing countries in which they are operational and directly carry out development activities and projects with their own staff. Some of the large INGOs described above adopt this approach for some of their activities (or they may provide funding for their international confederation members to do so); and in some cases, smaller CSOs may also adopt a direct operational approach. This direct work can include both longer-term development and humanitarian relief activities.

In addition to direct engagement, the majority of Australia CSOs work in partnership with developing-country CSOs. These partnership arrangements may include funding support, undertaking joint activities, provision of training and technical advice, or exchange of information and expertise. For instance, Oxfam Australia forms partnerships with a wide

variety of organizations, such as community-based organizations, peoples' movements, trade unions, other non-government organizations, academic institutions, government agencies and private companies, and these organizations may be local, national, regional or global in scope.[4]

In many cases, Australian CSOs work in partnership with organizations in developing countries; this applies to both the larger international CSOs as well as other CSOs. CSOs often establish long-term relationships with partner organizations and maintain them over many years. In other cases, partnerships are for the shorter term and of limited duration, and may be established to address a specific issue in a developing country or region, or in response to a funding opportunity offered by the Australian government or other funding agencies.

A transfer of funds from the Australian CSO to the partner organization is often involved so that the latter can undertake development activities; but partnerships are also maintained where there is no financial transaction involved. Thus, partnerships may be centred on implementation of a development activity; but they can also involve exchange of information and advice, or collaboration on research or policy dialogue with development institutions. Australian CSOs usually approach partnerships as a 'two-way' process from which both they and the partner organization will benefit. For instance, the International Women's Development Agency states:

> "We collaborate with our partners to respond to issues they identify as important and that matter to the communities in which they belong. We see our role as a responsive and supportive collaborator that is committed to 'walking with' our partners.

By bringing together, knowledge, experience and resources, we address shared priorities."[5]

In some cases, Australian CSOs will work together in partnerships or coalitions with other Australian organizations to undertake activities in developing countries; these coalitions often also involve local partners as well. An example of this approach is the Solomon Islands CSO Partnership Agreement, which involves six Australian CSOs working together in cooperation with Solomon Islands CSOs and communities.

Australian CSOs also work in partnership with other Australian CSOs on humanitarian assistance, including collaborating on and managing funds provided by external donors. A good example is the Humanitarian Partnership Agreement (between AusAID and CARE Australia, Caritas Australia, Oxfam Australia, Plan International Australia, Save the Children Australia and World Vision Australia.[6]

1.3 CSO COLLABORATION IN AUSTRALIA

Many Australian CSOs work together to collaborate on development issues, share information, improve coordination, share resources and address policy issues. In some cases, Australian CSOs collaborate in networks or coalitions to tackle the underlying causes of development problems.

The main formal grouping for Australian CSOs is the Australian Council for International Development (ACFID), which is the umbrella organization for Australian not-for-profit aid and development organizations. ACFID operates as a network for its 75 members that join through a shared commitment to poverty reduction and the promotion of human

rights and dignity. It provides members with a range of services and opportunities that support their work and help them collaborate. Through ACFID, many CSOs work together on policy and educational issues, or on advisory groups that provide advice either to ACFID itself or to the Australian government.

Australian CSOs often collaborate when they are working on similar development issues, in similar countries or with similar partners. For instance, through ACFID, CSOs are members of working groups such as the Afghanistan Working Group, the Africa Working Group, the Climate Change Working Group and the Gender Equity Working Group. The Humanitarian Reference Group, for example, provides the opportunity for CSOs involved in humanitarian assistance activities to share information, improve coordination and develop tools to share with the wider humanitarian sector.

In other cases, CSOs form their own groups, to collaborate on sector-specific, practice or operational issues. For instance, the The Water and Sanitation Reference Group is a community of practice of CSOs and research institutions that are working together to strengthen and improve the quality of Australia's response to the global sanitation and water crisis.[7]

Australian CSOs often also work together in coalitions on specific development and policy issues that involve a public campaigning aspect. Some of these are also linked to global campaigns, such as Micah Challenge (a coalition of Christians undertaking public engagement and campaigning work on poverty and injustice issues) and Make Poverty History, a secular coalition of 70 Australian organizations that works on achievement of the Millennium Development Goals and on reducing poverty.

Australian CSOs also work together with academic and other institutions on collaborative research programmes. The objective of these partnerships is often to combine CSOs' direct development experience and knowledge in developing countries with academic institutions' theoretical frameworks and research rigour, and to explore new learning and solutions to development issues. An example of such a partnership is the Oxfam Australia – Monash University Research Partnership, which focuses on research on areas relevant to the two institutions, including climate change, health policy, and accountability issues.[8]

1.4 CSO ACCOUNTABILITY AND QUALITY STANDARDS

ACFID Code of Conduct: This is the key instrument governing CSO accountability to quality standards. ACFID describes it as "a voluntary, self-regulatory sector code of good practice that aims to improve international development outcomes and increase stakeholder trust by enhancing the transparency and accountability of the signatory organizations".[9]

The Code sets out standards in three areas of accountability:

- programme principles — including obligations for effectiveness in aid and development activities, relationships with partners, human rights, and advocacy and emergency management;

- public engagement — including obligations relating to ethics and transparency in marketing, fundraising and reporting; and

- organizational — including obligations for governance, management, financial controls, treatment of staff and volunteers, complaints-

handling processes and compliance with legal requirements.

There are currently 123 Australian organizations that are signatories to the Code. Compliance with the Code is assessed in several ways, including: signatories must complete an annual declaration of commitment to full adherence to the Code and must publish an annual report; annual self-assessment by the signatory organization's governing body which is submitted to ACFID for review and feedback; and selected aspects of the Code are verified for each organization by the ACFID Code of Conduct Committee, an independent complaints-handling and discipline process.[10]

The Code is notable for a number of key features, including,[11]

- its 'interoperability': the Code has been assessed as having a relatively high level of interoperability with other standards and codes for CSOs (numbered by the One World Trust at approximately 350);[12]

- its programme principles: these set it apart from many other standards and codes that do not cover the area of actual CSO programming. This aspect of the Code deepens its original purpose, which was to provide assurance to public donors of the ethical practice of CSOs;

- its compliance requirements: the Code is one of approximately 25 percent of CSO codes of conduct that include compliance requirements, which provides the potential for better quality outcomes; and

- its complaints mechanism: this is provided through an independently elected complaints committee. Code signatories are also required to have their own individual complaints mechanisms.

The Code is self-regulatory (by signatory CSOs and by the CSO sector itself) and voluntary; as such, there is no direct role for the Australian government in enforcing it. However, the Code is a key aspect of Australian CSOs' (in particular ACFID's) engagement with the Australian government on development cooperation. The Code was initially established in 1997 and revised in 2010 in close consultation with AusAID. The government clearly considers the Code an important mechanism for CSO accountability and quality assurance: organizations must be signatories to the Code before they can be accredited to receive core funding from AusAID.

AusAID accreditation: The AusAID accreditation system is a 'due diligence' mechanism that also includes a quality assurance and accountability aspect.[13] The system determines Australian CSOs' eligibility for AusAID core funding and funding through some humanitarian relief programmes. It involves a rigorous and in-depth assessment of CSO capacity and track record; and of their structure; philosophies; links to the Australian community; partnership arrangements; programme, financial and management systems; and their application in the CSO's work.

The accreditation system complements the ACFID Code of Conduct (for instance, it is a requirement of accreditation that a CSO be a compliant signatory to the Code). However, it also has key differences. Accreditation is an Australian government mechanism, which is managed by AusAID (in conjunction with ACFID). Accreditation aims to set an 'industry benchmark' for Australian CSOs that will function as a 'front-end risk management process' for the Australian government, to ensure the accountable use of funds, and to provide AusAID and the Australian public with confidence that the Australian government is funding

professional, well-managed, community-based organizations that are capable of delivering quality development outcomes. There are also differences between the Code and accreditation relating to compliance. The Code has prescriptive requirements on financial and annual reporting but allows flexibility in compliance in some areas (in the interests of capacity-building and 'progressions towards good practice'), whereas the accreditation system requires CSOs to meet or demonstrate compliance with all aspects.

Other international accountability and quality standards: Australian CSOs also engage with a range of other standards, such as the 'Istanbul Principles for CSO Development Effectiveness'.[14] There are several standards relevant to Australian CSOs which are seeking access to AusAID funding for humanitarian assistance programmes. While there is no formal requirement for CSOs to adopt the Sphere Project's 'Humanitarian Charter and Minimum Standards in Disaster Response' handbook,[15] the AusAID accreditation manual refers to the "general agreement among humanitarian organisations on the core principles outlined in the document and a commitment to incorporate Sphere standards in CSO policy and practice".[16] The accreditation process also requires CSOs to adhere to the principles of the Steering Committee of the International Red Cross and Red Crescent Movement Code of Conduct.[17] AusAID's Humanitarian Action Policy[18] also refers to standards such as the Humanitarian Accountability Partnership Standard in Accountability and Quality Management,[19] and the Principle of Do No Harm.[20]

2. AN OVERVIEW OF THE DIFFERENT OPERATIONAL STRUCTURES FOR CSOs

2.1 CSO GOVERNANCE

CSO governance mechanisms: Australian CSO governance mechanisms and processes include a number of general characteristics that are reflected across different CSOs. In addition, the Code of Conduct includes governance requirements, so signatories to the Code also have governance mechanisms with some basic common features. These include:[21]

- a governing body that is elected or appointed by members of the organization or its supporters, with a majority of non-staff (non-executive) members;

- written documentation that sets out the goals and purpose of the organization and defines how it operates;

- clearly articulated and communicated roles and responsibilities for the governing body, staff and management;

- written policies that cover the appointment, induction, termination and, where applicable, remuneration of the governing body; and

- an Annual General Meeting, where governors and managers must report on substantive matters, audited financial statements must be presented, and members must have the opportunity to attend and engage with governors and managers of the organization.

Within these general parameters, actual CSO governance mechanisms and processes vary widely. This is mainly a result of the diversity of Australian CSOs, including their different sizes, the nature of their

membership, and whether they are solely a national CSO or a member of an international confederation or affiliation.

For instance, World Vision Australia's governance mechanism is the result of its membership of the World Vision International Partnership.[22] This is a partnership of over 90 interdependent national offices, most of which are governed by local boards or advisory councils. World Vision offices hold each other accountable through an ongoing system of accreditation and peer review. However, while World Vision Australia is accountable to other World Vision offices, it remains a distinct legal entity in Australia with its own Board of Directors. As an Australian CSO, and to receive AusAID funding, it must demonstrate compliance with the Code of Conduct's particular requirements on governance, as outlined above.

Modalities for decision-making: The ways in which Australian CSOs make decisions on programming priorities also vary widely according to the particular characteristics of each CSO. In general, programmatic priorities are determined by CSO staff, based on needs in the particular countries in which the CSO is working, and established in consultation with developing-country and Australian partners and, in some cases, with the CSO's own members or its volunteers. In some cases, developing-country partners have a major role in setting country programming priorities. In others, the availability of funding opportunities has a bearing on determining CSO priorities — although this is regarded as 'supply-driven' prioritization and seen as less effective. Priorities for humanitarian action are generally driven by the severity of need and the organization's ability to respond.

CSO programmatic priorities are often outlined within an organizational strategic plan and vision, and may be accompanied by operational or action plans, which are usually developed by CSO management-level staff. The CSO's governing body often then discusses and approves these 'higher-level' priorities and plans. In some cases, however, the governing body may play a more direct role in determining programming priorities.

2.2 OVERVIEW OF STAFFING

Staff in Australian CSOs are involved in the full range of **roles** associated with each aspect of CSO operations (however, **how** these roles are undertaken, and designation of staff positions to undertake them, depends very much on the relative size of each organization, as discussed in Section 2.4 below). The range of staff roles include those in Table 1.

2.3 ESTIMATES OF NUMBERS OF STAFF AND VOLUNTEERS

Staff: There are no published figures on the number of Australian CSO staff involved in development cooperation. However, it is estimated that Australian CSOs employ up to 4000 people, including locally employed staff in developing-country offices.

Table 2 provides a sample of staff numbers for some of the larger Australian CSOs.[23]

TABLE 1 **STAFFING ROLES AND RESPONSIBILITIES** C1

ROLE	RESPONSIBILITY AND MAIN ACTIVITY
Direct programme management	These staff typically have responsibility for identifying and developing programmes in developing countries, coordinating programme implementation and ongoing management, ensuring appropriate monitoring and evaluation and, where applicable, coordinating programme completion.
Humanitarian assistance	These staff may be involved in ensuring the organization's quick response to a crisis, coordinating the deployment of staff or volunteers, organizing equipment and other logistical matters, and liaising with members of the organization's international affiliates or with other humanitarian agencies.
Fundraising	These staff are responsible for raising funds to finance the CSO's programme and operations. This often involves raising funds from the Australian public, both through ongoing fundraising programmes and also through periodic special events. Fundraising also involves securing funds from other donor institutions and organizations. This involves, in particular, the Australian government, as well as other sources such as private philanthropic funds, private corporations, trade unions, Church groups etc.
Communications	These staff have responsibility for communicating the CSO's work to the Australian public (and in some cases internationally). This can involve publication of information (such as Annual Reports) that is required through the organization's governance requirements. It typically goes well beyond this, to include information that publicizes and promotes the organization's activities, information on programmes and partnerships, and updates on organizational activities and achievements. Communications staff may also have responsibility for developing information for fundraising purposes.
Finance and accounting	Most organizations have dedicated staff responsible for managing the organization's finances. This usually also involves preparing financial statements and reports (for instance, in relation to programmes funded by government or other donors) and ensuring internal financial control systems that minimize the misuse of funds.
Programme quality and learning	These staff have responsibility for ensuring that the organization meets appropriate quality and performance requirements. This may involve ensuring compliance with the ACFID Code or with AusAID accreditation requirements but can also involve establishment of the CSO's own practice and quality standards, principles or processes. These staff may also have responsibility for monitoring and evaluation of the organization's overall programme objectives and for ensuring that the organization is learning from its experience and improving practice as a result.
Management	These staff — usually a smaller number — are responsible for the overall management of the organization, and are accountable to the organization's governance body for its programmes and operations.
Human resources	These staff are responsible for managing the organization's staff recruitment and management, including ensuring that the organization meets legal and regulatory requirements regarding staff and volunteers.
Policy and campaigning	These staff may be involved in developing organizational policy on specific development issues or approaches; or they may engage in policy dialogue with the Australian government or other institutions regarding these institutions' policies. Campaigning staff typically undertake campaigns (sometimes broad-based for a wide public audience, and sometimes more targeted) on particular issues that the CSO considers to be important. Such issues are often related to systemic development issues or to the underlying causes of development problems.

CSO	STAFF
Australian Volunteers International	70 in Australia (approximately) 40 in overseas offices (approximately)
CARE Australia	68 in Australia 970 in overseas offices (of which 920 are local staff)
Plan International Australia	62
Oxfam Australia	440 in Australia 320 in overseas offices
Save the Children Fund Australia	737
World Vision Australia	554

Volunteers: AusAID states that in 2011, 93,670 volunteers contributed their time to the work of ACFID member agencies and Code of Conduct signatory organizations.[24]

Volunteers are involved in a very wide range of development cooperation roles with Australian CSOs. This includes volunteers who work in Australia for development CSOs, and those who are placed to work in developing countries.

Many volunteers support the work of CSOs in Australia. Their roles in these cases vary widely, often depending on the size of the organization and the range of its activities. Some CSOs depend almost entirely on volunteer staff, who may undertake a number of different roles and responsibilities. Volunteers are also involved in larger organizations and complement the roles of paid staff; in these cases volunteer roles may involve less responsibility than those of paid staff.

The government provides substantial support to Australian CSOs that coordinate the placement of volunteers in developing countries. These volunteers usually have professional skills and qualifications, and

provide specific technical or practical expertise to developing-country governments, the private sector or CSOs. Volunteer skills most often called for include agriculture, community and social development, education and training, health, and special education and disability.[25]

CSOs that coordinate volunteer programmes usually provide a range of support to the volunteers they place in developing countries. This may include practical and financial support (such as airfares, visas, medical insurance, living allowances and accommodation). They also provide personal and practical support while the volunteers are undertaking their placement, either through their local offices or through partner organizations.[26]

In other cases, some CSOs and their members undertake their own programmes in developing countries as volunteers, and do so with minimal or no government support. In these cases, the CSOs' volunteers may receive minimal financial support, and may in some cases undertake short-term assignments, sometimes working as part of a team on a specific assignment.

2.4 NATURE OF STAFFING ROLES

The nature and balance of staffing roles within CSOs depends to a great extent on their size, budget and funding base. In some of the larger organizations (in particular, the larger international CSOs), staff numbers may total several hundred. In these cases, there are often several dedicated staff for each of the roles identified in Section 2.2 above, and these often make up programme teams or units (for instance, the 'East Asia Programme' team or the 'Humanitarian Assistance Unit'). However, in smaller organizations, some staff

may take on several or multiple roles (although in most cases there is at least one dedicated finance staff person). For instance, programme management staff may often also have responsibility for fundraising and for some aspects of programme quality and learning, and in some cases they will also take on communications roles. It is also important to note that many of the smaller CSOs depend very heavily on volunteer support, in particular for fundraising.

In larger organizations, where there are dedicated staff for most of the roles identified in Section 2.2, an approximate balance is as follows:

- a larger number of staff are typically involved in programme management of long-term development programmes, with relatively fewer involved in humanitarian assistance programmes;

- comparatively fewer staff are typically involved in fundraising, policy and campaigning, and in communications and finance (although the number of staff and volunteers may periodically increase, such as when there are major fundraising events); and

- relatively smaller numbers of staff are involved in management and human resources.

In some of the larger organizations there are dedicated monitoring, evaluation and learning staff. This is typically the case in the larger international CSOs: for instance, Oxfam Australia has a dedicated team that undertakes these roles. In many other organizations, however, resources and budgets require that these roles be undertaken by other staff, either programme management or management staff.

3. THE RELATIONSHIPS BETWEEN CSOs AND THE AUSTRALIAN GOVERNMENT

3.1 OVERALL LEGAL/REGULATORY FRAMEWORK

Australian CSOs must operate within the laws and legislation governing not-for-profit organizations in Australia. In addition, a number of different federal and state government regulations apply to development CSOs, in areas such as incorporation, fundraising, tax status and accreditation. Of particular importance are regulations covering the following:[27]

Incorporation: Incorporation requires the adoption of a constitution, setting out the purposes of the organization, the governance structure, winding-up arrangements and other matters. Incorporation creates a legal entity separate from the membership of the organization. Australian development CSOs are generally incorporated either as an association or as a company limited by guarantee. An incorporated association is registered under state legislation and has a lower level of regulatory obligation than a company limited by guarantee, which operates under Commonwealth corporation law.

An incorporated association is a suitable framework for smaller organizations that operate primarily in a single state or territory. Most Australian development CSOs prefer to be incorporated as a company limited by guarantee, as this automatically allows national operation and provides a higher level of assurance to donors and other stakeholders.

Fundraising/registration as a charity: CSO fundraising from the Australian public for charitable purposes requires authorization from the appropriate government authority in each state where fundraising activities are

to take place. In some states, the organization itself is registered as a charity for fundraising purposes, while in others, licensing relates to the **activity** of fundraising. Australian CSOs that undertake fundraising must do so under the auspices of fundraising legislation that requires compliance with a range of conditions relating to record-keeping, administrative expenses, identification of volunteers and other matters. This is a separate process from incorporation.

Taxation issues and requirements: Australian CSOs that wish to provide tax-deductible receipts to their donors must apply to become Deductible Gift Recipients under the Australian government's Overseas Aid Gift Deductability Scheme. The application process includes an assessment of the organization's governance and programme activities by AusAID.

Australian CSOs operating for charitable purposes may be eligible for tax concessions from the Australian Taxation Office. This may include income tax exemption, the provision of tax-free fringe benefits, and concessional goods and services tax.

3.2 AUSTRALIAN GOVERNMENT FUNDING MODALITIES FOR CSOs

According to the Government of Australia's 2011 'Independent Review of Aid Effectiveness', CSOs are "increasingly important partners of the aid program". About 11 percent of Australia's ODA, and 13 percent of the budget appropriated to AusAID ($422 million), was spent through Australian CSOs and through international and local CSOs in aid-receiving countries during the review period.[28] The government has announced plans to increase funding for Australian CSOs from AU$500 million in 2011–12 to between AU$700 and AU$800 million by 2015–16.[29]

The Australian government (mostly through AusAID) currently uses a range of funding modalities to support both Australian and host-country CSOs. These modalities are summarized in Table 3.[30]

TABLE 3 **AusAID FUNDING MODALITIES**

(Australian Dollars)

MODALITY	DETAILS	FUNDING
ANCP (AusAID CSO COOPERATION PROGRAM)	Core funding to accredited Australian CSOs	$98 million in 2011–12
COUNTRY AND SECTOR FUNDING PROGRAMMES	Competitive project and programme funding for Australian CSOs, usually through AusAID bilateral or regional programmes	$220 million in 2010–11[31]
FUNDING FOR LOCAL AND INTERNATIONAL CSOs	Administered by Australian diplomatic missions and through bilateral aid programmes	Approximately $200 million in 2010–11
HUMANITARIAN ASSISTANCE	Partnership agreements with six large Australian CSOs; periodic additional funding for specific emergencies	$15.5 million in 2010–11 for partnership agreements
VOLUNTEER PROGRAMMES	Support for Australian CSOs to coordinate volunteer programmes in developing countries	$50 million in 2011–12

Further details on each of these modalities are as follows:

AusAID CSO Cooperation Program (ANCP): This is AusAID's mechanism for providing core support to Australian CSOs. ANCP supports Australian CSOs that are accredited under the AusAID accreditation system to implement their own international development programmes.

In 2011–12, $98 million in grants was provided through ANCP to 43 Australian CSOs working in almost 50 countries across Asia, the Pacific, Africa, the Middle East and Latin America. Of this, $63 million was provided through partnership agreements to eight of Australia's largest CSOs.[32]

Core funding under ANCP is allocated to CSOs in proportion to the public donations they receive, which is regarded by AusAID as a measure of both public interest in their causes and confidence in their performance. AusAID considers that CSOs' accreditation, required for any access to core funding, provides the necessary safeguard to ensure effective use of the funds.[33]

Core funding through ANCP is provided in three ways:[34]

- formal 'partnership agreements', which provide predictable funding over a four-year period and include regular policy dialogue with AusAID. AusAID has entered into partnership agreements with eight Australian CSOs that have substantial Australian community support (World Vision Australia, Oxfam Australia, CARE Australia, Caritas Australia, Plan International Australia, Child Fund Australia, TEAR Australia and CBM Australia);[35]
- remaining CSOs with full accreditation are allocated core funding from a fixed annual pool of funds, in proportion to the amount of money they collect from the Australian community for overseas activities; and
- small agencies with base accreditation receive $150,000 where at least $50,000 has been raised from the community.

Funding for accredited and non-accredited Australian CSOs through country and sector programmes: This is the government's primary funding modality for Australian CSOs. It is a programme and project grant funding window, and is a non-core modality. CSOs gain funding through competitive grant processes, often associated with AusAID's bilateral, regional or sector programmes. The

funding requires Australian CSOs to deliver specific projects in line with country and sector strategies. In 2010–11, AusAID provided approximately $220 million in funding to Australian CSOs to deliver these types of projects.[36] In some cases, AusAID country or regional programmes will also provide funding for specific humanitarian assistance activities.

Funding for local and international CSOs: Funding to local CSOs is provided through schemes administered by Australian diplomatic missions and through bilateral aid programmes. In 2010–11, AusAID provided approximately $200 million in funding to international and local CSOs. There are two relevant schemes here: The Direct Aid Program (DAP) and the Small Activities Scheme (SAS).[37]

Humanitarian partnerships: AusAID has entered into partnership arrangements with six Australian CSOs (CARE Australia, Caritas Australia, Oxfam Australia, Plan International Australia, Save the Children Australia and World Vision Australia) to undertake humanitarian relief activities, as well as a multi-year agreement with the Australian Red Cross. The partnership agreements are designed so that the CSOs are pre-approved and on hand to respond to rapid-onset humanitarian emergencies, and so that funds can be disbursed quickly and efficiently. Under the Humanitarian Partnership Agreement (HPA), if AusAID determines the need to respond to a humanitarian crisis, the HPA may be provided with guidance on the level of funding available and, if necessary, the sectors and/or countries to be supported. The six CSO partners will then determine possible response proposals between them, based on which have the better implementation capacity in the particular country and sector. AusAID is, therefore, provided with a unified proposal from the HPA to consider, rather than a possible six proposals

from each of the CSOs. In 2011–12, AusAID provided approximately $15.5 million in funding under these partnerships. The partnerships also include multi-year funding to build CSOs' capacity in disaster risk management and disaster risk reduction.

The Australian government also periodically provides additional funding for specific emergencies. For instance, in 2011–12, its Dollar for Dollar initiative matched funds raised by the public through Australian CSOs to alleviate the food crisis in the Horn of Africa. With Australian CSOs raising $13.7 million, the campaign raised over $27 million.[38]

Funding for volunteer programmes: Australian government support for volunteer programmes is a major part of the Australian aid programme and an important part of its cooperation with CSOs. In 2011, AusAID funding for overseas volunteer programmes was drawn together under one programme, named Australian Volunteers for International Development (AVID), coordinated by one Australian CSO, Australian Volunteers International, and including Australian Red Cross and Austraining International.

In 2011–12, AusAID provided Australian volunteer organizations with more than $50 million in funding for approximately 950 new and 600 ongoing volunteer deployments. In 2012–13, the Australian government will fund more than 1000 new volunteer assignments in over 40 developing countries, supporting a total of 1850 Australians on new and continuing volunteer assignments, ranging in length from a few weeks to three years.

Amounts of core and non-core funding: There are limited available data on the overall amounts of core funding provided to Australian CSOs (through ANCP)

and non-core funding (for instance, through bilateral or sector programmes). However, available data indicate some trends. Non-core funding is significantly higher than core funding. At the same time, core funding to accredited CSOs has steadily increased since 2005 and is set to continue to do so. The government's 2011–12 budget statement indicates that it will more than double ANCP funding from 2010–11 to 2014–15, to at least $150 million. In 2012–13, ANCP funding will increase to $110 million.[39]

Table 4 provides details of core and 'earmarked' (project-related) funding to Australian CSOs that received over $4 million in total in 2009–10.[40] As the table shows, the amount of earmarked funding is considerably higher.

TABLE 4 **CORE AND EARMARKED FUNDING FOR SELECTED AUSTRALIAN CSOs**
(Aus$ millions)

CSO	CORE	EARMARKED	TOTAL	CORE AS % OF TOTAL
World Vision Australia	15.0	14.8	29.8	50.3
Oxfam Australia	5.2	15.8	21.1	24.6
Fred Hollows Foundation	1.3	18.6	19.9	6.5
Australian Volunteers International	0	18.2	18.2	0
CARE Australia	1.0	16.8	17.8	5.62
Save the Children Australia	1.3	15.8	17.1	7.6
Macfarlane Burnet Institute for Medical Research and Public Health	0.5	14.0	14.6	4.4
Caritas Australia	4.0	6.3	10.2	39.2
Plan International Australia	3.1	5.3	8.4	36.9
Child Fund Australia	2.9	1.6	4.6	63.0
Australasian Society for HIV Medicine Inc	0	4.2	4.2	0
TOTAL	**34.3**	**142.6**	**177.1**	**19.4**

3.3 GOVERNMENT DECISION-MAKING ON CSO FUNDING

Australian government decisions on which CSOs and programmes to fund vary depending on the type of funding modality. In general, there is recognition that while there is degree of linkage, and that CSOs and government may often have similar overall objectives, CSOs contribute to development differently from government and, therefore, often play different roles and have different approaches. This concept of 'similar but different' was recognized in the 'Independent Review of Aid Effectiveness':

> "The role that AusAID and other Australian government agencies play in development, and the role of CSOs, are not identical, but they can be powerfully complementary. Australian government agencies are obliged to function within the framework of Australia's government-to-government relations with other countries, and to be continuously attentive to the views of other governments. …Typically, CSOs will spend less time in intergovernmental activities, will have a high level of specialisation and will operate on a smaller or even niche scale."[41]

For the ANCP, government decisions are guided by the robust accreditation process under which CSOs must qualify to receive core funding. Accredited CSOs receive ANCP funding according to the mechanism described above. The criteria for CSO accreditation with AusAID require that the CSO have "development philosophies *not inconsistent* with the objectives of the Australian aid program".[42] Core funding can provide considerable flexibility for a CSO to undertake its own activities with minimal direction from AusAID, on the basis that it meets the broad requirements set out in the accreditation process and for ANCP eligibility.

For other funding mechanisms, consistency with Australian government priorities is a stronger requirement. This is made clear in AusAID's Civil Society Engagement Framework, which, for instance, states that funding through country and sector programmes will support Australian CSOs to deliver projects "in line with country and sector strategies".[43] The Framework suggests, overall, that AusAID intends to strengthen consistency between its own programme objectives and priorities and its support for CSOs, and that it is increasing efforts to bring this about. For instance, the key objective of the Framework is to "improve development impact by linking increased funding to CSO effectiveness, capacity and relevance to Australia's aid objectives".[44] It later states that funding increases to CSOs will be linked, among other factors, to their relevance to the Australian aid programme's five strategic goals.[45] The Framework identifies a number of actions that will be taken to facilitate this, including development of an assessment methodology to guide decision-making on this basis, and the inclusion in country programme strategies of plans for engaging civil society.

In some cases, the ANCP will fund CSOs that undertake programmes in developing countries that are not part of its geographic focus, or where there are no existing AusAID bilateral or country programmes. Geographic reach is seen as one of the strengths and assets of Australian CSOs, including because they extend the overall reach of the Australian aid programme beyond AusAID's own operations. For instance, the government states that it provides support to CSOs because this "enables Australia to contribute to development efforts on a broader scale and in countries where establishing a bilateral aid program would be less effective".[46] Through the ANCP, for example, CSOs can use funds to support programmes across a range of

countries, some of which do not fall under AusAID's geographic focus. AusAID's core funding of CSOs (and multilateral organizations) to undertake operations in these countries thus provides an important means for Australia's broad engagement,[47] which may extend beyond development cooperation issues. Sector or special issue funding programmes (such as the Australia Africa Community Engagement Scheme and the Mining for Development programme) provide for considerable CSO programming in countries where AusAID does not have bilateral programmes.

Technical assistance: Australia's technical assistance to developing countries has usually taken the form of the provision of expert consultants or advisers, who may provide assistance to policies, programmes or projects in partner countries. These 'experts' are often provided through consulting contracts, through the private sector, or by academic institutions, sometimes on an individual basis but also as part of technical assistance teams. Over the last few years, both the amount of technical assistance provided by Australia and the remuneration provided to experts have been reviewed and reduced.[48]

The provision of technical assistance — in the form of expert consultants or advisers — is not a strong factor in the government's funding priorities for CSOs.[49] AusAID does not identify this among the key strengths of Australian CSOs, and, in general, the government does not use CSOs for the provision of technical assistance in this way.

At the same time, however, it should be noted that many CSOs bring specific technical expertise (for instance, in water and sanitation, community education, health and nutrition). This expertise may be provided as a direct service or in the form of expert advice, but it is also

often provided in the form of capacity development or simply through partnering and dialogue. Thus, CSOs may provide technical advice and cooperation— but not necessarily in the form traditionally understood as 'technical assistance'. Appropriate skills and expertise, and the ability to work with others and pass these on when called for, are recognized as an important aspect of what CSOs offer, but this is not usually understood in terms of the formal definition of technical assistance.

3.4 CSO ADVICE TO THE AUSTRALIAN GOVERNMENT

Australian CSOs are involved in providing advice to the Australian government in a range of different ways. Sometimes this occurs through targeted consultations the government carries out during a specific policy development process; in other cases, CSOs are part of established bodies that provide regular and ongoing advice on selected issues.

One of the most important areas in which CSOs provide advice to the government is in relation to its development of new policy and strategy. For instance, CSOs were strongly involved in the development of AusAID's disability strategy, the Humanitarian Action Policy, the Research Strategy and, most recently, the Civil Society Engagement Framework.

In 2009, AusAID and ACFID signed a four-year partnership agreement to support strategic policy dialogue between the CSO sector and AusAID, and expand training and capacity-building for Australian CSOs. The partnership is a means for AusAID to engage with a broad range of Australian CSOs through an umbrella organization. ACFID is also invited to attend AusAID's Development Effectiveness Steering Committee (DESC) meeting annually, to encourage policy dialogue.

AusAID launched a Civil Society Engagement Framework in June 2012 that sets out how AusAID will work with CSOs, in Australia and overseas. It was developed in close consultation with ACFID and will ensure that increases to CSO funding are linked to effectiveness, capacity and relevance.

CSOs also provide ongoing advice on policy, programme or thematic areas. The ACFID Executive Committee meets regularly with the government's DESC to discuss government development policy and issues such as the aid budget. CSOs meet with AusAID and other government officials to discuss specific sector issues, often through regular meetings that are part of established arrangements for dialogue. For instance, the heads of the key volunteer-placement organizations meet regularly with high-level AusAID staff, and CSOs regularly meet with AusAID Multilateral Branch and other government staff through the Multilateral Roundtable.

Australian CSOs also provide advice to the government through their partnership agreements with AusAID under ANCP. These partnership agreements recognize that the partnership between CSOs and AusAID should be a mechanism for exchange of information, mutual learning and policy dialogue, as well as for provision of funding and programme implementation. Thus, the government accepts that CSOs are a source of valuable information and learning. For instance, the Independent Review found that: "The partnership agreements with the six CSOs…have facilitated greater policy engagement...". One CSO stated that the partnership agreement arrangement:

> "…recognizes the strengths of CSOs… and establishes a more equal relationship that not only delivers aid programs, but provides a basis for robust policy dialogue."[50]

CSOs (sometimes individually, sometimes through ACFID) also provide advice to government through written submissions, usually for ongoing policy and programme processes (such as the aid budget) or related to specific events (such as the Independent Review). In some cases the government invites CSOs to provide submissions on particular issues. This was the case for the Independent Review and for the Australian Multilateral Assessment. Other issues that CSOs have provided submissions on include Rio+20, the AusAID Civil Society Engagement Framework and Australia's humanitarian programme.

The Australian government appears to recognize the value and importance of CSO advice and dialogue. Initiatives designed to improve development impact and identified in the Civil Society Engagement Framework[51] for implementation in 2012–13 include structured and regular dialogue with CSOs on policy issues, a cross-agency civil society working group, including civil society focal points and relevant AusAID sectoral specialists, and increased engagement with ACFID to share learning and promote good practice among Australian CSOs.

It is unclear how much influence CSOs' advice, policy dialogue and engagement with the government has on its aid delivery policies. However, the government generally takes CSO input and dialogue seriously, and acknowledges that CSO advice is often based on long-term experience and expertise (including in areas where the government does not have similar experience and expertise) and on close relationships with communities and stakeholder groups in developing countries. In most cases, actual influence on government is most likely incremental and occurs over the longer term. In some cases there is relatively tangible evidence of influence: the Independent Review report, for instance, drew extensively on CSO submissions.

4. OVERVIEW OF AUSTRALIAN CSO OPERATIONAL RELATIONSHIPS IN DEVELOPING COUNTRIES

4.1 RELATIONSHIPS WITH DEVELOPING-COUNTRY CSOs

Australian CSOs are operational in developing countries in a range of different ways. In some cases, this may include an operational service delivery approach, where the CSO itself provides a service. This is particularly the case in humanitarian assistance, where some CSOs provide direct humanitarian relief activities but also often work through their international affiliates or confederation members who provide the service. Some CSOs will also directly provide development-related services (for instance, health and medical services) and in some cases do this through the use of Australian volunteers.

In most cases, however (as discussed in Section 1.2 above), Australian CSOs operate in developing countries by working through local partners. This usually involves a transfer of funds for the partner to undertake a development programme, project or activity. In many cases, this will involve funding for the partners' own programme of work or activity. It may, however, also involve funding for work proposed by the Australian CSO (or for an AusAID programme which has provided funding to an Australian CSO, which in turn works with a local partner).

Australian CSOs have a range of funding and programme agreements that underlie their partnerships with CSOs in developing countries. The ACFID Code of Conduct sets out parameters and basic requirements for these arrangements which signatories to the Code are expected to follow, in particular in relation to the

respective roles and responsibilities of the Australian CSO and partner organizations, and in relation to control of funds and resources. Key features of these requirements include:[52]

- working towards having a written agreement with each partner that sets out the agreed objectives of the collaborative aid and development activity and the roles, responsibilities and obligations of each party;

- "making every reasonable effort" to uphold the Australian legislative requirement to ensure that funds or resources disbursed to partners are "applied lawfully, in accordance with the promise to the donor, for a proper purpose and with proper controls and risk management in place"; and

- appropriate control and risk management mechanisms, to mitigate the risk of misappropriation or improper use of the funds or resources once funds are disbursed to the partner.

How Australian CSOs that are signatories to the Code take forward these requirements varies quite widely, but in the large majority of cases there will be some form of written arrangement that sets out the terms and parameters for the relationship between the Australian CSO and the developing-country CSO.

A documented arrangement with partner organizations is also one of the criteria for CSO accreditation with AusAID. To fulfil the criterion, CSOs must have a documented, contractual framework in place with its partner organizations, which covers the aspects of the CSOs' own agreement with AusAID.[53] The accreditation criterion also addresses the financial aspects of partnerships with organizations in developing countries, and requires documented agreements with

partners on the management and accountability of funds, and evidence that the Australian CSO receives financial statements, project acquittals and copies of independent audits.

4.2 RELATIONSHIPS WITH HOST-COUNTRY GOVERNMENTS

Most Australian CSOs working in developing countries will have a relationship of some sort with the government of the host country. In most cases, foreign CSOs are required to register with the host-country government. In some cases, host-country governments may work with CSOs to promote consistency between its objectives and priorities and those of CSOs, and may want to address potential duplication of programmes and services or to address gaps. However, in most cases the diversity of international and national CSOs, and the wide variety of their programmes and activities, makes this difficult. In most cases, therefore, governments accept this diversity as inherent to CSO operations and to their role within civil society, and government and CSO programmes, therefore, operate alongside each other.

In many cases, contact between Australian CSOs and host-country governments regarding programmes and projects, is rudimentary, but in some cases the relationship is closer. This occurs most frequently at regional or local levels of government. CSOs may engage at this level both in relation to programme issues and through policy dialogue. For instance, Oxfam Australia is registered with the Government of South Africa. Oxfam's programme design takes the government's national strategy into account, while the government in turn takes a general interest in Oxfam's

activities. The real engagement, however, occurs with government at the provincial and district levels, where programme details may be discussed in more detail. In some cases, this takes place indirectly: for example, Oxfam may encourage partners to talk with district and local government regarding the delivery of water and sanitation services, including in relation to gaps between government policy and actual provision and maintenance of services.[54]

BIBLIOGRAPHY

ACFID, 'Annual Report 2011', ACFID, Canberra, 2011.
http://www.acfid.asn.au/about-acfid/corporate-documents/annual-report-2011/view

ACFID, 'Code of Conduct', Australian Council for International Development, Canberra, 2013a.
www.acfid.asn.au/code-of-conduct/acfid-code-of-conduct

ACFID, 'Code of Conduct Guidance' Australian Council for International Development, Canberra, 2013b.
http://www.acfid.asn.au/code-of-conduct/files/implementation-guidance

ACFID, 'About the Code', Australian Council for International Development, Canberra, 2013c.
http://www.acfid.asn.au/code-of-conduct/about-the-code

AusAID, 'AusAID Humanitarian Action Policy 2011', AusAID, Canberra, 2011.
http://www.ausaid.gov.au/publications/pages/1014_2542_6419_997_7245.aspx

AusAID, 'Civil Society Engagement Framework', AusAID, Canberra, 2012a.
http://www.ausaid.gov.au/Publications/Pages/civil-society-engagement-framework.aspx

AusAID, 'AusAID CSO Accreditation Guidance Manual', AusAID, Canberra, 2012b.
http://www.ausaid.gov.au/Publications/Pages/9090_1951_4966_7154_5042.aspx

AusAID, 'List of approved funds', AusAID, Canberra, 2013a.
http://www.ausaid.gov.au/CSOs/Pages/approved_funds.aspx

AusAID, 'Partners: together in disasters', AusAID, Canberra, 2013b.
http://www.ausaid.gov.au/HotTopics/Pages/Display.aspx?QID=715

AusAID, 'Accreditation for non-government organizations', AusAID, Canberra, 2013c. http://www.ausaid.gov.au/CSOs/pages/accreditation.aspx

AusAID, 'AusAID-ACFID Partnership Agreement', AusAID, Canberra, 2013d.
http://www.ausaid.gov.au/Publications/Pages/331_8701_2438_4818_2680.aspx

Australian Volunteers International, 'Skills needed', Australian Volunteers International, Melbourne, 2013a.
http://www.australianvolunteers.com/volunteer/skills-needed.aspx

Australian Volunteers International, 'FAQ: What support is provided?', Australian Volunteers International, Melbourne, 2013b.
http://www.australianvolunteers.com/volunteer/faq.aspx#What%20support%20is%20provided?

Collaborative for Development Action, 'The Do No Harm Handbook', Collaborative for Development Action, Cambridge, MA, 2004.
http://www.cdacollaborative.org/media/52500/Do-No-Harm-Handbook.pdf

Government of Australia, 'Independent Review of Aid Effectiveness', Government of Australia, Canberra, 2011.
http://www.aidreview.gov.au/report/index.html

Government of Australia, 'Budget: Australia's International Development Assistance Program 2012–13', Government of Australia, Canberra, 2012.
http://www.budget.gov.au/2012-13/content/ministerial_statements/ausaid/html/index_ausaid.htm

Humanitarian Accountability Partnership, 'Humanitarian Accountability Partnership', Humanitarian Accountability Partnership, Geneva, 2013.   http://www.hapinternational.org

International Federation of Red Cross and Red Crescent Societies and ICRC, 'The Code of Conduct for the International Red Cross and Red Crescent Movement and NGOs in Disaster Relief', International Federation of Red Cross and Red Crescent Societies and ICRC, Geneva, 2003.   http://www.ifrc.org/Docs/idrl/I259EN.pdf

International Water Centre, 'WASH reference group', International Water Centre, Brisbane, 2013.
http://www.watercentre.org/events/wash-2011/about-wash-reference-group

International Women's Development Agency, 'International Women's Development Agency (IWDA)', International Women's Development Agency, Melbourne, 2013.
http://www.mycause.com.au/charity/1288/InternationalWomensDevelopmentAgencyIWDA

Monash University, 'Oxfam Australia – Monash University Partnership', Monash University, Melbourne, 2003.
http://www.odvce.monash.edu.au/oxfam/index.html

One World Trust, 'Ensuring credibility and awareness: Designing compliance systems in CSO self-regulation', *Briefing Paper*, No. 127, One World Trust, London, 2010.
http://oneworldtrust.org/publications/cat_view/64-publications-by-project/68-CSO-accountability-and-self-regulation

Open Forum for CSO Effectiveness, 'Istanbul Principles', Open Forum for CSO Effectiveness, Brussels, 2013.
http://cso-effectiveness.org/istanbul-principles,067

Oxfam Australia, 'Program partners', Oxfam Australia, Melbourne, 2013.
https://www.oxfam.org.au/about-us/affiliations-and-partnerships/program-partners

Parmanand, S. 'Top AusAID NGO Partners: 2012 Update', DevEX, 3 June 2013.
https://www.devex.com/en/news/top-ausaid-ngo-partners-2012-updates/81111

Sphere Project, 'The Sphere Handbook: Humanitarian Charter and Minimum Standards in Humanitarian Response', Sphere Project, Geneva, 2013. http://www.sphereproject.org

World Vision Australia, 'Annual Report 2011', World Vision Australia, Melbourne, 2012.
http://www.worldvision.com.au/aboutus/AnnualReportsAndReviews.aspx

INTERVIEWS

Peter Britton, Australian Volunteers International

Stuart Highton, Oxfam Australia

Peter Ikin, Oxfam Australia

Garth Luke, World Vision Australia

Matthew Phillips, Oxfam Australia

Marc Purcell, ACFID

Richard Simpson, Oxfam Australia

ENDNOTES

1   AusAID, 2013a.

2   ACFID, 2013a.

3   ACFID, 2013: 6.

4   Oxfam Australia,2013.

5   International Women's Development Agency, 2013.

6   AusAID, 2013b.

7   See International Water Centre, 2013.

8   Monash University, 2003.

9   ACFID, 2013a.

10   ACFID, 2013a.

11   Drawn from interview with Marc Purcell, ACFID.

12   One World Trust, 2010.

13   Much of the information in the following section is drawn from AusAID, 2013c, and AusAID, 2012.

14   Open Forum for CSO Effectiveness, Brussels, 2013.

15   Sphere Project, Geneva, 2013.

16   AusAID, 2012: 7.

17   International Federation of Red Cross and Red Crescent Societies, 2003.

18   AusAID, 2011.

19   Humanitarian Accountability Partnership, 2013.

20   See, for instance,Collaborative for Development Action, 2004.

21   See ACFID, 2013a: 18.

22   World Vision, 2012.

23   Sources: Annual Reports, websites, interviews.

24   ACFID, 2011.

25   For a full list, see Australian Volunteers International, 2013a.

26   Australian Volunteers International, 2013b.

27   Information in this section is drawn in particular from ACFID, 'Starting a Development CSO'.

28   Government of Australia, 2011: 206.

29   Parmanand, 2013.

30 This information is largely drawn from AusAID, 2012a.

31 This and other funding amounts in this table: see AusAID, 2012a: 3–4.

32 Government of Australia, 2012: 104.

33 Government of Australia, 2011: 212.

34 Government of Australia, 2011: 210.

35 AusAID, Canberra, 2013d.

36 AusAID, Canberra, 2012a: 4.

37 These amounts have increased by 2012. The Bangladeshi CSO, BRAC, received AU$213 million in 2012 (see Parmanand, 2013).

38 Government of Australia, 2012: 103.

39 Government of Australia, 2012: 104.

40 Government of Australia, 2011: 209.

41 Government of Australia, 2011: 205.

42 AusAID, 2012b: 5.

43 AusAID, 2012a: 4.

44 AusAID, 2012a: vi.

45 AusAID, 2012a: 5, 9.

46 Government of Australia, 2012: 85; see also Government of Australia, 2011: 205.

47 Government of Australia, 2011: 201.

48 Government of Australia, 2011: 223.

49 The definition of 'technical assistance' used here is taken from Government of Australia, 2011: 334, which defines it as "the knowledge, services, skills and technology provided to a partner country through personnel, training and research as well as the funding for associated costs. Also known as technical cooperation."

50 Government of Australia, 2011: 213.

51 AusAID, 2012a: 9.

52 ACFID, 2013a: 7–8.

53 AusAID, 2012b: 11.

54 Informed by interview with Matthew Phillips, Oxfam Australia.

BRAZIL CASE STUDY:
THE ROLE OF CSOs IN SOUTH–SOUTH DEVELOPMENT COOPERATION

BRIAN TOMLINSON, AIDWATCH CANADA

1. INTRODUCTION

Brazil has been strengthening its engagement with South–South Cooperation (SSC) for more than a decade through various modalities including coalitions among middle-income developing countries such as the India-Brazil-South Africa Dialogue Forum (IBSA), the G20, regional cooperation, participation in international peacekeeping operations, and expanding Brazilian trade and investments with developing countries. Important domestic drivers have played key roles, such as presidential diplomacy with the election of President Lula, an activist foreign policy, and international interest in innovative Brazilian programmes to overcome poverty, such as the Bolsa Família programme and the Fight Against Poverty.[1]

While there is growing documentation relating to this evolution of Brazil's SSC,[2] there are very few references to the inclusion of Brazilian CSOs in these initiatives. As a result, this case study of the relationship between Brazilian CSOs and Brazilian development cooperation is built primarily around a few secondary sources (see the bibliography) as well as interviews with Brazilian informants (see the list of interviews). These individuals have been working through their institution to research and promote civil society engagement within SSC with the Brazilian government.[3]

The case study provides: 1) an overview of Brazilian development cooperation; 2) documentation of Brazilian CSOs in Brazil's SSC; and 3) a summary of key issues arising from the case study for effective inclusion of civil society in SSC by middle-income aid-providing countries.

2. OVERVIEW OF BRAZILIAN DEVELOPMENT COOPERATION

Development cooperation is both a strong government commitment and an acknowledged important instrument within Brazilian foreign diplomatic and economic policy. The country has a 40-year history of technical assistance, dating from the 1970s and the UN Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation among Developing Countries (1978). Principles guiding Brazilian cooperation are rooted in a South–South discourse of solidarity, mutual benefit and non-interference in the domestic affairs of partner countries. At the same time traditional donors have played important roles with Brazil in triangular cooperation (particularly the UK's Department for International Development (DFID), and UN agencies such as the Food and Agriculture Organization (FAO), United Nations Development Programme (UNDP) and World Food Programme). These donors have promoted the Brazilian social development experience internationally, provided funding for Brazilian SSC initiatives, partnered with Brazil in specific projects in developing countries and provided technical advice and learning opportunities.[4]

A coordinating mechanism for development cooperation has been in place since 1987. In that year the government created the Agência Brasileira de Cooperação (ABC — Brazilian Cooperation Agency) within the Ministry of Foreign Affairs. ABC has had the mandate to negotiate, coordinate, implement and monitor programmes and projects in technical cooperation. But in fact, the initiation and implementation of Brazilian development cooperation is highly decentralized. More than 100 entities in the Brazilian government have implemented SSC, including many ministries, particularly the Ministries of Health (HIV/AIDS) and Social Development (Bolsa Família), but also public research institutes and private institutions closely related to the government.[5] In this context, ABC has been challenged in fulfilling its

mandate for coordination (Cabral, 2010). On the other hand, decentralization has provided the opportunities for Brazilian CSOs to participate in SSC initiatives— albeit rather few.

As noted above, SSC has involved cooperation through many aspects of Brazil's foreign economic and diplomatic programmes. A 2010 study[6] on the recent expansion of Brazilian SSC provided a definition to delineate the parameters for Brazilian SSC directed more specifically to development. They consist of:

> "The total funds invested by the Brazilian federal government, entirely as non-repayable grants, in governments of other countries, in nationals of other countries in Brazilian territory or in international organizations with the purpose of contributing to international development, understood as the strengthening of the capacities of international organizations and groups or populations of other countries to improve their socioeconomic conditions."[7]

This definition creates an important benchmark to begin to measure the quantities and different purposes of Brazilian development cooperation across all ministries.

The Instituto de Pesquisa Econômica Aplicada (IPEA) study provides an overview of the dramatic growth of Brazilian cooperation — increasing by more than 46 percent in real value — during the period 2005 to 2009. In 2009, the study estimated total cooperation for international development at US$362.2 million,[8] made up of the following components:

- humanitarian assistance: US$43.5 million;
- scholarships for foreigners: US$22.2 million;
- technical cooperation: US$48.9 million; and
- contributions to international organizations: US$247.6 million.[9]

The IPEA study outlined the experience of these four different modalities of delivery for Brazilian cooperation, which have also shifted in some areas. For international humanitarian assistance (IHA), for example, the shift has been away from multilateral intermediaries to direct bilateral assistance for 97 percent of humanitarian assistance in 2009. The primary focus for Brazilian IHA has been regional emergencies in the Americas and the Caribbean. It is coordinated through an Interministerial Working Group on Humanitarian Assistance. Two thirds of IHA were donations by the government of goods-in-kind, while the remaining one third were cash transfers through the respective embassy.

Technical cooperation has been a long-standing component of Brazil's contribution to international development. It is provided on the basis of well-defined principles:

> "By providing technical cooperation, Brazil has been particularly careful to act based on the principles of respect for sovereignty and non-intervention in the domestic affairs of other nations. Nonprofit and disconnected from commercial interests, horizontal technical cooperation… intends to share successful practices in areas demanded by partner countries, without impositions or conditionalities."[10]

Cooperation is seen as a horizontal partnership-based relationship under which both parties establish shared goals (INESC, 2012) and both parties benefit.[11]

Technical cooperation more than tripled in value between 2005 and 2009.[12] Increasingly, this form of cooperation has been undertaken as triangular cooperation programmes, with ABC or another Brazilian ministry collaborating with a Northern donor or multilateral organization and a developing-country partner. The sectoral emphasis

of its technical cooperation has been socio-economic development, with projects and programmes in agriculture and food security, education, health, and strengthening government institutions and human rights.[13] ABC's budget, between 2003 and 2012, has allocated 25 percent to agriculture, 19 percent to health, 11 percent to education, and only 3 percent to social development.[14]

Brazil's cooperation is expanding rapidly and is now operating in more than 65 countries, with more than $125 million in technical cooperation planned over the next three years.[15] Together, sub-Saharan Africa (particularly Portuguese-speaking countries), Latin America and Caribbean regions receive 62 percent of the total volume of technical cooperation resources invested from 2005 to 2009.

The overall approach of Brazil's cooperation is rooted in the Brazilian experience of development, anchored in its domestic programmes of health or food security, and their accompanying political and social philosophies (Global Health Strategies Initiative, 2012). While there are few direct commercial links with Brazilian cooperation, Brazilian cooperation is closely aligned with foreign policy interests in the immediate region and Brazil's global political interests as an emerging power.[16]

The recently retired head of ABC, Marco Farani, emphasized an open, responsive model of cooperation based on Brazilian experience: "In the first place, we are a developing country, which is why our attitude towards the challenge of development is one of humility, because development is still a challenge for Brazil."[17]

The overall approach to cooperation has less emphasis on the transfer of resources and more on the sharing of successful experience through the participation of Brazilian government officials rooted in this experience. The role of

these officials is to share this particular knowledge with counterparts, with ABC playing only a coordinating role with the respective counterparts.[18]

3. BRAZILIAN CSOs AND BRAZIL'S INTERNATIONAL COOPERATION FOR DEVELOPMENT

The IPEA study of Brazil's international development efforts suggests that "a growing number of [Brazilian] public national institutions or organized civil society, in its diverse categories, have incorporated overseas activities as part of their daily work routines."[19] Unfortunately, no further references are made in the report as to the nature of these international cooperation relationships on the part of Brazilian civil society. A close scan of available literature and a series of interviews, however, do reveal a number of Brazilian CSOs' experiences in international development cooperation. This section highlights some examples of these experiences.

3.1 SCOPE OF CSOs IN BRAZIL

The definition of CSOs in Brazil is somewhat indeterminate, based on the relative weight given to different criteria, principally their degree of autonomy from government funding. One estimate puts the number at approximately 300,000 to 350,000 Brazilian CSOs.[20]Associação Brasileira de Organizações Não Governamentais (Abong), a major Brazilian CSO platform involved in international cooperation, has in the order of 300 members. These CSOs are drawn from all regions of Brazil, with diverse mandates in agriculture, culture and society, communication, financial services and business, development of regional economy, racism, health, HIV/AIDS, education, human rights and gender equality.[21]

Among CSOs in Latin America, however, there is no agreement on the status of organizations that work closely with government in the delivery of local services according to government direction. While accepting the rationale for extending the reach of government through local organizations implementing health or education programmes, these organizations are not usually included when discussing CSOs in the region.[22]

Brazilian CSOs and civil society nevertheless have played a very significant role in Brazil's development processes since the end of the dictatorship in 1985. An important manifestation is a constitutional guarantee for social partnership in which each domestic ministry is required to maintain a permanent multi-stakeholder body, including civil society, for policy dialogue and monitoring the implementation of ministerial policies and programmes. Brazilian CSOs, in their own right, have also played dynamic and innovative roles at all levels of Brazilian socio-economic development, usually with external resources from official donors or CSOs from the Northern donor countries.

3.2 BRAZILIAN INTERNATIONAL COOPERATION: WORKING WITH BRAZILIAN CSOs

While there are multi-stakeholder bodies attached to the various ministries, this is not the case for the Ministry for Foreign Affairs. The Brazilian government has long considered foreign policy to be the exclusive domain of government-based state-to-state relationships in which Brazilian CSOs have had no institutionalized role similar to other ministries. At the same time, there is some ambiguity, as CSOs have always been included within Brazilian government delegations to international events and conferences.

However, to date, there has been no systematic direct engagement with Brazilian CSOs either in setting policy or in implementation of Brazil's programmes of development cooperation.

The situation for Brazilian CSOs working with government in international development cooperation is complicated by the absence of formal written policies governing Brazilian international cooperation and by a difficult legal environment in which ABC and CSOs operate. The Brazilian legal regime recognizes the existence of external financial relationships within Brazil as an aid-recipient country, but has no provision for Brazilian entities extending financial support as a donor country. The current legal framework prohibits the provision of money or the purchase of goods or services abroad by either Brazilian state bodies or CSOs.[23]

It is for these reasons (and perhaps others) that a primary and growing modality for Brazil's international cooperation has been triangular cooperation involving a third party, which manages the external financial aspect of the relationship. Multilateral institutions such as the UNDP or the FAO play important roles in enabling this cooperation.

The evidence presented in this case study suggests that the few Brazilian CSOs that have engaged in international cooperation have been structured as triangular cooperation. There is documentation of Brazilian CSO engagement in SSC implemented by the Ministries of Social Development and Health.[24] Below are a number of examples of Brazilian CSOs' engagement with Brazilian international development cooperation.

3.3 CASES OF BRAZILIAN CSOs IN BRAZIL'S INTERNATIONAL DEVELOPMENT COOPERATION

Several cases have been identified where Brazilian CSOs have been playing a role in international cooperation in close collaboration with the Brazilian state — in literacy programmes in various parts of the world, in food security and agriculture (via the FAO and World Food Programme), in extending the experience of Brazilian social protection schemes, and in Haiti (where Brazil plays a peacekeeping role). It should be noted that the cases so far seem to be limited to individual large CSOs that were particularly positioned to move into an international role, and are not characteristic of the wider Brazilian CSO community.[25]

SSC in HIV/AIDS:[26] Brazil had early programmes of SSC on issues related to HIV/AIDS in Latin America and later in providing support to Africa (the Portuguese-speaking countries and South Africa). Brazilian international efforts with respect to HIV/AIDS have been promoted since 2005 by a multi-stakeholder Brazilian Committee on Human Rights and Foreign Policy involving both CSOs and state entities.[27] Brazilian HIV/AIDS CSOs had strong ties with global HIV/AIDS networks and ongoing relationships with counterpart CSOs in many Northern donor countries. These Brazilian CSOs have also more recently initiated projects with CSOs from Colombia, India, China, South Africa and Thailand to share knowledge and experience on access to treatment. Foller (2010) describes "a CSO-driven project [Brazilian Interdisciplinary AIDS Association — ABIA]in partnership with the Brazilian Ministry of Health… and the Bolivian and Paraguayan national AIDS programs."[28] Brazilian CSOs also played important roles in encouraging the Brazilian government to develop services for HIV-related patients in South

Africa, in partnership with South African CSOs, at a time when the South African government was hostile towards activist CSOs involved in the South African CSO Treatment Action Campaign. Foller points out that some CSOs have questioned the autonomy of some CSOs with very close involvement with government programmes in service delivery, distribution of drugs and implementation of government policies.[29]

AlfaSol and literacy: AlfaSol is a major Brazilian CSO widely recognized for its high achievements in combating illiteracy in Brazil. Created in 1997, its Solidarity in Literacy programme has contributed to the inclusion of more than 5.2 million socially vulnerable Brazilians that were historically excluded from Brazilian schools, of which 51.2 percent have been women. It has worked in more than 2000 Brazilian municipalities, training over 230,000 literacy instructors, through partnerships with hundreds of higher education institutions and private companies.[30]

AlfaSol initiated projects abroad in 2000, modelled on its successful methodology in Brazil. Its first projects were in Timor-Leste, followed by Mozambique and Sao Tome and Principe in 2001, Cape Verde in 2002 and Guatemala in 2003. It is said to have received US$196,000 from ABC for its work in Africa.[31] There is no further information in English on current international programmes underway through AlfaSol.

Based on its international reputation in the United Nations Educational, Scientific and Cultural Organization (UNESCO) and other international organizations for its work in Brazil, AlfaSol was able to generate requests for its programmes from ministries in several developing countries. The respective developing-country ministry then made the request for AlfaSol to the Brazilian Foreign Ministry. The

projects were created jointly between ABC and AlfaSol and carried out by AlfaSol as the Brazilian executing agency. The ministries in the respective developing countries were the national executing agencies and partners for AlfaSol. AlfaSol's main contribution was technical assistance as a voluntary contribution, and ABC assisted in the provision of books and materials that had to be purchased in Brazil and sent through an international organization due to the legal restrictions noted above. No ABC funds were passed directly to AlfaSol, and the agency presumably contributed in-kind support to these international programmes.[32]

FAO, food security and the Zero Hunger Strategy: Brazil is one of the World Food Programme's 10 largest donors, providing US$237 million for the local purchase of food, and working with the FAO to build on the success of Brazil's Zero Hunger Strategy. The national Zero Hunger Strategy was a framework on food security and nutrition created by President Lula within which to hold his ministries accountable for goals to eliminate absolute poverty for close to 30 million citizens and the creation of 10 million jobs. It included the successful conditional cash transfer programme, Bolsa Família, a National Programme for Strengthening Family Farming (PRONAF) and the National School Feeding Programme (PNAE). The strategy relied on strong partnerships between the Brazilian government and Brazilian CSOs at many levels, primarily focusing on national accountability, engagement of poor people in rural areas in designing relevant programmes, and policy dialogue between civil society and government on appropriate food security strategies.[33]

This experience of the Zero Hunger Strategy was taken by Brazil to the recently created global UN Committee on Food Security, coordinated by the FAO to address

the global food crisis. Uniquely within the UN, there is a civil society mechanism associated with the Committee, in which Brazilian CSOs have participated and conveyed their knowledge and sometimes critique of the strategy.

A number of countries in Africa — Mozambique and South Africa, for example — have sought Brazilian cooperation in implementing agriculture and food security strategies that draw on the Zero Hunger experience in Brazil. One key lesson from the Brazilian experience is the need to foster local mobilization of the population and local development networks to assure deeply rooted sustainability of these programmes. At this stage there is seemingly no direct partner-country engagement of Brazilian CSOs, with significant experience in agro-ecology and the local impacts of Zero Hunger programmes in Brazil, in triangular programmes involving ABC, FAO and the Ministry of Agriculture in Mozambique. There is recent evidence that this may be changing. Laite and colleagues (2013) report that "since 2012, the Brazilian Ministry of Foreign Affairs [has provided] financing for Brazilian CSOs' participation in international humanitarian assistance, in international dialogue and in negotiation forums in the area of Food and Nutritional Security."[34]

A number of large Brazilian advocacy-oriented CSOs, such as Via Campesina, have developed international relationships not only at the FAO but also with counterparts in countries such as Mozambique. But these CSO solidarity relationships take place independent of official Brazilian government programmes for development cooperation.[35]

Based on SSC experience through the Ministry of Social Development, there is more awareness of the need to ground this SSC in a stronger domestic constituency

in Brazil and to "strengthen the voice of Brazilian CSOs and subnational governments in the country's foreign policy." There is also recognition that there is insufficient human capacity in the ministry to expand SSC. As one study notes, "civil society participation was a fundamental building block in [the national food security] process, and promoting closer ties among Brazilian CSOs and their African counterparts is a promising avenue not only for grounding partners' development in a rights-based approach, but also to strengthen food and nutrition security policies in Brazil," as well as building domestic constituencies for the allocation of public resources to promote international development.[36]

Brazilian CSOs in Haiti: Brazil's military has been leading the United Nations Stabilization Mission In Haiti (MINUSTAH) as a peacekeeping mission in Haiti since 2004. It has been noted (without detailed documentation) that several Brazilian CSOs are also involved in Haiti's reconstruction, notably Viva Rio, Luta pela Paz and Afro Reggae.[37] Viva Rio, as one example, was founded in 1993 as a CSO in Rio de Janeiro in reaction to an increasing number of violent crimes in the city. It developed urban social programmes to combat this violence, including small arms disarmament campaigns. Starting in 2004, first under the auspices of UNDP, Viva Rio expanded its work internationally, coordinating various social projects in Haiti. Several of these projects were supported through triangular cooperation, with Viva Rio, the Brazilian Embassy in Haiti and Canada and Norway as financial donors.[38]

Refugees: Support for refugees is included in Brazil's international cooperation programmes (as it also is for many Development Assistance Committee (DAC) donor countries). Brazil has created a semi-autonomous legal entity, the National Council for

Refugees (CONARE), which is the body responsible for the decision to grant refugee status. A Brazilian CSO, Caritas Brasileira, uniquely participates as a full member of the Council, including in decision-making on refugee status. The Brazilian government receives funding from the UN High Commissioner for Refugees (UNHCR) for resettlement costs for refugees in Brazil. Funds are then transferred to Caritas, which manages these programmes independently of the government.[39]

Interviews also noted that some Brazilian CSOs have been invited informally to participate in the coordination of international humanitarian assistance through the Interministerial Working Group on Humanitarian Assistance.

4. SOME KEY ISSUES FOR INCLUSION OF CSOs IN SSC

After more than three decades of Brazilian CSOs' work in areas such as social development, urban violence, economic alternatives, and environmental and human rights, these organizations are now in a position to share this expertise and these approaches to development. Indeed, these CSOs have been operating in a changing political and social context of limited democracy, corruption and endemic violence that are shared conditions for many potential partners in developing countries.[40]

The policies that were successful to date in reducing poverty and inequality in Brazil were the result of development processes that involved CSOs and social movements. The valuable technical expertise that Brazil undoubtedly has to offer in these areas of socio-economic development could likely have a stronger impact if Brazil's international cooperation programmes utilize the expertise that also lies within Brazilian CSOs.[41]

On their side, many Brazilian CSOs support the roles that Brazil is playing in SSC and the principles that define this approach. Some of these CSOs are also experiencing a changing resource environment as traditional Northern donors reassess their approaches to engagements in Brazil. South–South and triangular cooperation may not only be valuable in itself but may also provide a diversification that strengthens Brazilian civil society actors to continue their work in Brazil itself.[42]

The potential from this growing interest in SSC among CSOs could be better realized through an enabling environment in which actors for Brazil's official development cooperation create opportunities for participation to share this CSO experience. The case study reveals a number of issues that should be considered in developing this enabling environment in engaging CSOs in SSC for development:

1. **A clear policy for development cooperation:** The 2010 IPEA/ABC study provides an excellent overview of Brazilian cooperation and establishes some basic benchmarks for determining the scope of these programmes.[43] However, there is no overarching policy or set of policies in the public realm governing the implementation and evolution of Brazil's international development cooperation. This situation makes it difficult for Brazilian CSOs interested in expanding their work through SSC. Developed with participation from CSOs, an overarching policy framework would address *inter alia* potential areas of contribution by Brazilian CSOs. It would establish the modalities and guidelines through which they could participate in official Brazilian development cooperation initiatives. Some Brazilian CSOs are seeking a clear funding channel within ABC to enable this engagement.[44]

2. **An enabling legal environment:** As noted above, the current legal and regulatory environment is not currently conducive for Brazilian organizations, whether from the State or from civil society, to provide direct transfers of financial resources or of goods and services to partners in other developing countries.[45] Reforms of the legal regime may be necessary to fully enable appropriate modalities for Brazilian international development cooperation. Furthermore, informants describe the current legal regime for CSOs operating within Brazil as complex and confusing. According to one assessment, "the existing legal and regulatory framework for CSOs in Brazil is confusing and obscure, and its lack of effective transparency and accountability instruments makes it vulnerable to corruption and misuse."[46] There is ongoing dialogue between the government and CSOs on reforming this aspect of the legal and regulatory framework for Brazilian CSOs (which could include the issue of their work abroad).[47]

3. **A forum for policy dialogue and learning:** To date there have been no mechanisms within the Department of Foreign Affairs and ABC for multi-stakeholder policy dialogue on Brazil's policies for development cooperation. Such a forum would enable and strengthen both ABC and Brazilian CSOs in sharing the lessons and experience of Brazilian civil society on development challenges. The latter is consistent with the comparative advantages noted in the rationale for Brazilian international cooperation — that is, the ability of Brazil to draw on successful experience directly relevant to partners in developing countries.

4. **Improved transparency:** Currently, Brazilian CSOs have limited access to information about the specific programmes undertaken by ABC in technical assistance and international cooperation by other ministries.[48] Without access to basic information on the priorities, countries of interest and Brazil's specific programmes, it is difficult for Brazilian CSOs to understand how their experience might contribute.

5. **Improved capacities for Brazilian CSOs:** Observers point out that there is currently a very small awareness and constituency for Brazil's international development cooperation.[49] This is also true for the vast majority of Brazilian CSOs, and not only for Brazil but also for other Latin American countries with international cooperation programmes.[50] For those CSOs interested in sharing their experience abroad, new capacities in analysing international opportunities, exploring appropriate partnerships in different countries and securing the skills to make positive contributions in different country contexts may be necessary.[51] The study of Brazil's SSC in social development concluded that "one of the main lessons learned by the Ministry of Social Development was that something working in Brazil would not be a guarantee for it to automatically work in Africa. Effectiveness would depend on both partners understanding each other's particular realities."[52]

BIBLIOGRAPHY

REFERENCES

Abreu, F., 'Co-operação técnica brasileira', PowerPoint presentation, 2012. http://www2.camara.leg.br/atividade-legislativa/comissoes/comissoespermanentes/credn/eventos/ http://www2.camara.leg.br/atividade-legislativa/comissoes/comissoes-permanentes/credn/eventos/2012/seminario-politica-externa-brasileira-desafios-em-um-mundo-em-transicao/painel-14h-o-brasil-e-a-cooperacao-internacional-para-o-desenvolvimento

Cabral, L. and Weinstock, J., 'Brazil: an emerging aid player: Lessons on emerging donors, and South-South and trilateral cooperation', *ODI Briefing Paper*, No.64, Overseas Development Institute, London, 2010. www.odi.org.uk/resources/docs/6295.pdf

Cintra, M. (organizer), 'Brazilian Cooperation for International Development, 2005–2009', Ipea and ABC, Brasília,2011. http://www.southsouth.info/profiles/blogs/brazilian-cooperation-for-international-development-2005-2009

Correa, G., 'Manual de Cooperación Internacional', RACI, Buenos Aires, 2012. http://www.raci.org.ar/recursos-para-ong/manual-de-cooperacion-internacional/

Foller, M.-L., 'Civil Society Organizations and Brazilian South-South AIDS Cooperation', *The Global South*, 2010, Vol. 4, No. 1. http://www3.crt.saude.sp.gov.br/arquivos/arquivos_biblioteca_crt/civil_society_and_brazilian_south_south_cooperation.pdf

Frayssinet, F., 'Brazil: Emerging South-South Donor', Inter Press Service, 1 March 2012. http://www.ipsnews.net/2012/03/brazil-emerging-south-south-donor/

Glennie, J., 'Western donors could learn from Brazil's new brand of development aid', Guardian Poverty Matters Blog, 28 June 2012. http://www.guardian.co.uk/global-development/poverty-matters/2012/jun/28/western-donors-brazil-development-aid

Global Health Strategies Initiative, 'Shifting Paradigm: How the BRICS are reshaping global heath and development', Global Health Strategies Initiative, New York, 2012.
http://www.ghsinitiatives.org/brics-report

INESC, 'Presente e Futuro: Tendências na Cooperação Internacional Brasileira e o Papel das Agências Ecumênicas' [English Executive Summary], Instituto de Estudos Socioeconômicos, Brasília, 2012.
http://www.inesc.org.br/noticias/noticias-do-inesc/2012/abril/tendencias-na-cooperacao-internacional-brasileira

Laite, I., Suyama, B. and Pomeroy, M., 'Africa-Brazil Cooperation in Social Protection: Drivers, lessons and shifts in the engagement of the Brazilian Ministry of Social Development', *WIDER Working Paper,* No. 2013/022, UNU-WIDER, Helsinki, 2013.
http://www.wider.unu.edu/publications/working-papers/2013/en_GB/wp2013-022/_files/89307792035545142/default/WP2013-022.pdf

Muggah, R. and Szabo de Carvalho, I., 'The Southern Effect: Critical Reflections on Brazil's Engagement with Fragile States', Discussion Paper, OECD/UNDP Partnership for Democratic Governance, Paris, n.d.
http://pt.igarape.org.br/the-southern-effect-critical-reflections-on-brazils-engagement-with-fragile-states/

Pino, B., 'Brazilian Cooperation: a model under construction for an emerging power', Real Instituto Elcano (ARI), Madrid, 2010.
http://www.realinstitutoelcano.org/wps/portal/rielcano_eng/Content?WCM_GLOBAL_CONTEXT=/elcano/elcano_in/zonas_in/cooperation+developpment/ari143-2010

Ribeiro, M. and Lopes, L., 'The struggle for an enabling environment for Civil Society Organizations in Brazil: One step forward, two steps backwards?', in *State of Civil Society 2013: Creating an enabling environment*, edited by A.Firmin, C.-M.Pegus and B. Tomlinson, CIVICUS, Johannesburg, 2013.
http://socs.civicus.org/wp-content/uploads/2013/04/2013StateofCivilSocietyReport_full.pdf

INTERVIEWS

Nathalie Beghin, Instituto de Estudos Socioeconômicos (INESC) (Brazilian research organization following Brazil's international cooperation policies), which in 2012 published 'Present and Future: Trends in Brazilian and International Cooperation and Roles of Ecumenical Agencies' [in Portuguese with English Executive Summary].
www.inesc.org.br/biblioteca/publicacoes/livros/2012/presente-e-futuro-tendencias-na-cooperacao-internacional-brasileira-e-o-papel-das-agencias-ecumenicas/view

Guillermo Correa, RACI, Argentina (regional CSO that has analysed CSO funding in the region and maintains a comprehensive live database on sources of funding for CSOs)

Luara Lopes, Abong (Brazilian CSO platform that is following closely Brazil's development cooperation and the legal framework for Brazilian CSOs, and formerly a consultant with ABC)

Bianca Suyama, Articulação SUL (Brazilian research centre on South–South cooperation, which is collaborating with the Institute of Development Studies 'Rising Power in International Development' programme:
www.ids.ac.uk/news/rising-powers-in-international-development-building-an-agenda-for-collaboration).

ENDNOTES

1 Laite et al., 2013: 1–2.

2 It should be noted that this information is at the level of global trends in Brazilian cooperation, and there remains very little information on the operations and impact of Brazilian cooperation at the project and/ or recipient-country level (INESC, 2012).

3 Since several informants wished that their particular analysis of the current political situation be confidential, references to analytical points in the case study are made to 'interview informant' rather than the specific interview. In the short time available, no interview was possible with an official in ABC, although one of the interviewees had considerable work experience with ABC.

4 Laite et al., 2013:9–10.

5 Laite et al., 2013: 8; Foller, 2010; Cintra, 2011: 16.

6 Coordinated by ABC and the Institute for Applied Economic Research (IPEA). IPEA is a federal public foundation linked to the Strategic Affairs Secretariat of the Presidency. It provides technical and institutional support to government for the formulation and reformulation of public policies and development programmes in Brazil (Cintra, 2011).

7 Cintra, 2011: 17. It is important to note that this definition differs from the OECD DAC's definition of Official Development Assistance (ODA) in several significant aspects in that only 100 percent grants are included in the Brazilian definition, not concessional loans. Funding for and membership in Southern international organizations is included.

8 It is important to note that this is total cooperation only at the federal level. It is known that state governments in Brazil are also involved in international development cooperation, but there are no comprehensive statistics that include this level (interview). A more detailed breakdown, based on the IPEA report, can be found in Abreu (2012) in Portuguese.

9 Cintra, 2011: 20. An annual report by the Ibero-America Secretariat (Xalma, 2011) documents SSC projects in the region. In 2010 there were 529 bilateral SSC projects, of which 60 percent were organized by Brazil and Cuba. There were 83 triangular cooperation projects or actions in the region, with Chile, Mexico and Brazil accounting for 93 percent of them.

10 Cintra, 2011: 30.

11 Laite et al., 2013: 2.

12 It is important to note that most of the value of technical cooperation is the estimated value of the salaries of Brazilian officials involved in

this programme.

13 Xalma, 2011; and Correa, 2012. Some of the areas covered by triangular technical cooperation noted by the IPEA study include: combating child labour; civil aviation; education; health; prevention and control of malaria; biofuel production; modernization of legislative processes; public administration; environment; combating hunger and poverty; agriculture; regeneration of urban areas; bio-safety; maintenance of water resources; professional training; electronic government; urban development; strengthening of judicial institutions; food security; vocational, educational and sports training; information society; labour relations; and strengthening of infrastructure.

14 Laite et al., 2013: 9, based on data from Abreu, 2012.

15 Frayssinet, 2012.

16 Cabral, 2010; and Correa, 2012. While Brazilian cooperation is not directly linked to operations of Brazilian companies, Marco Farani remarked that "[Brazilian cooperation] works as a kind of buffer for tensions in countries like Bolivia, Paraguay or Mozambique, where there is a heavy presence of Brazilian companies" (Frayssinet, 2012).

17 Frayssinet, 2012.

18 Glennie, 2012. In the area of SSC for social development, implemented by the Ministry of Social Development, for example, Brazil shares the experience of the innovative Bolsa Família through knowledge exchanges (in the IBSA initiative), technical assistance and advice to counterpart ministries in developing countries, internships, field visits to Brazil, training activities and workshops in Brazil (Laite et al., 2013: 9)

19 Cintra, 2011: 10.

20 Based on interview for case study.

21 See http://www.abong.org.br/about.php

22 Based on interviews for the case study.

23 Interviews for the case study; and Cabral, 2010.

24 Laite et al., 2013; and Foller, 2010.

25 Informants have also suggested that a number of Brazilian CSOs may be increasing their global outreach more directly (not through the Brazilian State). They do so in triangular relationships with international trade union structures (the Brazilian CUT, ITUC and trade union partners in Angola and Mozambique) or through the mediation of INGOs based in Brazil, working with Brazilian CSOs in agro-ecology, for example, drawing on the connections of the INGO international family in other parts of the world (interview). Unfortunately, there is no documentation of these relationships.

26 This case is dependent on information provided by Maj-Lis Foller in

Foller, 2010.

27 See www.dhpoliticaexterna.org.br. The website notes that in 2013 the Commission on Human Rights and Minorities of the Chamber of Deputies (CDHM) of the Brazilian Committee for Human Rights and Foreign Policy (CBDHPE) was suspended due to the exclusion of civil society actors from its deliberations.

28 Foller, 2010: 211.

29 Foller, 2010: 213.

30 ECLAC, 'AlfaSol reduces literacy by 32% in Brazil', ECLAC, Division for Social Development, Santiago, 9 May 2008.
http://www.eclac.cl/cgi-bin/getProd.asp?xml=/dds/noticias/noticias/9/33969/P33969.xml&xsl=/dds/tpl/p1f.xsl&base=/dds/tpl/top-bottom.xsl

31 UNESCO, 'Alfabetização Solidária'.
http://www.unesco.org/uil/litbase/?menu=4&programme=1;
and ECOSOC CSO-Net
http://esaCSO.un.org/irene/index.html?page=viewProfile&type=CSO&nr=7204&section=9

32 Based on an interview with a Brazilian informant with direct knowledge of several AlfaSol projects.

33 Laite et al., 2013: 24.

34 Laite et al., 2013: 23.

35 Information derived from interviews for the case study.

36 Laite et al., 2013: 23-24.

37 Pino, 2010; and Muggah, nd: 6.

38 See 'About Viva Rio' at http://www.vivario.org.br; and The South-South Opportunity Case Stories, 'Viva Rio Brasil-Haiti – Honra e Respeito por Bel Air'.
http://www.impactalliance.org/ev_en.php?ID=49222_201&ID2=DO_TOPIC

39 Cintra, 2011: 43–44, and interview for the case study.

40 Muggah, nd: 5.

41 Based on interviews for the case study.

42 Based on interviews for the case study.

43 Cintra, 2011.

44 Based on interviews for the case study.

45 For CSOs the issue relates to the tax-exemption status for their organization in Brazil.

46 Ribeiro and Lopes, 2013: 1.

47 Based on interviews for the case study; and Ribeiro and Lopes, 2013.

A government–CSO Working Group has been developing proposals for change, but there have been recent setbacks in regulations and funding Brazilian CSOs as a result of scandals involving 'false CSOs'. Nevertheless a CSO Platform for a New Regulatory Framework continues to mobilize interest and support for change in 2013 (see details in Ribeiro and Lopes, 2013).

48 Based on interviews for the case study.

49 Cabral, 2010.

50 Based on interview for the case study.

51 Based on interview for the case study.

52 Laite et al., 2013: 14.

SWEDEN CASE STUDY:
SWEDISH CSOs AND RELATIONSHIPS WITH THE GOVERNMENT OF SWEDEN IN DEVELOPMENT COOPERATION

PONTUS MODÉER AND HENRIK ALFFRAM

1. AN OVERVIEW OF THE CSO ENVIRONMENT IN SWEDEN

1.1 NUMBERS AND TYPES OF CSOs

Swedish development cooperation has its roots in the work and contacts of missionary groups and various types of popular movements. Churches and, more recently, other faith-based organizations, trade unions, political organizations and solidarity and special interest groups have continued to play an important role in shaping and implementing Swedish development cooperation.

Traditionally, Swedish civil society organizations (CSOs) have been democratically structured membership organizations. In recent years a few non-membership-based organizations, several of them belonging to international networks, have become significant actors within the field of development cooperation.

It is estimated that there are about 1000 Swedish CSOs engaged in international development cooperation.[1] In terms of funding, the more important are generally those that have direct agreements with Sida (the Swedish International Development Organisation).

Sida currently has 'framework' agreements (see below) with 15 organizations,[2] five of which are sub-granting

organizations that pass along grants for implementation by its own member organizations or affiliated organizations.[3] In total, the framework organizations cooperate with more than 300 Swedish CSOs.[4]

In addition to the framework organizations and their member and affiliated organizations there are few larger Swedish CSOs that receive substantial Sida funding. Notable exceptions are, for instance, the Swedish Afghanistan Committee, Swedish Red Cross, Läkareutangränser (MSF-Sweden), Civil Rights Defenders, Kvinna till Kvinna and Swedwatch.

The vast majority of Swedish CSOs work on long-term development cooperation. Common thematic focus areas include children, women and people with disabilities, sexual and reproductive health, environmental issues and climate change, agriculture and education.[5] The number of CSOs that provide humanitarian assistance has been reduced in recent years due to new requirements for funding introduced by Sida. Sida funding requires a certification, such as the Humanitarian Accountability Partnership Standards. The only organizations that currently provide humanitarian assistance on a large scale are Swedish Red Cross, Läkareutangränser and the Church of Sweden. A number of organizations will most probably gain funding when they have gained certification for their systems.

It should be noted that in 2011 Sida adopted new criteria for framework agreements and that these criteria will be implemented during 2012. It appears likely that the number of framework organizations for civil society support will increase somewhat.

Funding: Overall, non-governmental funds make up only a few percent of total Swedish development

assistance.[6] For the CSO sector, non-governmental funds for most of the larger Swedish CSOs make up a quite limited part of their total funds. While there are a few significant exceptions (in particular among faith-based organizations), most organizations only collect the 10 percent they are required to raise in order to gain funding from Sida's civil society unit. Many organizations, however, also receive a different source of Sida funding that relates to regional and national strategies. For this support, the organizations receive 100 percent of the project costs. In practice, there are thus many CSOs that receive well over 90 percent of their total funds from Sida.

The ability to raise significant funds is limited to quite a small number of larger and well-known organizations, including Save the Children, Swedish Red Cross, Unicef-Sweden, Plan-Sweden, MSF-Sweden and the World Wide Fund for Nature.[7]

Traditionally, CSOs have raised most of their non-governmental funds directly from the general public. In recent years, however, some development CSOs have received substantial amounts of money through a particular lottery called Postkodlotteriet.[8] Some also receive large amounts through fundraising campaigns related to broadcasted shows and similar events with a particular development-related theme. A small share of what is raised comes directly from private enterprises, but many CSOs expect that this share of their total revenue will increase in the future. In comparision with many other countries, the extremely rich in Sweden have not been particularly interested in philanthropy. In recent years, however, a few of the richest people in the country have either started their own foundations that provide funding for development interventions, or have donated large amounts directly to a few CSOs.

Tax relief for donations was introduced in 2012, but only to a very limited extent. Tax relief of 25 percent can now be received for gifts up to SEK6000 (approximately US$880). The maximum that a person can thus receive in a year amounts to SEK1500 (roughly US$220).

1.2 MODALITIES OF CSO INVOLVEMENT IN DEVELOPMENT AND HUMANITARIAN ASSISTANCE

The work of the major Swedish CSOs involved in development cooperation is characterized by:

- cooperation with and channelling of funds directly to partner CSOs in developing countries (and thus a very low degree of direct implementation);

- frequent cooperation with partner CSOs that belong to the same international network or are otherwise considered sister organizations;

- a relatively high degree of core support in line with the priorities and strategies of the partner organizations;

- a focus on strengthening the capacity of the partner organizations. It is, therefore, common that a share of the total funds set aside for a partner organization is earmarked for capacity-building;

- development education, information and advocacy campaigns in Sweden regarding development cooperation (but a reduction in these type of activities is expected as government funding for them is diminishing);

- cooperation with other Swedish CSOs through membership of the framework organizations as well as in a number of other organizations and informal thematic networks (see Section 1.3); and

- increasing creation of and participation in consortia (not least to be able to apply for European Union (EU) funding).

1.3 CSO COLLABORATION IN SWEDEN

As a result of their framework agreements with Sida, several Swedish umbrella organizations have a central role in Swedish development cooperation through CSOs. Forum Syd, with 163 members, is the largest of these organizations and one of the most important collaborative mechanisms for Swedish CSOs. The organization is a platform within Swedish civil society that brings Swedish organizations together in their common efforts for sustainable global development. It addresses development issues through advocacy and its own programme operations. Advocacy includes policy dialogue and engagement with the government. Forum Syd is a membership organization, and member representatives form its Board.

In 2010, Forum Syd received SEK205 million through the framework agreement (and also about SEK60 million from other Sida divisions for its own projects). One of its major roles is to coordinate a sub-grants programme of Sida funds that are available for its smaller members or affiliated organizations (larger Forum Syd members may have their own framework agreements with Sida). Members' funding requests must meet Forum Syd's funding criteria.[9] While Forum Syd plays a key role under this arrangement, it formally only makes funding recommendations to Sida: officially, the final decisions still rest with Sida.[10]

Swedish Mission Council (SMC), which is a forum for Churches and Christian organizations, has 36 member organizations which together work "to provide opportunities for people and societies to change." SMC "organizes courses and seminars both in Sweden and in countries in the South and East" and annually "distributes around SEK100 million of Sida funds to the development work carried out by

member organizations in collaboration with their partner organizations in around 40 countries." SMC furthermore wants to "spread knowledge on issues that can contribute to the eradication of poverty".[11]

Olof Palme International Center has 27 member organizations and "works in the spirit of Olof Palme for democracy, human rights, and peace." It divides its work into three different areas: (i) development cooperation through which they "seek to empower people to change their societies and thereby their own lives"; (ii) party-oriented support though which the Center and the Social Democrats "support sister parties throughout the world"; and (iii) "sharing of knowledge in order to facilitate discussion of international questions and stimulate debate."[12]

MyRight is "an umbrella organisation within the disability movement which works at the request of 30 member organisations." The goal of their joint work "is to strengthen the local partner organisations' possibilities for running effective advocacy work for the rights of their members. MyRight's role is to provide administrative support for its member organisations and to help with quality assurance of their projects."[13]

In addition to these types of umbrella organizations with framework agreements there is also a number of other organizations that bring together large numbers of CSOs. Among these are:

CONCORD Sweden works to "promote cooperation, information-sharing and joint advocacy initiatives between Swedish CSOs and those in other EU countries on development policy and development cooperation issues vis-à-vis the EU institutions. It also aims to act as a platform on other issues that have been jointly agreed by its member organisations…

CONCORD Sweden is open to membership for any Swedish CSO (non-profit association or foundation) and for umbrella organisations of CSOs that support the aim of CONCORD Sweden."[14] CONCORD currently has 45 member organizations.

Svensk Insamlingskontroll (Swedish Fundraising Control) is a non-profit association with responsibilities for monitoring fundraising among the public. Due to an agreement with the Swedish postal office, organizations that are monitored by the organization can receive a special postal giro account referred to as the 90-accounts, which enable direct financial transfers from donors through the postal system. These can be given to foundations, non-profit associations and religious communities that are thus approved and monitored by the Swedish Fundraising Control.[15]

The Swedish Fundraising Council (FRII) has 144 members and works to ensure a conducive environment for voluntary work and fundraising, and Fairtrade Sweden strives to increase supply and demand for fair trade products.[16]

In addition to these and other formal organizations many CSOs participate in issue-based informal networks and working groups on issues such as gender, methodology development, HIV/AIDS and environmental protection.

1.4 CSO ACCOUNTABILITY AND QUALITY STANDARDS

The Swedish government uses a number of different instruments to enhance the accountability and quality standards of Swedish CSOs. Key instruments are the government's civil society policy, and Sida's 'Instruction for Grants from the Appropriation Item Support via Swedish Civil Society Organizations'.

Other key instruments include the criteria developed by Sida for framework organizations and its auditing rules. Framework organizations must in turn pass on these criteria and auditing rules to member organizations seeking sub-grants. This has implications for smaller organizations that have fewer resources and less capacity to demonstrate that they meet the criteria. Overall, increasing demands from Sida regarding funding eligibility and a lack of flexibility means that smaller organizations are less likely to seek funding through framework organizations.

Sida also attempts, through a range of other channels and actions, to promote the aid effectiveness agenda among CSOs. To qualify for Swedish government funding for humanitarian assistance, organizations must "be a party to established international codes of conduct in the operational field concerned, or have successfully implemented undertakings of a similar kind".[17]

Sida follows up its different funding contributions and strives to enhance quality through regular reporting and audits. It states the following regarding the framework agreements:

"Sida undertakes an in-depth analysis of both the report and the application before a new financial agreement is approved. Throughout the period of cooperation, the framework organisation submits annual financial reports in accordance with Sida's requirements. During each four-year cycle (3+1 years), a follow-up of previous system audits and a programme evaluation are usually carried out on Sida's initiative. Sida assesses the organisation's qualifications as a framework organisation at least once during each alternate four-year cycle.

The framework organisations are responsible for the planning, follow-up, reporting and analysis of its activities in a manner that allows Sida to assess its quality and use the information. Sida gives high priority to the effective and quality use of its funding support to framework organisations. For this reason regular system-based audits of framework organisations are carried out to ensure that funds are used appropriately."[18]

Voluntary CSO networks and organizations for accountability and quality standards also exist. Swedish CSOs recently laid down voluntary principles for enhancing development effectiveness during the national consultations relating to the 2010 Open Forum for CSO Development Effectiveness. The national consultation workshop resulted in agreement on the following three sets of recommendations and commitments as the basis for a collective effort to enhance the development effectiveness of Swedish CSOs:[19]

● a national interpretation and adaptation of the Istanbul Principles;

● proposed additional principles for CSOs in their roles as donors; and

● recommendations on enabling conditions.[20]

CSO staff are currently working on measures to implement these and other principles and standards, with some support from Sida.

In addition to the above, umbrella organizations such as FRII and the Swedish Fundraising Control work, for instance, to promote ethical and professional fundraising.

2. AN OVERVIEW OF THE DIFFERENT OPERATIONAL STRUCTURES FOR CSOs

2.1 CSO GOVERNANCE

Traditionally, Swedish CSOs have been democratically structured membership organizations in which the members elect the organization's Board during an annual meeting. The Board is responsible for appointing the organization's Chief Executive Officer and deciding on issues concerning the organization's overall role and mandate.

Until 2005 Sida's civil society unit required organizations receiving support to have a democratic structure. Since 2006 Sida has also accepted foundations (which do not have individual members and an elected Board) as recipients of support.[21]

2.2 OVERVIEW OF STAFFING

The 15 framework organizations differ considerably in terms of number of staff members. The smallest has roughly 20 staff members, while some of the larger organizations have several hundred. The larger organizations tend to have a majority of their staff members locally employed in the recipient countries.

As for those organizations that are not framework organizations, the majority have very few or no full-time staff members and thus rely very much on the work of volunteers. A few, however, have dozens or even hundreds of employees. Among these organizations are those that receive substantial amounts of funding from Sida despite not being framework organizations (see above), and organizations that to a great extent implement activities themselves, including those that primarily provide humanitarian support.

A typical larger Swedish CSO would consist of a Secretary-General, programme officers, administrative staff (including controllers), information officers, fundraisers and often also one or several staff members responsible for methodology development. Depending on Sida's funding priorities, the organizations have also sometimes received funding earmarked for staff members with a thematic focus — for instance, on gender. These kinds of staff may work on specific projects for their duration, which can be several years.

2.3 NUMBERS OF STAFF AND VOLUNTEERS AND THE NATURE OF STAFFING ROLES

An approximate estimate is that CSOs in Sweden employ about 500 people that work on international development cooperation. The number of people that work for Swedish CSOs in host/recipient countries greatly exceeds this number.

Staff responsibilities are organized in a number of ways. While some organizations have maintained their administration in Sweden, others have decentralized a lot of their responsibilities in this area. Staff working with methodology and thematic areas can also be located in Sweden or in the field. With increased international cooperation there is, however, an increased tendency to decentralize functions, since coordination often needs to be done in the field. Staff working with humanitarian assistance tend to be located in the field or in regional offices for coordination. Staff working with evaluation and learning, at least those leading the work, tend to be placed in Sweden.

3. THE RELATIONSHIPS BETWEEN CSOs AND THE SWEDISH GOVERNMENT

3.1 OVERALL LEGAL/REGULATORY FRAMEWORK

Freedom of association is laid down in the Swedish Constitution. There is no particular law regulating the non-profit sector, and there is no requirement to register associations with the authorities. As Ojala (2004) states:

"The right for every person to create and participate in any form of association, the freedom of association, is a constitutional right in accordance with Chapter 2, Article 1 of the Swedish Instrument of Government. Similarly, in accordance with Chapter 2, Article 2 of the Swedish Instrument of Government, a person also has the right not to belong to any association."

A report on freedom of association in African, Caribbean and Pacific (ACP) and EU countries provides further elaboration:

"In Sweden there are three different kinds of CSOs; non-profit organizations (NPOs), economic associations and foundations. No specific law governs the existence of non- profit organizations, although the Act on Economic Associations can usually be used as guidance. CSOs have high organisational autonomy in every sector, from membership regulation to statute etc. On average, every citizen is part of four associations; the weight of CSOs in the public debate and in the dialogue with authorities is considerable. Sweden has a strong framework for protecting workers' rights for freedom of association rights. Sweden has an extremely high rate of union density."[22]

It is hard to determine what impact the relative absence of formal regulation has on the operations of Swedish CSOs in host countries. However, it is not uncommon that Swedish CSOs strive to promote the dominant model in Sweden — that of democratically structured membership organizations.

While there are no specific legal and regulatory frameworks for not-for-profit organizations, there are nevertheless some generally accepted regulations regarding how not-for-profits and CSOs should operate. For instance, Sida's 'Instructions for Grants from the Appropriation Item Support Via Swedish Civil Society Organizations' provides the following classifications of CSOs:

> "Civil society organization (CSO): Self-governing organization characterized by voluntary efforts and which to some degree is independent of any state, municipality and market, as well as conducting its activities without a profit motive, often on the basis of common shared values."

3.2 GOVERNMENT OF SWEDEN FUNDING MODALITIES FOR CSOs

Main modalities: The main modalities used for supporting CSOs can be divided into:

- Sida's framework agreements with 15 Swedish CSOs. These funding agreements stretch over four years (three years' approval with a fourth year on review) and require the Swedish CSO to raise 10 percent of the total project/programme costs from sources other than Sida;

- support through Sida's country and thematic teams, which can be through Swedish, international or local CSOs that operate in accordance with the priorities of the Swedish strategy in question;

- support from other Swedish government authorities, such as the Folke Bernadotte Academy and Swedish National Board for Youth Affairs, which provide smaller grants to CSOs;[23] and

- Sweden's support to CSOs via the European Commission and multilateral organizations.

Division of funds: Roughly 25 percent of all funding Sida provides to CSOs is channelled through the framework agreements, while 75 percent requires that CSOs' work supports Sweden's geographic or thematic policies. From an overall perspective, the support channelled through other Swedish authorities in terms of money is rather marginal.[24]

Core versus project support: Sweden strives to provide programme-based funding and core support to the highest extent possible. Sweden's civil society policy states:

> "Where possible, priority will be consistently given to programme-based funding and core budget support rather than project support. Support to organisations in civil society will contribute to local ownership and be based on the partner organisation's planning and monitoring system."[25]

Framework agreements are based on the Swedish CSO's own priorities and strategies, while support through country and thematic teams has to meet the requirements of the Swedish strategy and can take the form of either core or project support. A 2008 study that drew on information from Bangladesh, Guatemala, Ethiopia, Tanzania and Zambia found that: "Sweden has about half of its Agreements as core support and provides core support in all five countries reported on."[26]

Direct versus indirect support: The study referred to above found that direct support to the implementing CSO was provided by the embassies through 27 agreements, and indirect support (where an intermediary managed the funds and CSO relations) through 33 agreements. It was noted, however, that in terms of CSOs reached and volume of funding, indirect support was usually higher than the direct support.[27]

Framework agreements: During 2009 Sida will disburse SEK1.3 billion to 15 framework organizations. These framework organizations include:

- umbrella organizations, which prepare and pass on funding applications from their member organizations, which sign agreements and cooperate with organizations in developing countries; and

- organizations that develop and run their own development cooperation programmes and projects and sign agreements directly with cooperation partners in developing countries.

Sida's 'Instruction for Grants from the Appropriation Item Support via Swedish Civil Society Organizations' provides the following information on preconditions for grants under a framework agreement:

"The fundamental preconditions for all grants within the appropriation item are that the development co-operation be delimited to developing countries in accordance with the OECD-DAC classification, that the development co-operation be carried out by civil society organisations, and that the parties to the co-operation work for societal development on a democratic basis as well as based upon the equality and rights of all individuals as expressed in the UN's Universal Declaration of Human Rights."[28]

It bases this on the following rationale:

> "Sida believes that building and strengthening a vibrant and democratic civil society is fundamental in both developing countries and in wider poverty reduction efforts. Framework organisations are responsible for ensuring Sida's support for civil society development in partner countries as well as communication activities in Sweden."[29]

Support through geographic and thematic teams: Funding support to CSOs through country and thematic teams can be divided into the following three categories:

- **support through an intermediary organization:** according to a study carried out in 2006, six of 21 Swedish embassies stated that they provided support in this manner;

- **direct support to CSOs:** 12 of the 21 embassies reported that they used this modality, but to varying degrees. While some embassies supported a substantial number of CSOs in this way, other embassies only gave one or two CSOs this kind of support; and

- **other forms of support:** six of the embassies reported that they had other ways of organizing their cooperation with CSOs. In most cases this meant that special embassy funds had been established from which CSOs can apply for funding.[30]

Duration of agreements: While the framework agreements between Sida and the Swedish CSOs normally last for four years, country and thematic strategy agreements normally vary between one and three years. Agreements between Sida and host-

country (or regional) CSOs would normally also range between one and three years, as would agreements between Swedish CSOs and host-country CSOs. Sida is generally "encouraging Swedish CSOs to have longer (3–4 years), and more core or programme funded partnerships with civil society."[31]

Development aid versus humanitarian assistance: In terms of government guidance, there can be distinct differences between humanitarian assistance and long-term development aid. When Swedish CSOs obtain 100 percent funding for humanitarian assistance initiatives, their interventions are to be directly guided by Swedish government policy. Long-term development aid through the appropriation 'Support through Swedish Civil Society Organizations' (i.e. though the framework agreements) is not subject to this form of direct guidance. Other long-term development support not provided through this appropriation item (but, for instance, as part of a country or regional strategy) should be guided by the relevant strategy.[32]

The government's civil society policy states:

- "Support given within the framework of geographical cooperation strategies and certain non-geographical strategies will be implemented based on the priorities set by the Government in the strategy in question.

- The humanitarian imperative to alleviate suffering applies in humanitarian work. Since support to civil society within this non-geographical strategy is given without any requirement for own investment, Swedish government guidance should also be extensive in this context.

- Development assistance given via Sida's appropriation support through Swedish civil society organisations and governed by an own strategy goes to activities carried out independently by a number of Swedish civil society organisations in accordance with their own thematic and geographical priorities. The development assistance given via this appropriation requires an own investment of funds collected in Sweden, and therefore supplements the organisations' own resources."

The government's humanitarian assistance policy states:

"Sweden will contribute funding to a mix of organisations based on their comparative advantages, especially UN bodies, the International Red Cross/ Red Crescent movement and civil society organisations. To promote coordination and strategic direction, Sweden is also prepared to contribute financially to pooled funds at country level. Such contributions will only be provided to organisations whose work is compatible with this policy and that otherwise conform to internationally accepted norms and standards in the humanitarian field."[33]

Grants versus procurement: Sweden can provide financial support to CSOs either through contributions or through procurement for the implementation of an assignment. The civil society policy states, however, "The procurement process often includes risks, in particular with regard to civil society organisations' ability to maintain or develop their independent position. Support is therefore preferably to be given via well-designed and flexible contribution systems. International agreements for increased aid effectiveness using harmonisation, adaptation to local systems and local ownership are to guide this process. However, procurement is to be preferred where commercial interests are involved."[34]

Other CSO funding: Swedish CSOs occasionally compete for other funding opportunities, including with UN agencies or private companies. While it was expected that CSOs might increasingly have to compete with bodies such as these for funding opportunities, this does not appear to have been as significant as expected. In another funding area, Sida stopped nearly all funding for CSO volunteers about five years ago.

Review of funding modalities: Sida has recently initiated a process of developing "recommendations and guidelines concerning systems and mechanisms of cooperation between Sida and CSOs regarding the support channeled from other appropriations than the appropriation item Support via Swedish Civil Society Organizations."

A review is currently being undertaken with a specific focus on choice of support modalities. The Terms of Reference for the review state it will:

> "…provide a comprehensive overview of Sida support provided to and through civil society organizations, an assessment of the chosen support modalities' fitness for purpose, an identification of trends that affect and/or stem from such support, an analysis of what the support modalities resulted in vis-à-vis the roles of civil society in different contexts, and a recommendation what lessons learned should be applied for continued improvement of Sida's support to and through civil society."[35]

3.3 GOVERNMENT DECISION-MAKING ON CSO FUNDING

Roughly three quarters of all government support is provided to Swedish, international, regional or local CSOs in a manner that requires that their work support Sweden's geographic or thematic policies.[36] See above, 'Development aid versus humanitarian assistance', for further information on when government-funded CSO programmes are required to be consistent with the government's geographic and sector priorities.

3.4 CSO ADVICE TO THE SWEDISH GOVERNMENT

Relationships between government officials and CSO representatives have traditionally been close. Sida has often recruited staff members from CSOs. The close interaction that takes place between Sida and the CSOs around projects and contributions also provides CSOs with opportunities to influence the implementation of aid policy.

With regard to the establishment of government policies and strategies, it is standard procedure to invite CSOs for consultation. Sida undertakes policy dialogue with framework organizations through quarterly meetings and an annual meeting. There is also frequent dialogue through a range of other forums, but the frequency and quality of these dialogues depends on the relationship between the CSOs and the respective politician or Sida or Ministry of Foreign Affairs official. This type of dialogue usually relates to particular focus issues for the government, such as lesbian, gay, bisexual and transgender (LGBT) rights, women's rights, HIV, methodology development and results-based management.

Some CSOs are also very active in the public debate regarding aid policy and undertake occasional studies scrutinizing government policies and implementation. CSOs have traditionally exercised clear influence over government policies. There is, however, a widespread sentiment among CSOs that the government is currently less interested in their views and that there are fewer opportunities for consultation.

4. OVERVIEW OF SWEDISH CSOs' OPERATIONAL RELATIONSHIPS IN DEVELOPING COUNTRIES

4.1 RELATIONSHIPS WITH DEVELOPING-COUNTRY CSOs

While it is common for many, and probably most, of the Swedish framework organizations and other larger CSOs to have offices in the countries where they operate, it is nowadays rare that Swedish organizations are directly involved in implementing activities. As mentioned above, the role of the Swedish CSO would normally be to provide financial and capacity-building support to the host-country CSOs. Framework and other organizations that do have offices are usually involved in follow-up and capacity development. Where expatriate members of staff are involved, they are more likely to be located in regional offices, with local staff employed in country offices.

The support provided is normally in the form of funding for a local CSO's existing project or programme, either as core support or project support. It is also common, however, that the financial support is combined with capacity-building initiatives organized by the Swedish CSO.

Sida's 'Instruction for Grants from the Appropriation Item Support via Swedish Civil Society Organizations' states:

> "The cornerstone of development work that receives grants from the appropriation item is that there are local co-operation partners in developing countries that are contractual partners with a Swedish CSO, or an international CSO with which a Swedish organisation has a contractual relationship. All interventions that receive grants from Sida must be based upon the needs and priorities defined by local co-operation partners."[37]

4.2 RELATIONSHIPS WITH HOST-COUNTRY GOVERNMENTS

Swedish CSO offices in developing countries usually register with the host government. When required, they will also enter into formal Memoranda of Understanding with the government. In general, however, they usually have little direct contact with the government, as they are rarely involved in programme implementation.

The extent to which Swedish CSOs work on advocacy and policy in developing countries with national CSOs varies. Swedish CSOs most commonly take a background role, providing financial support and capacity development support to host-country organizations and coalitions. In exceptional situations, such as when a national CSO is under some kind of threat, the Swedish CSO would typically take a more active advocacy stance.

BIBLIOGRAPHY

CONCORD Sweden, 'Who we are', CONCORD Sweden, Stockholm, 2013.   http://www.concord.se/en/who-we-are/

European Parliament, 'ACP-EU Joint Parliamentary Assembly, Report on Freedom of Assembly in ACP and EU countries', European Parliament, Brussels, November 2007: 18.
http://www.europarl.europa.eu/intcoop/acp/60_14/pdf/association_en.pdf

Forum Syd, 'General Conditions for Sida funds to Swedish NGOs channelled via Forum Syd', Forum Syd, Stockholm, 2013.
http://www.forumsyd.org/PageFiles/1461/Forum%20Syds%20Allm%C3%A4nna%20Villkor%20januari%202013%20engelsk%20%C3%B6vers%C3%A4ttning.%20Reviderad%20slutversion.pdf

Giffin, J. and Judge, R., 'Civil Society Policy and Practice in Donor Agencies, An overview report', INTRAC, Oxford, May 2010.

Government Offices of Sweden, 'Pluralism: Policy for support to civil society in developing countries within Swedish development cooperation', Government Offices of Sweden, Stockholm, 2009.
http://www.sweden.gov.se/content/1/c6/13/13/60/8c589318.pdf

Gunnarsson, M., 'Civil Society Support models', Sida, Stockholm, 2006: 9ff.

Hudson Institute, 'The Index of Global Philanthropy and Remittances 2010', Hudson Institute, Washington, DC, 2010.
http://www.hudson.org/files/pdf_upload/Index_of_Global_Philanthropy_and_Remittances_2010.pdf

Modéer, P. and Alffram, H., 'Svenska Missionsrådet: Alternativa finansieringskällor', December 2010.

MyRight, 'This is MyRight', MyRight, Stockholm, 2013.
http://www.myright.se/english

Norad, 'Support Models for CSOs and Country Levels, Synthesis Report', Norad Report 1/2008, Norad, Oslo, 2008.

OECD, 'How DAC members work with civil society organizations: An overview 2011', Organisation for Economic Co-operation and Development, Paris, 2011.

Ojala, O., 'The CSO Legislation in the Countries in the Baltic Sea Region', *BaltInfo*, No. 62, February 2004.

Olaf Palme International Center, 'About the Palme Center', Olaf Palme International Center, Stockholm, 2013.
http://www.palmecenter.se/en/About-us/

Onsander, S., 'Swedish Cooperation Development through Swedish and Local CSOs', *Perspectives*, 2007, No. 7, March: 26.
http://www.science.gu.se/digitalAssets/845/845132_perspectives7.pdf

Open Forum for CSO Development Effectiveness, 'Report from the National Swedish Consultation 17–18 November 2010', Open Forum for CSO Development Effectiveness, Brussels, 2010: 14.

Regeringskansliet, 'Saving lives and alleviating suffering: Policy for Sweden's Humanitarian Assistance 2010–2016', Department for Development Policy and the Ministry for Foreign Affairs Information Service and Blomquist, Stockholm, 2011: 29.
http://www.sweden.gov.se/content/1/c6/17/29/10/d4bb1993.pdf

Sida, 'Bedömningspromemoria, Bedömningavseende Plan Sverigesframställanavseendebudgetår 2006 och 2007', Sida, Stockholm, 25 October 2006.

Sida, 'Sida's Instruction for Grants from the Appropriation Item Support via Swedish Civil Society Organizations', Sida, Stockholm, March 2010: 9.

Sida, 'Civil society receives 1.5 billion for its work with poverty reduction and democracy', Sida, Stockholm, 2011.
http://www.sida.se/English/Partners/Civil-Society-/Funding-support-to-civil-society-organisations--/Civil-society-receives-15-billion-for-its-work-with-poverty-reduction-and-democracy-/

Sida, 'Sidas årsredovisning 2011', Sida, Stockholm, 2012a: 43.
http://www.sida.se/Publications/Import/pdf/sv/Sidas-229rsredovisning-2011_3252.pdf

Sida, 'Terms of Reference – Call Off for a Review of Civil Society Support Modalities at Sida Headquarters and Swedish Embassies', Sida, Stockholm, 2012b.

Sida, 'Civil Society – Framework organisations', Sida, Stockholm, 2013.
http://www.sida.se/English/Partners/Civil-Society-/Funding-support-to-civil-society-organisations--/Framework-organizations-/

Svensk Insamlingskontroll, 'About us', Svensk Insamlingskontroll, Stockholm, 2013.
http://www.insamlingskontroll.se/en/pages/about-us

Swedish Mission Council, 'About Swedish Mission Council', Swedish Mission Council, Bromma, 2013.
http://www.missioncouncil.se/om-smr/?lang=en

ENDNOTES

1 Onsander, 2007: 26.

2 Forum Syd, LO-TCO Secretariat of International Trade Union Development Co-operation, Olof Palme International Center, PMU InterLife, MyRight, Swedish Mission Council, Africa Groups of Sweden, Diakonia, Swedish Cooperative Centre, Swedish Society for Nature Conservation, Save the Children, Church of Sweden, Plan Sweden, RFSU and WWF. See Sida, 2011.

3 The sub-granting organizations are Forum Syd, LO-TCO Secretariat of International Trade Union Development Co-operation, MyRight (an umbrella organization within the disability movement), Swedish Mission Council and Olof Palme International Center.

4 For a more detailed description of the role and nature of framework organizations, see Sida, 2010: 9.

5 Sida, 2012a: 43.

6 Hudson Institute, 2010.

7 Modéer and Alffram, 2010.

8 http://www.postkodlotteriet.se/Hem.htm

9 Forum Syd, 2013.

10 In terms of its own funding, Forum Syd itself does not raise the 10 percent match required to gain funding through Sida's civil society unit. Funding for its limited number of direct interventions are 100 percent funded by Sida through money connected to the geographic strategies.

11 Swedish Mission Council, 2013.

12 Olaf Palme International Center, 2013.

13 MyRight, 2013.

14 CONCORD Sweden, 2013.

15 Svensk Insamlingskontroll, 2013.

16 www.fairtrade.se

17 Regeringskansliet, 2011: 29.

18 Sida, 2013.

19 See also Open Forum for CSO Development Effectiveness, 2010.

20 Open Forum for CSO Development Effectiveness, 2010: 14.

21 See, for instance, Sida, 2006.

22 European Parliament, 2007: 18.

23 See also OECD, 2011.

24 Giffen and Judge, 2010: Annex 2.

25 Government Offices of Sweden, 2009: 22f.

26 Norad, 2008: 26.

27 Norad, 2008: 30.

28 Sida, 2010.

29 Further information on Sida's framework agreements can be found on the Sida webpage at www.sida.se.

30 See Gunnarsson, 2006: 9ff.

31 Giffen and Judge, 2010: Annex 1b.

32 Government Offices of Sweden, 2009: 24.

33 Regeringskansliet, 2011.

34 Government Offices of Sweden, 2009: 23f.

35 Sida, 2012b.

36 Giffen and Judge, 2010: Annex 2.

37 Sida, 2010.

TURKEY CASE STUDY:
THE ROLE OF CIVIL SOCIETY IN SOUTH−SOUTH DEVELOPMENT COOPERATION[1]

BRIAN TOMLINSON

1. AN INTRODUCTION TO TURKEY'S DEVELOPMENT ASSISTANCE

Over the past decade the Government of Turkey has significantly increased its international assistance, alongside an expanding geopolitical role in the world. According to statistics collected by the Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee (DAC) Turkey's Official Development Assistance (ODA) in 2012 reached US$2.5 billion, up from US$600 million in 2005, a four-fold expansion in a mere seven years. The government has committed to reach US$5 billion by 2015 and US$10 billion by 2020.[2] While remaining a non-DAC donor, achieving the 2015 target would rank Turkey the ninth largest donor among the DAC donors, just behind Canada, and the 2020 target would bring this ranking up to sixth position.

As its aid resources grew, Turkey developed a global outlook for its aid policies and programmes. Since the early 1990s, Turkey's foreign policy has initiated multiple regional connections and extended its interests, starting with the Balkans, Caucasus and the Middle East. A major expansion into Africa can be traced back to a visit by the Prime Minister, Recep Tayyip Erdoğan, to Ethiopia and South Africa in 2005. Turkey now has observer status at the African Union and has opened 15 new embassies across the continent. Turkey's programmes have also been growing in Central Asia, with significant attention to Afghanistan.

The Turkish International Cooperation and Development Agency (TIKA) now has a total of 33 coordination offices in the Balkans, Middle East, Africa and South and Central Asia, and has development cooperation programmes or projects in over 100 countries.

In 2010, Turkey's development assistance projects were distributed along the following geographic lines: 36 percent of all its projects were in Central Asia and the Caucasus, 33 percent in Europe, 23 percent in the Middle East and 9 percent in African countries.[3] The large increase in ODA from US$1.3 billion in 2011 to US$2.5 billion in 2012 reflects Turkey's humanitarian response to the urgent needs of Syrian refugees, many of them living temporarily in its border regions. The top 10 counties supported in 2011 were: Somalia, Pakistan, Afghanistan, Kyrgyz Republic, Kazakhstan, Syria, Libya, Iraq, Azerbaijan and Palestine.

Working directly under the Office of the Prime Minister, TIKA implements Turkey's development cooperation policy and coordinates its assistance programmes on the ground. TIKA was established in 1992, focusing primarily at that time on the Balkans and the Caucasus, but today it manages Turkey's global aid reach through 35 in-country programming offices (2012).

Turkey's development cooperation remains highly decentralized, with multiple government agencies and ministries involved. In 2011 TIKA directly allocated and managed only US$150 million out of an ODA budget of US$1.2 billion. Other government bodies involved include the Disaster and Emergency Situation Management Agency, the Housing Development Administration, the Turkish Armed Forces General Staff, the Turkish Sugar Factories, the Turkish National Policy Directorate, the Undersecretary of the Treasury, and the Ministry of Education. The Disaster and Emergency Situation Management Agency implements the largest share of Turkey's ODA. It is mandated not only

to allocate government funds but also to collect money from the Turkish public through campaigns.[4]

Turkey's ODA is organized around several operational principles:

- supporting sustainable social and economic development in partner countries;
- addressing global issues, including alignment with the Millennium Development Goals (MDGs);
- contributing to governance structures compatible with poverty reduction, human security, equality and participatory development;
- aligning with the development priorities of partner countries;
- cooperating and coordinating with the donor community for synergies; and
- adhering to common principles of aid effectiveness.[5]

Sector priorities include education and health, social infrastructure, water and sanitation, emergency humanitarian assistance, and administrative and civil infrastructure.

As described in more detail below, TIKA is currently coordinating a process to update its development cooperation policies to guide future programming. This process has included several workshops in early 2013 with both the private sector and with selected civil society organizations (CSOs) that partner with TIKA.

ODA has become an integral part of Turkey's proactive foreign policy. ODA allocations are also strategically aligned with Turkey's broader economic and political interests.

Expansion into Africa, for example, has been accompanied by a significant increase in Turkish trade and investment with both North and sub-Saharan Africa since the early 2000s. As a global actor, Turkey was successful in reaching out to African countries for support for its successful bid to fill a non-permanent position on the UN Security Council. Turkey is cautious in its use of its 'soft power' resulting from these relationships. In its policies towards Darfur, for example, while not ignoring the humanitarian dimensions of the crisis, Turkey's policy in the Sudan is one of "passive, quiet diplomacy and constructive engagement, supported by its developing economic and political ties with the Sudan."[6] On the other hand, observers have acknowledged that Turkey has played an important diplomatic and mediating role through its presence in Somalia, where many other donors have failed over two decades. Turkey's role in Somalia is based on historical connections, as well as shared Islamic values and a lack of local proxies.[7]

The government has also reached out to collaborate with select Turkish CSOs in implementing its ODA programmes. Situating the move into Africa, it has been suggested, "Turkey's Africa policy is an arena in which, probably for the first time, the interests of CSOs, business sectors, and the state have largely converged."[8]

2. TURKISH CSOs AND DEVELOPMENT COOPERATION

Turkey has had a vibrant, diverse and active civil society working in many areas of social development. The Third Sector Foundation of Turkey (TUSEV) reports that more than 93,000 associations are currently registered in Turkey, alongside 4600 active foundations.[9] A growth in the numbers and strength of CSOs has been the consequence of a series of reforms in 2003 that included a new Associations Law in 2004 governing civil society.

Turkey has a long history of private aid and philanthropic charities, including many rights-based NGOs, professional associations, community-based associations and faith-based organizations, which form a highly diverse civil society. CSOs date back to the Ottoman era, while the definition, role, responsibilities, values, structures and impact of civil society in Turkish society have been going through constant change. The space for civil society participation and its role has been shrinking and expanding over many years. Currently, the importance of the civil society is increasing for the society, the governance institutions and the private sector alike, and the legal environment regulating civil society is changing.

The relationship between governments and CSOs is a critical issue affecting the development of civil society. The new Association Law in Turkey had a positive impact in improving the relationship between the Government of Turkey and CSOs there. However, concerns exist regarding a gap between the law protecting the rights of civil society and an equal and even-handed implementation of this law. Many CSOs consider excessive control and interference by the government as creating a fear of sanctions, affecting their activities. TUSEV, in an annual 'Civil Society Monitoring Report', points out that the absence of an explicit definition of 'CSO' in the Turkish legislation "causes major problems and confusions in practice."[10]

Turkey's civil society sector is facing other limitations beyond the legal environment. CSOs face challenges in coordination, governance and technical knowledge in some areas, especially poverty reduction and advocacy skills. Many have insufficient resources to effectively carry out their mandate.

On the other hand, there have been attempts by civil society to increase coordination and collaboration between CSOs. Networks and platforms established by women's organizations, human rights organizations and environmental organizations are testimony to these efforts.

There has also been some communication and common action among organizations focusing on humanitarian aid, motivated by a shared agenda. However, communication and collaboration between and within civil society sectors and subsectors, and across type of organizations (rights-based, faith-based, geographic-focused, humanitarian, development etc.) remains an important issue and challenge. Platforms that unite CSOs around common agendas and issues are common in many aid-providing and aid-recipient countries. But in Turkey, the space for developing large civil society networks and/or umbrella organizations is still to be filled. Nevertheless, there is some interest in exploring the possibilities of a common platform, at least among some Turkish CSOs, as well as further developing contacts with their international counterparts. Success will depend on building capacities within civil society for dialogue, emphasizing values such as trust, tolerance, democratic governance, investing in collaboration and coordination. Creating opportunities for exchange of information, addressing common challenges and increasing interaction within the sector may identify common ground among organizations with different mandates.[11]

Transparency is a key element for making progress in CSO relations and with the government. At this stage, there is little publicly available information on how the Turkish government regulates non-state actors and holds them accountable for their actions, particularly with respect to CSO financial audits and official reports on activities.[12]

Despite these limitations, the International Center for Not-for-Profit Law (ICNL) reports that conditions for civil society in Turkey have improved overall in the past decade. CSOs are no longer required to have prior authorization to receive foreign funding, partnerships or activities (although this funding must be reported when it is received). Associations have the right to form coalitions and platforms to purse common objectives. CSOs no longer have to inform and invite a

government official to their annual general assemblies. CSOs are allowed to open representative offices in other countries, an essential enabling ingredient for them to initiate development cooperation.[13]

Turkish CSOs have been involved in international development cooperation at least since the early 1990s in parallel with the Turkish government assistance for Bosnia and Chechnya, working with victims of war.[14] An estimate from 2007 puts the level of **private** donations for Turkish development cooperation at US$980 million (against US$714 million in ODA for that year).[15] There are no recent estimates of private donations for development cooperation, but it is likely that these donations, particularly through faith-based organizations, have been sustained at least at these levels.[16]

International civil society solidarity has been primarily through large Turkish organizations such as IHH or the Humanitarian Relief Foundation, one of the largest Turkish humanitarian organizations, and the Deniz Feneri Association. Other examples of organizations involved in development cooperation include Doctors Worldwide, the Red Crescent, Yardimeli and Kimse Yok Mu (KYM).

In 2009 TIKA created a dedicated unit to manage its partnerships with Turkish CSOs.[17] It provides specialized support where needed but has limited financial and human resources to offer these partnerships. It must also work within the legal constraints of laws governing procurement as well as political imperatives. While many DAC development agencies (DFID, AusAID, Sida etc.) partner with a range of CSOs irrespective of the party in power, TIKA tends to relate almost exclusively to organizations close to the government.

Such an approach limits TIKA's ability to tap into the expertise, experience and energy that the broader civil society sector in Turkey can offer. Within partner countries, it reduces its ability to capture and engage with the full dynamics of civil society.

A key lesson for sustainable development interventions by external actors points to the importance of engaging with various sectors to understand the diverse needs and interests in a society, thereby contributing to social cohesion and equity. For example, Turkish rights-based CSOs could have much to offer in terms of programmes focusing on social protection, social equity, health and education in countries where TIKA is active, but these CSOs, with a few exceptions, either do not have sufficient resources or the inclination for major initiatives in development cooperation.[18]

Notwithstanding some of the challenges, similar to other middle-income aid-providing countries, Turkish CSOs have extensive development expertise in areas such as children's education, women's literacy, domestic elimination of violence against women, agriculture and relief, rescue and reconstruction that could be more systematically and widely channelled towards Turkey's aid programmes abroad.

Turkish CSOs have been particularly active in the extension of aid programmes in Somalia. IHH has been working with a local partner in Somalia for more than 15 years and recently increased its activities alongside Turkish government agencies.[19] In addition to emergency assistance, IHH is constructing a large orphanage complex at a cost of US$2.5 million. KYM has also been involved in substantial emergency aid, medical services and provision of tents.[20] The Turkish government took an active role in mediation, convening an intergovernmental Istanbul II International Conference on Somalia in June 2012. Significantly, the government also convened a gathering of Somali civil society a few days earlier in an effort to empower civil society in the peace process. Somali leaders praised Turkey's approach, in contrast to other donors, with Turkey's presence on the ground and its approach to humanitarian assistance delinked from issues of policy reform.[21]

This is an excellent example of cooperation between civil society and government. It is evident that there is interest and much potential among some Turkish CSOs in extending their work into development cooperation. TIKA, as coordinator and facilitator for Turkey's international assistance, has an important role in facilitating this international collaboration on the part of Turkish CSOs. If TIKA were to adopt a more inclusive strategic approach to the CSO community, it might better take advantage of the considerable experience and knowledge of a broad range of CSOs that could collaborate. [22]

3. CSO ENGAGEMENT WITH TIKA

As part of the reforms initiated in 2003, the government has acknowledged the importance of dialogue with civil society. But according to annual reviews by TUSEV, "this dialogue and cooperation is still in a nascent stage and the results of this process are yet to be observed." While consultation with civil society "remains the exception rather than the rule," [23] there have been some recent important exceptions. In 2012 the government's Constitution Conciliation Committee organized public consultations with a broad range of stakeholders including CSOs. There has also been some civil society dialogue on a new Domestic Violence Act and related regulations with both the Turkish National Assembly and the Ministry of Family and Social Policy.[24] But women's CSOs were also disappointed that the government had not included specific measures which were proposed during CSO workshops with the Ministry, in the Domestic Violence Act submitted to Parliament in March 2012.[25]

Overall, therefore, Turkish CSOs argue that "Turkey still lacks concrete policies, legal framework or institutional structures to foster dialogue, collaboration and cooperation with civil society organizations."[26] Since June 2012, TUSEV, the Civil Society Development Center and the YADA Foundation have been implementing a project, co-financed by the Turkish

government and the European Union, to strengthen civil society and dialogue between civil society and the public sector. This project will include a Code of Conduct, proposed by TUSEV, to create norms for civil society and dialogue with the public sector.[27] According to Turkish CSOs, government commitment to significantly improve its transparency will be an important precondition for effective dialogue.

In December 2012 an interministerial committee was created to prepare Turkey's development cooperation strategy, with TIKA serving as the secretariat. The strategy is intended to direct a significant expansion of resources for Turkey's development cooperation. Part of this committee's work will be to include a longer-term strategic approach to engage Turkish CSOs.

As part of the committee's preparatory process a series of workshops were held in April 2013 with the private sector and with civil society. The workshop was held with selected Turkish CSOs that had partnership relationships with TIKA. It was intended to help clarify expectations of both Turkish CSOs and the government, identify key challenges and ways to establish more effective partnerships, and contribute to the longer-term strategy.[28]

In the CSO workshop the government (TIKA) clarified its basic strategy of coordination. These efforts will create maximum synergies for Turkey's decentralized aid efforts with many government, private-sector and civil society bodies. With respect to civil society, TIKA said it currently works with approximately 70 CSOs in 40 countries.[29] It also acknowledged the importance for CSOs to retain their autonomy as development actors with their own programming priorities, while partnering with the government. Collaboration with CSOs will be seen within a holistic approach to development. This approach will strengthen Turkey's humanitarian efforts and deepen engagement with society as well as partner governments for sustainable development outcomes.

TIKA is looking for greater coordination with CSOs to move from an approach of short-term technical assistance to a longer-term orientation that sustainably strengthens local capacities. TIKA and government officials understand and respect the need for independent CSO space and the diversity of CSO contributions to development, but it seems that TIKA's development strategy would benefit from greater inclusiveness of other CSOs that are not currently included in this dialogue as TIKA partners.

CSO participants in the workshop, and in interviews, identified a number of challenges and opportunities for CSOs in deepening this strategic approach:[30]

- **Improved coordination** among the various government ministries involved in Turkey's development cooperation with other development actors was identified. TIKA could play an enhanced role in bringing the various development actors together on a regular basis. Parallel to this coordination, a CSO coordination mechanism to enable an advisory role for CSOs with TIKA and more effective CSO-government relations could be initiated by Turkey's CSO community.

- **Differentiation of CSOs in terms of capacities:** An enhanced TIKA strategy for engaging CSOs might differentiate between the areas of expertise, knowledge and experience each CSO can bring, as well as the different needs of smaller CSOs and the largest organizations and foundations. The former may benefit from enhanced training in project preparation and implementation. On the other hand, TIKA might consider new models for cooperation, recognizing the limitations of short-term project modalities in relation to achieving the sustainability of outcomes at the local level.

- **Accreditation:** The issue of accreditation was raised. Should accreditation be at the organizational level or in terms of individual projects? More discussion of the complexities of this issue is needed.

- **Improved transparency:** A number of CSOs outside this workshop raised the importance of greater overall transparency for Turkish development assistance and TIKA's relationships with CSOs.[31] The need for improved engagement and accountability practices with a wider range of Turkish CSOs beyond the current TIKA partners was stressed.

- **Coordinating country information:** Improved knowledge of the partner-country context was seen as an important asset for CSOs. TIKA had a role to play in bringing together country information, particularly for CSOs new to these countries. TIKA might also play a role at the country level, identifying and synthesizing country needs. With wider access to this information, a diverse range of Turkish CSOs might have the capacities to respond.

- **Facilitating good practice:** TIKA could consider creating a database of examples of best practices from the experience of CSOs, not only in development cooperation but also within Turkey itself. The importance of linking social, cultural and religious understanding with science, technology and technical expertise was highlighted in the workshop as a particularly valuable contribution. TIKA might also consider developing a database at the country level where various Turkish stakeholders are involved to enable better country coordination.

- **Logistical support:** TIKA could enable CSO operations through different levels of logistical support, from training, to facilitating visa requirements, to accreditation in certain countries. CSOs suggested that TIKA coordinate a database of Turkish expertise

in various fields, particularly in the health sector and education, which CSOs could access for short-term volunteer needs. Greater clarity is also needed on national standards and legal regulations concerning volunteers, defining duties of employers and rights of volunteers.

The occasion of a new development cooperation strategy provides a unique opportunity to draw on the knowledge of Turkish CSOs, as do the lessons from other donors in strengthening cooperation with CSOs. There is already a solid foundation for engaging and cooperating with CSOs and supporting the development of civil society in Turkey's international assistance programmes.

BIBLIOGRAPHY

Aynte, A., 'Turkey's Role in Somalia: A New Ally?', CESRAN International, 10 April 2012.
http://cesran.org/index.php?option=com_content&view=article&id=1418%3Aturkeys-role-in-somalia-a-new-ally&catid=216%3Aanalyses-on-turkey-and-neighbourhood&Itemid=336&lang=en

Bikmen, F., 'New Opportunities for Cooperation in Designing and Delivering International Aid', *On Turkey Series*, The German Marshall Fund, Washington, DC, 6 February 2013.
http://www.gmfus.org/archives/new-opportunities-for-cooperation-in-designing-and-delivering-international-aid/

CPM, MESA and CRPE, 'Mapping of East-East and triangular cooperation initiatives in Europe and CIS: key players, issues, modalities, Part 1: Sharing knowledge and transition experience for development: mapping of selected new European donors', study commissioned by UNDP, New York, December 2012.

Daloglu, T., 'Turkey Foreign-Aid Priority is Central Asia', *Al Monitor Turkey Pulse*, 29 May 2013.
http://www.al-monitor.com/pulse/originals/2013/05/turkey-foreign-aid-central-asia.html

ICNL, 'NGO Law Monitor: Turkey', International Center for Not-for-Profit Law, Washington, DC, last updated February 2013.
http://www.icnl.org/research/monitor/turkey.html

International Crisis Group, 'Assessing Turkey's Role in Somalia', *Policy Briefing*, No. 92, International Crisis Group, Brussels, 2102.
http://www.crisisgroup.org/en/regions/africa/horn-of-africa/somalia/b092-assessing-turkeys-role-in-somalia.aspx

Kaya, D., 'Opinion Piece: Implementation Paths and Challenges for CSOs in Turkey', Open Forum for CSO Development Effectiveness, Brussels, 25 October 2012.
http://cso-effectiveness.org/opinion-piece-paths-and-challenges,705

Morvaridi, B., 'The Politics of Philanthropy and Welfare Governance: the Case of Turkey', *European Journal of Development Research*, 2013, Vol. 25, No. 2.

Özkan, M., 'Turkey's Rising Role in Africa', *Turkish Policy Quarterly*, 2010, Vol. 9, No. 4, Winter.
http://www.turkishpolicy.com/article/559/turkeys-rising-role-in-africa/

Özkan, M. and Akugn, B., 'Turkey's Opening to Africa', *Journal of Modern African Studies*, 2010, Vol. 48, Issue 4.

TUSEV, 'Civil Society Monitoring Report 2011, Executive Summary of the Findings and Recommendations', TUSEV, Istanbul, September 2011.
http://www.valuenetwork.org.uk/Documents%20for%20Website/Bibliog%20docs/TUSEV%20Monitoring%20Report%202011-Executive%20Summary.pdf

TUSEV, 'State Civil Society Relations [in Turkey]', in CIVICUS, *2013 State of Civil Society Report*, CIVICUS, Johannesburg, 2013.
http://socs.civicus.org/?p=3552

INTERVIEWS

Meryem Aslan, Senior Advisor, Oxfam-Novib (Turkey), 22 April 2013

Derya Kaya, Women for Women's Human Rights, Turkey, 22 April 2013

ENDNOTES

1   In developing this case study, the author appreciated the opportunity to participate in a workshop sponsored by UNDP-Turkey and TIKA in April 2013, focusing on the role of civil society as a partner in TIKA's development cooperation programmes. He also benefited from several in-depth interviews and comments from several CSO informants in Turkey. The views expressed in this case study are those of the author alone and do not necessarily reflect the agreed outcomes of this workshop.

2   Bikmen, 2013: 1.

3   Daloglu, 2013. According to a mapping study prepared for UNDP, Turkey has a good and wide cooperation with international multilateral donors: ECO (fund for Reconstruction for Afghanistan); FAO (Central Asia Regional Office); IsDB (capacity development); UNDP Istanbul International Center for Private Sector in Development, Ankara; Partnership for Democratic Governance, UNDP: Staff support, ongoing programmes; UNIDO (food safety); Black Sea Trade & Dev. Bank (CPM et al., 2012: 66).

4   CPM et al., 2012: 61, 64.

5   CPM et al., 2012: 63.

6   Özkan, 2010: 100.

7   Aynte, 2012.

8   Özkan and Akugn, 2010: 526.

9   TUSEV, 2013.

10   TUSEV, 2011: 4.

11   Based on an interview by the author with the Senior Advisor of Oxfam-Novib in Istanbul, April 2013.

12   Morvaridi, 2013: 316.

13   ICNL, 2013.

14   Özkan and Akugn, 2010: 540–41.

15   Özkan and Akugn, 2010: 537.

16   The author observed that several Turkish CSOs in the April 2013 consultation with TIKA were explicit in their presentations that they were not seeking additional state resources for their programmes. They sought to strengthen ties with TIKA in other areas (see below).

17   TIKA official in UNDP–TIKA workshop with CSOs, 26 April 2013; author's notes.

18 One example of an exception is Turkish women's rights organizations, which have been collaborating with global networks such as the Association of Women's Rights in Development (AWID). Information provided by interview informants.

19 Its activities seem typical of both Turkish government agencies and other CSOs: "In addition to famine relief, IHH has provided free cataract eye surgery for about 10,000 people, rehabilitated fourteen mosques, drilled 370 water wells, distributed free Qurans, relocated 1500 Internally Displaced People and sponsored 3100 orphans. IHH, in partnership with the Qatari Red Crescent, also sent 10,000 tons of emergency aid and it planned to open in Mogadishu a primary, intermediate and secondary school for 1500 students in July 2012" (International Crisis Group, 2012: 4).

20 International Crisis Group, 2012: 4.

21 International Crisis Group, 2012: 6.

22 Based on interviews for this study.

23 TUSEV, 2013: 5.

24 TUSEV, 2013: 2, 3.

25 Based on interviews for this study.

26 TUSEV, 2013: 2.

27 TUSEV, 2013: 4–5.

28 This section is based on the unpublished concept note for the workshop: South-South Cooperation Project (UNDP), 'Concept Note: NGO Workshop for ODA Strategy, How can civil society be involved in development cooperation?', 26 April 2013. Approximately 30 Turkish CSOs and the author participated in the workshop, and the following paragraphs are based on the author's notes.

29 The TIKA official stated that there were more than 100 Turkish CSOs and foundations focusing on development cooperation and humanitarian assistance abroad.

30 The following ideas were among a large number of positive suggestions to improve partnerships between CSOs and the government made by CSOs in the workshop. TIKA welcomed these suggestions as advice to take into consideration with the interministerial committee but at this stage made no further commitments to implement.

31 Kaya, 2012.

UNITED STATES OF AMERICA CASE STUDY:
US CSOs AND RELATIONSHIPS WITH THE US GOVERNMENT IN DEVELOPMENT COOPERATION

CAROLYN M. LONG

1. AN OVERVIEW OF THE CSO ENVIRONMENT IN THE USA

1.1 NUMBERS AND TYPES OF CSOs

The term normally used to refer to a US civil society organization (CSO) or non-governmental organization (NGO) involved in international development or humanitarian assistance is Private Voluntary Organization (PVO). This paper will use the term 'CSO' except when describing PVO registration with the United States Agency for International Development (USAID). The definition of a PVO, according to USAID, is "a tax-exempt, nonprofit organization that solicits and receives cash contributions from the general public and conducts or anticipates conducting international program activities that are consistent with U. S. Foreign Policy objectives". The term 'PVO' is important because USAID, on its website, currently includes for-profit organizations within the definition of 'NGO'. The full USAID list of CSOs includes: US, local (indigenous) and international PVOs; cooperatives; US, local (indigenous) and international not-for-profit organizations; US, local (indigenous) and international for-profit organizations; private and public foundations; and private educational institutions.

US PVOs register with USAID so that they can be eligible to compete for certain types of funding, such

as development and humanitarian assistance grants and cooperative agreements. Through registration, USAID is able to:

● identify PVOs that engage in, or intend to engage in, voluntary foreign aid operations;

● determine whether PVOs meet certain general operating guidelines and accountability standards; and

● approve registration of those PVOs eligible to apply for USAID assistance.[1]

As of 1 April 2012, organizations registered with USAID included 579 US PVOs, 95 international PVOs (from countries other than the USA) and six US cooperative development organizations (CDOs) that work expressly with US cooperatives and cooperative development organizations.[2] The US PVOs range in size from tiny organizations such as Agape Samaritan International — with total revenue of slightly over $28,000 and expenses of $12,924 — to World Vision, with total revenue and expenses of over $1 billion.[3] PVOs registered with USAID work in all sectors of development including education, health, agriculture, democracy and governance activities, economic development, women's empowerment, civil society strengthening and the environment. They include organizations that work in only one sector or country, some in only one region, and others that work in many or all sectors all over the world. PVOs include secular organizations and faith-based organizations (FBOs) of all sizes and religious orientation. FBOs comprise 22 percent of the members of InterAction, the national platform of US CSOs working in international development and humanitarian assistance (see below for more information on InterAction, and Annex 1 for more information on InterAction membership).

Although FBOs may proselytize, they are not allowed to use US government funds for such purposes. The choice of where they work may be influenced by their desire to proselytize.

US CSOs have several sources of funds. These include donations from private US citizens, US government agencies, foundations and corporations. According to USAID, "During fiscal year 2010, US PVOs registered with USAID received $20.9 billion in support from non-US government and private sources, over six times the $3.3 billion that USAID channeled to USAID-registered PVOs. Other U. S. Government agencies and international organizations provided an additional $3.5 billion, bringing the total private and public support and revenue for registered US PVOs to $27.8 billion."[4]

In addition to grants, cooperative agreements and contracts for development and humanitarian assistance projects and programmes, USAID provides US PVOs with Public Law (P.L.) 480 Donated Food Aid, P.L. 480 Freight assistance for shipping the food, and Sec. 123 Ocean Freight assistance. While USAID is the largest government funder of US PVOs, a total of 22 US government agencies now provide funding for development and/or humanitarian assistance. Among the other US government agencies that provide the most funding to US PVOs are the Department of State, the Department of Health and Human Services, and the Department of Labor.

The amount of US government funding as a proportion of PVO budgets varies widely. The largest US CSOs, especially those that are part of international CSO confederations (including CARE, Save the Children, World Vision, Oxfam) raise significant amounts of money from private individuals and also raise

money from other governments, foundations and corporations. While they receive large amounts of money from the US government, the total funding from other sources is often equal to the total or higher. For example, World Vision's total annual budget for fiscal year 2011 was slightly over $1 billion. Of that budget, money raised from private contributions, other private sources and in-kind contributions amounted to over $891 million, whereas funding from US government sources was approximately $164 million. Save the Children's annual budget in fiscal year 2011 was slightly under $560 million. Approximately $300 million of that came from individual contributions, other private sources and in-kind contributions, whereas US government funding equalled approximately $250 million.

At the other end of the spectrum, there are very large US CSOs that rely heavily on US government funds. For example, International Relief and Development (IRD) had a total FY 2011 budget of just over $720 million. US government funding amounted to approximately $582 million of that total, whereas private funds were approximately $15 million, with somewhat over $120 million in in-kind contributions. Management Sciences for Health had a total FY 2011 budget of approximately $268 million. Of that, $217 million came from US government sources and only $51 million from private sources.

Among medium-sized and smaller US CSOs, the range of US government funding versus other sources varies widely. Figures for each US PVO that is registered with USAID can be found in the Report of Voluntary Agencies.[5]

InterAction is the national platform of US CSOs working in international development and humanitarian

assistance and has 195 members.[6] In 2009, members of InterAction raised $8.3 billion from private sources of funding.[7] In 2006, an internal InterAction survey identified 800 corporate partners that either funded development efforts of members or were partners in joint endeavours.[8]

The vast majority of InterAction's members carry out development programmes in developing countries.[9] They work in one or more of the sectors mentioned above. Some US CSOs provide assistance to refugees, either to internally displaced people, those in countries of first asylum or for resettlement in the USA. A few undertake only public and media education and advocacy in the USA, such as Bread for the World and the One Campaign.[10] A small number work in the areas of democracy and governance. The International Center for Not-for-Profit Law (ICNL), for example, works to promote an enabling environment for CSOs in countries around the world.[11] The International Foundation for Electoral Systems provides "technical assistance and field-based research to the electoral cycle worldwide to enhance citizen participation and to strengthen civil society governance and transparency."[12]

Approximately 70 — or slightly more than one third of InterAction's members — carry out humanitarian assistance. The vast majority of these organizations do both humanitarian and development work. Very few organizations provide only humanitarian assistance. Of the 70 that carry out humanitarian assistance, only 10–20 of them have significant capacity in this area. These include well-known CSOs such as CARE, Oxfam America, Red Cross, Save the Children and World Vision, which are members of international confederations or affiliations.

1.2 MODALITIES OF CSO INVOLVEMENT IN DEVELOPMENT AND HUMANITARIAN ASSISTANCE

Development programmes: For CSOs that work in development activities in developing countries, the majority carry out service delivery either directly or through local CSO partners. Many provide varying degrees of capacity strengthening assistance to either personnel of their field offices or partner local CSOs. Some also carry out advocacy to national governments in sectoral areas such as health or education. Many well-established US CSOs are members of international CSO confederations such as CARE, Oxfam, Plan International and World Vision.[13] Most of these CSOs work through field offices in developing countries. In some instances, these field offices have become national CSOs registered with their governments and with Boards of Directors chosen in the particular country. However, they are not exactly independent local CSOs but belong to the international family of the particular organization. Other CSOs work with independent local CSOs in partnerships. However, the term 'partnership' can mean different things. As just described, some US CSOs, such as CARE or World Vision, work with indigenized CARE or World Vision organizations in developing countries that are referred to as partners. In many instances, other US CSOs work through sub-grants or subcontracts with local CSOs and call these partnerships. A few US CSOs such as Lutheran World Relief[14] and Oxfam America work with independent local CSOs in arrangements where power and decision-making authority are shared, and where the local CSO receives grants from the US CSO. With USAID now channelling more funding directly to local CSOs, we may see local CSOs sub-granting or subcontracting activities to US CSOs.

Humanitarian assistance: For CSOs that work in the humanitarian field, the vast majority provide service delivery assistance directly in developing countries. Where these CSOs talk of partnership, in almost all cases, what is meant is that the US CSO in the particular country has become indigenized but remains a part of the US CSO and is not an independent organization (as described above for development CSOs). Only one US organization, Oxfam America, has made efforts to create real partnerships with independent local organizations. However, in large emergencies, Oxfam America usually enters a country through Oxfam International. Oxfam Great Britain, for example, functions very traditionally in providing assistance: it works directly in the country and not through pre-existing independent local organizations.

When operating with US government funds, the US CSO is obliged to pass on to local CSO partners all the administrative and reporting requirements that the US CSO, itself, has been given through the governmental funding arrangement.

In certain circumstances, US CSOs work in consortia with other CSOs and sometimes with consulting firms and universities. This is especially true in projects funded through the President's Emergency Program for AIDS Relief (PEPFAR), which has provided very significant quantities of money to both CSOs and consulting firms over the past several years.

1.3 CSO COLLABORATION IN THE USA

There are several networks through which US CSOs share information, collaborate, coordinate and advocate to government agencies in support of development and humanitarian assistance goals and issues. The main networks involved in advocacy

are InterAction, the Modernizing Foreign Assistance Network (MFAN), and the US Global Leadership Campaign (USGLC). Other sector-based coalitions (such as the Basic Education Coalition) work to advocate for more funding and good policies for the particular sector. The CORE Group works to promote more effective action on preventable deaths of mothers and children. InsideNGO works to improve the management and operational performance of CSO staff and occasionally advocates to government in regard to proposed regulations.

InterAction is the 28-year-old US CSO platform comprising 195 members that work in any or all of the following: development and/or humanitarian assistance, democracy and governance activities, public and media education, and advocacy. InterAction provides a variety of services to its members, works with them to improve their operational practice, carries out advocacy with them to the US government and international organizations (UN agencies, World Bank) and participates in global CSO advocacy through avenues such as BetterAid and Open Forum. For example, in the run-up to the Busan 4th High Level Forum on Aid Effectiveness, InterAction and about 15 of its members carried out policy dialogue on a number of key issues with the US government through a series of round tables. However, in recent years, regular policy dialogue between US CSOs and US government agencies, especially USAID (the lead US government agency in development) has been sorely lacking.

MFAN[15] is a "reform coalition of international development and foreign policy practitioners, policy advocates and experts, concerned citizens and private sector organizations". Created several years ago, it is working in a bipartisan way to promote the US government as a leader in poverty reduction

and economic growth and to help it work in a more effective, efficient and transparent way.

USGLC[16] is a "broad-based influential network of 400 businesses and CSOs, national security and foreign policy experts and businesses, faith-based, academic and community leaders in all 50 states who support a smart power approach of elevating diplomacy and development alongside defense in order to build a better, safer world". It was created in 1995 and works around the USA to inform and educate Americans to promote advocacy for a robust US government International Affairs Budget (commonly called 'the 150 account').

The Basic Education Coalition[17] is an independent, non-profit advocacy organization comprised of 19 members that works to ensure that all children have access to a quality basic education. (A few of its members are profit-making consulting firms.)

The CORE Group,[18] founded in 1997, now has over 50 members and works to "provide resources and links for child survival, integrated management of childhood illness, malaria, polio and resources for the PVO and CSO community".

InsideNGO[19] groups 270 member organizations in a "collaborative community that strengthens operational and management capacity of the international development and relief non-profit community in pursuit of global development". While most of its members are non-profit, a small number of profit-making consulting firms and universities also belong to this network. Local CSOs in developing countries can join if they are registered in their country and have been in operation for two years.

InsideNGO holds approximately 80 workshops per year around the world to assist organizational personnel in a wide variety of topics related to management and operations. It also advises members regarding US government rules and regulations related to funding for international development and relief. Occasionally, it advocates to the US government regarding regulations, particularly when such regulations are being written or revised.

For CSOs providing humanitarian assistance, coordination and collaboration are carried out largely through InterAction. This involves sharing information regarding specific emergencies in particular countries, coordination and efforts to improve operations. Global collaboration regarding policy and practice is done through international entities such as the Inter-Agency Standing Committee,[20] a 20-year-old inter-agency forum comprised of key UN agencies. It is housed at the UN Office of Humanitarian Affairs (OCHA) and managed by OCHA's Emergency Relief Coordinator. Three CSO coalitions — InterAction, the International Council of Voluntary Agencies (ICVA)[21] and the Steering Committee for Humanitarian Response — and the International Committee of the Red Cross are members. ICVA is an international coalition comprised of 75 members, created in 1962 and headquartered in Geneva, Switzerland. The Steering Committee is comprised of the largest international CSOs such as CARE and Oxfam, and includes the Red Cross. There is also a new Gates Foundation network of six to seven CSOs that is focusing on capacity strengthening.

At InterAction, training is carried out in several areas. In the humanitarian assistance area, training programmes on various topics are conducted periodically, including security management, protection, and gender-based violence. In the area of evaluation for development

programmes, webinars are conducted periodically, and workshops on impact evaluation are forthcoming. A workshop on how to conduct advocacy is carried out at least once a year.

In the past, when InterAction received funding from USAID in substantive development areas, training was held regularly on specific development topics or cross-cutting issues. For example, when InterAction's Commission on the Advancement of Women (CAW) was being funded by USAID, training was done regularly on gender audits and how to incorporate work on gender equality into CSOs. Substantial work to encourage and assist the creation of partnerships between US and local CSOs was carried out during a 10-year period in the 1990s.

1.4 CSO ACCOUNTABILITY AND QUALITY STANDARDS

The PVO standards: These are a set of ethical guidelines — a code of conduct — designed to ensure accountability and transparency in fundraising, financial management, governance and programme performance. Developed in 1990, these standards are a requirement of InterAction membership, and members self-certify compliance every other year.

Since 2010, InterAction has been developing an NGO Aid Map that is an interactive tool that showcases work of members in food security around the world, humanitarian assistance in Haiti since the earthquake of January 2010, and work in the Horn of Africa. Expansion of this tool continues currently. Included in the map are specific areas of countries where members work, including their activities, funding levels and partners.

Humanitarian assistance standards: For CSOs working in humanitarian assistance, the Sphere Project is a well-known international body that has developed operational standards. InterAction, ICVA and major federated CSOs such as CARE and Oxfam are on its Board of Directors. Sphere works exclusively to improve the operational standards of CSOs in humanitarian assistance. As for evaluation and accountability, the Humanitarian Accountability Project works primarily to ensure accountability to beneficiaries of humanitarian assistance. Its creation derives from the failure during the Rwandan genocide and its aftermath to prevent infiltration of refugee camps in the Eastern Congo by Hutu extremists who had fled Rwanda and were intent on continuing to kill Tutsis. It aims to generally operationalize the principle of 'do no harm'.

Monitoring and evaluation: Most well-established US CSOs (such as those that are members of InterAction) now have monitoring and evaluation units that track progress on development and humanitarian assistance programmes. Some monitoring and evaluation units are a part of a larger department or division in a CSO that oversees programme quality and support and/or also develops lessons learned and best practices. In a 2008 InterAction research project carried out in five countries (Ghana, Honduras, Kenya, Nepal and Viet Nam) with over 200 in-country interviews, almost 100 percent of US and local CSOs reported having a monitoring and evaluation system in use (91 percent of US CSOs, 100 percent of local CSO partners, and 94 percent of local CSOs with direct USAID funds).[22]

USAID's new evaluation policy now requires monitoring for all USAID-funded programmes and projects, whether funded as cooperative agreements (assistance) or contracts (acquisition). (See Section 3.4 for an explanation of these terms.) For cooperative

agreements, once an award is made, the recipient is expected to provide USAID with a monitoring framework that indicates a timeline of when results promised in the proposal will be achieved. Generally, monitoring reports are submitted on an annual basis. When recipient CSOs carry out evaluations in cooperative agreements, USAID must approve the evaluator selected by the CSO for the assignment. Any projects that are considered to have 'above average' funding (according to a USAID definition) are now subject to an external end-of-project evaluation. 'External', in this instance, means that an organization or group that is independent of the CSO being evaluated would do the evaluation. Only 10 percent of these evaluations would be impact evaluations.

2. AN OVERVIEW OF THE DIFFERENT OPERATIONAL STRUCTURES FOR CSOs

2.1 CSO GOVERNANCE

CSO governance mechanisms: To obtain non-profit status in the USA, organizations must be registered under the category of 501(c)(3) of the US Internal Revenue Service tax code. In most instances — and always for InterAction members and CSOs receiving US government funding — CSOs have an independent volunteer Board of Directors as its governing body. The CSO also has internal accounting and, sometimes, programmatic accountability mechanisms. InterAction's PVO Standards has sections on all aspects of CSO organizational work (management, fundraising, programmes) to which all members adhere.

Modalities for decision-making: Several factors determine US CSO decision-making on priorities for programmatic work. The mission of some CSOs

determines that they work in one or more sectors. Other larger CSOs work in many or all development sectors and often in humanitarian assistance as well. It is the norm for well-established CSOs to have a strategic plan that determines the sectors and emphasis within the sectors on which the organization will work. The ambitions included in a strategic plan must be tempered by availability of funding. In the 2008 InterAction research study in five countries (referred to above), 82 percent of US CSOs and 70 percent of local CSOs had country strategies. Seventy-five percent of the US CSOs and 71 percent of the local CSOs with direct USAID funding had sector strategies.[23]

US CSOs that receive US government funding seek assistance for the sectors in which they work. Sometimes, the availability of government funding means that an organization will work more in a particular sectoral area or will take up activities in new areas. The availability of substantial sums of money through the PEPFAR programme beginning in 2003 meant that many new — often small and often faith-based — organizations sought this money. Some began working in developing countries for the first time. Some more well-established CSOs entered into consortia with other CSOs and, in some instances, with for-profit consulting firms and universities to meet requirements in requests for proposals for PEPFAR money.

Sometimes, the US government is responsive to overtures by one or more CSOs to put more emphasis on a particular development problem. For example, Save the Children has been concerned about the negative effects of poor nutrition on babies and young children, and proposed to the US government that it focus more attention on this issue. As a result, former Secretary of State Hillary Rodham Clinton launched the

1000 Days Project, through which increased resources were made available, and educational efforts were increased to call attention to this issue.

Many US CSOs currently report that the trend in USAID funding is more towards cooperative agreements and contracts through which the US government can have more and more control over the specific project. When USAID (the vehicle through which US CSOs compete for awards of cooperative agreements) issues a Request for Application (RFA), the specific sector has already been chosen and the overall framework of the project has already been designed. This limits the flexibility US CSOs have in how they carry out their projects. When US CSOs bid on USAID-funded contracts (issued through a Request for Proposal), there is very little flexibility in the way the CSO may carry out the project. Because it is a contract, the CSO is simply carrying out work for the government and has no ability to alter the project design. Because of these restrictions, US CSOs use unrestricted money that they have raised from private citizens and, sometimes, foundation funding (if it does not have constraints) to carry out their independent programming.

2.2 OVERVIEW OF STAFFING

Staffing: Most well-established US CSOs have executive staff (a Chief Executive Officer and other senior managers), programmatic staff to oversee programmes in developing countries, financial and administrative staff to handle the organization's finances and day-to-day operations, sometimes specialized fundraising staff (if the organization is large enough to afford this) and, for those CSOs that can afford it, advocacy and communications staff to educate Americans and the media about development and humanitarian issues and to advocate to the US

government for appropriate policies and funding. As mentioned earlier, most well-established CSOs now have monitoring and evaluation units, and some focus attention on lessons learned and best practices.

Branding: An issue that has become quite important during the past 15 years or more is 'branding'. The largest US CSOs, especially those that are part of international CSO confederations (CARE, World Vision etc.) have developed an organizational 'brand' that is designed to be used in marketing the organization — for funding from government, foundations, corporations and individuals, as well as for publicity about their work. Each wants its brand to be highly visible. The brand appears on all written materials, vehicles, equipment of various kinds, at training and other events held, and in other instances as well. When an organization receives US government funding, the US government's brand (for example, the USAID handshake) must appear on all vehicles, equipment, materials etc. that are part of the funded project. Therefore, there will be at least two brands on anything. US government branding can sometimes be dangerous for CSOs in conflict areas such as Afghanistan and Iraq where CSOs may be mistaken for US government personnel.

While branding can be a problem that impedes coordination for CSOs in development programmes, it is a very significant problem for CSOs working in humanitarian assistance and impedes genuine collaboration in emergency circumstances when such collaboration is badly needed.

2.3 ESTIMATES OF NUMBERS OF VOLUNTEERS

In terms of volunteer assistance, this varies according to particular programmes and the kinds of CSOs involved. For example, faith-based organizations rely

heavily on volunteers through churches, synagogues and mosques to carry out education and advocacy toward the US government. Secular CSOs also rely on volunteers for advocacy toward the US government (such as letter writing, or visits to congressional offices in support of a policy or funding level). In developing countries, secular CSOs normally do not rely on volunteers, but local religious organizations often use volunteers to work in programmes. Of course, communities organize to provide self-help in many, if not most, development programmes.

There are virtually no volunteers involved in humanitarian assistance programmes other than local communities who are providing self-help. CSOs engaged in humanitarian assistance are very focused on carrying out professional assistance and do not rely on volunteers. The only instances where there may be volunteers in any sizeable quantity are in situations such as the period following the earthquake in Haiti when individual Churches and other organizations arranged to send volunteers to the country to assist. Following the tsunami in Indonesia, there were also large numbers of volunteers, but the majority came from Singapore, Japan and other Asian countries rather than from the USA.

2.4 NATURE OF STAFFING ROLES

For CSOs working in development and humanitarian assistance, the vast majority of staff members working in countries — 90–95 percent — are nationals of the particular country. Only the managers and directors are expatriates. What is changing over time is that increasing numbers of expatriate managers now come from other countries of the global South, such as Asians working in African countries and vice versa, nationals of a region managing a country programme in that

region but usually not in their own countries, rather than only coming from the global North. For some US CSO country programmes that have very large amounts of US government funding and/or intense security concerns, such as in Afghanistan and Pakistan, the director or manager is an American citizen.

As mentioned earlier, more CSOs now have monitoring and evaluation units and focus more attention on learning. Various CSOs, especially the largest and best-funded, produce handbooks on how to carry out work in particular areas based on information learned from the CSO's experience in the sector over time. Many US CSOs, however, do not seem to have readily available documentation of the overall impact of their services on poverty reduction and the well-being of those they serve. They can provide statistics for particular programmes in particular countries or regions of countries, but evidence of overall impact from their work is often not readily available.

3. THE RELATIONSHIPS BETWEEN CSOs AND THE US GOVERNMENT

3.1 OVERALL LEGAL/REGULATORY FRAMEWORK

As noted in Section 2.1, US CSOs, whether working in development or humanitarian assistance, must abide by Internal Revenue Service regulations governing the conduct of non-profit organizations (designated as 501(c)(3) under the tax code). They must also abide by a variety of US government regulations put forward by the Office of Management and Budget. These include OMB Circular A-122, Cost Principles for Nonprofit Organizations, OMB Circular A-133, Audits of States, Local Governments and Nonprofit Organizations (the government compliance audit for federal recipients) and accounting industry standards issued through

the American Institute of CPAs.[24] As can be seen from a review of the ADS Chapter 303 referred to in the footnote, requirements are very particular and can be confusing. Any CSO that wants to apply for USAID funding must be prepared to invest time and resources in learning about the regulations and staying abreast of them, since they are amended from time to time.

3.2 US GOVERNMENT FUNDING MODALITIES FOR CSOs

There are three basic modalities used by USAID to provide funding to US CSOs. (Of US government agencies, USAID tends to have more burdensome requirements than others, so their modalities will be put forward here). These are grants and cooperative agreements in the 'assistance' category and contracts in the 'acquisition' category.

Grants: A grant is the modality that has the fewest requirements for a CSO and can only be awarded to a non-profit organization. A grant also gives a CSO the greatest flexibility in carrying out a project or programme of its own design. In the past, USAID awarded grants to CSOs that submitted 'unsolicited proposals' for particular projects. This meant that a CSO submitted a proposal without a published invitation, or Request for Application (RFA), from USAID for a project designed solely by the CSO. Such grants are now given in extremely rare instances, if at all. Currently, a small number of grants are awarded to both US and local CSOs through the RFA process. This means that USAID publishes an RFA to which CSOs are invited to respond with their proposals. According to the ADS Chapter 303, grants or cooperative agreements are awarded "when the principal purpose of the transaction is to accomplish a public purpose of support or stimulation as authorized by the Foreign Assistance Act of 1961, as amended (FAA)".[25]

Fixed Obligation Grants (FOG): These grants are currently given through the Development Grants Program of the Local Sustainability Program in the Office of Innovation and Development Alliances (IDEA), and possibly through other USAID programmes. As described in the ADS 303, a FOG can be awarded under the following circumstances:

> "When USAID awards a grant to support a program with very specific elements, the FOG format allows performance without monitoring the actual costs incurred by the recipient. The FOG is appropriate for supporting specific projects when the Authorizing Officer is confident that a reasonable estimate of the actual cost of the overall effort can be established and USAID can define accomplishment of the purpose of the grant through defined milestones. For US CSOs, the total amount of the FOG must not exceed $150,000. For Non-US CSOs, the total value for each year of the FOG must not exceed $500,000. For both US and Non-US CSO recipients, the duration of the FOG must not exceed three years."[26]

According to USAID, these milestones are not intended to add bureaucratic requirements to a grant but, rather, to incorporate rigour and a regular monitoring of activities. Milestones could include such things as a product, the completion of an implementation plan for the project, or recruitment and training of staff.

Cooperative Agreements (CAs): These fall within the 'assistance' category of USAID funding modalities. USAID began using CAs for funding CSOs, rather than just using grants, in the early 1990s and still uses them today. While these CAs are awarded to CSOs to carry out programmes and projects designed by USAID, CSOs have some limited latitude to adjust the projects based on actual circumstances as they implement the project.

These CAs give USAID more control in the funded project than in grants. The phrase used to describe this control is 'substantial involvement'. InterAction and its members spent several months in the mid-1990s negotiating with USAID regarding the scope of these requirements so as to limit them and not to hamper CSOs in the implementation of the projects. Two of the three 'substantial involvement' requirements agreed on then — that still stand today — are:

● approval of specified key personnel (i.e. the CSO's project director and senior staff involved in the activities); and

● approval of the recipient's implementation plan.

The third requirement negotiated in the 1990s was USAID approval of the CSO's annual monitoring and evaluation plan for the project. This has been replaced by an 'Agency and Recipient Collaboration or Joint Participation' plan. This new requirement is broader and still includes approval of the recipient's monitoring and evaluation plans by USAID.

While these three requirements are supposed to define 'substantial involvement' by USAID, additional language in the ADS 303 seems to encourage USAID staff to become even more engaged:

"When the recipient's successful accomplishment of program objectives would benefit from USAID's technical knowledge, the AO [authorizing officer] may authorize the collaboration or joint participation of USAID and the recipient on the program. There should be sufficient reason for Agency involvement and the involvement should be specifically tailored to support identified elements in the program description."[27]

As a result, USAID personnel overseeing the CAs in field missions often play a much larger role in tracking the implementation of the CA, requesting information and overseeing activities. Because many personnel in field missions are newly hired under USAID's commitment to rebuild its level of staff, they do not have the experience or knowledge necessary to provide proper and limited oversight for these CAs. Some CSO personnel have commented that they often find themselves informing these new USAID staff of USAID's own regulations and attempting to limit otherwise burdensome involvement by USAID.

US CSOs are not required to register as PVOs with USAID to be eligible for most CA awards. Moreover, for-profit consulting firms are eligible to receive CAs provided that they take no fee.

Leader with associate: This modality falls within the 'assistance' category. It is awarded based on an RFA for a particular worldwide activity. Once the award is made, USAID missions or other offices can award separate grants to the Leader Award recipient without further competition. Awards by missions would be for local or regional activities that fit within the terms and scope of the Leader Award.

Contracts: These funding modalities are in the 'acquisition' category, meaning that a contract is buying services of a recipient organization to carry out work for the government. Whereas grants and CAs have varying degrees of flexibility as to how the particular project can be implemented, a Request for Proposals (RFP) — USAID's method for requesting proposals from potential recipients — seeks organizations to carry out projects that are already designed and are expected to be implemented according to the government's wishes.

Contracts are available to both for-profit and non-profit organizations. However, because of the sometimes high cost of preparing a proposal, as well as a cost-reimbursement arrangement for paying recipients for their expenditures in the project (rather than providing advance funds to use for expenses with subsequent accounting for the money), many CSOs cannot afford to bid on contracts. Others choose not to, at least partly for philosophical reasons: CSOs do not want to be implementers of government programmes but, rather, partners of the government in programmes jointly designed and carried out.

The modalities described above are used for both US and local CSOs. The same modalities (grants, CAs and contracts) are used for CSOs involved in either development or humanitarian assistance projects. In certain circumstances, a recipient CSO is required to share the costs of a project. For example, InterAction has several CAs from USAID's Office of Foreign Disaster Assistance (OFDA), and in each of these InterAction is required to pay 25 percent of each staff person's salary from its own core budget, with OFDA covering the other 75 percent.

Evolution of funding arrangements: From the 1970s well into the 1990s, USAID provided grants to US CSOs for programmes designed and carried out by the CSO itself. In the 1970s, USAID provided Development Program Grants (DPGs) that functioned largely as core support and were intended to develop the administrative and programmatic capacity of US CSOs. US CSOs that are now very well established but had just been founded (such as Africare, Technoserve, among others) were the recipients of these DPGs.

In the 1980s and 1990s, through its office of Private and Voluntary Cooperation (PVC), USAID provided

specialized funding in the areas of child survival and microenterprise to US CSOs to build their capacity to provide service delivery assistance in developing countries. The PVC office also provided matching grants to US CSOs through which these organizations could carry out experimental work in several countries.

In the early 1980s, PVC provided a series of matching grants through which US CSOs specifically developed the institutional capacity of local CSO partners. USAID/PVC prepared a synthesis report on 12–15 of these grants to show the major lessons learned by CSOs in how they succeeded (or did not) in developing the institutional capacity of local CSO partners. In these years, the PVC office was quite sizeable. It served as an internal ombudsman for CSO issues as well as a sizeable budget to provide grants to US CSOs. The PVC office was reduced significantly between 2000 and 2010 and has now evolved into part of IDEA.

Core and non-core funding: Currently, the vast majority of USAID funding that is provided to US CSOs is for sectors chosen by USAID and for donor-developed priorities and projects. This is true whether the modality is a grant, CA or contract. Donor support for CSO-generated programming has ended almost entirely. There is no core support provided to any US CSO.

Within this context of no core support for US CSOs, some funding under the Development Grants Program of the Local Sustainability Program in IDEA is available for capacity strengthening in basic areas of operation, such as monitoring and evaluation or other aspects of organizational development. Funding from this programme is restricted to US CSOs that have not received more than $5 million worth of USAID funds in the past (as a way of encouraging US

CSOs that have not been very engaged with USAID to become more involved in their programmes) and to local CSOs in many countries. There is an annual RFA issued that contains specific guidance from different USAID missions regarding the sectors involved in the particular country. Proposals made by CSOs are submitted directly to missions. In the proposal, CSOs decide the countries and sectors for which they choose to propose activities.

Within these awards, there is flexibility to be responsive to the needs of grantees. For example, if a local CSO might need assistance with financial administration, the USAID mission might look for assistance by a consultant, university or another organization within the local market of the particular country to respond to this need. Under the programme, three-year grants are awarded up to a maximum of $2 million. The total funds available for the overall programme are $40 million. The programme is relatively new and is currently in its fourth year of operation.

3.3 GOVERNMENT DECISION-MAKING ON CSO FUNDING

Virtually all awards of funding are made through competitive bidding processes. As mentioned earlier, USAID decides on the countries and sectors prior to the beginning of the competition process.

3.4 CSO ADVICE TO THE US GOVERNMENT

Some CSO commentators believe that policy dialogue in recent years between US CSOs and the US government on development issues has been less than satisfactory. USAID has often briefed CSOs on new policies and practices to be put in place. However, consultations that engage CSOs in discussion whereby

their views might be considered for the proposed new policies and/or practices have been infrequent. For instance, in round tables between US CSOs and US government representatives, issues that were to be considered for the Busan 4th High Level Forum on Aid Effectiveness were discussed enthusiastically, but advocacy issues put forward by CSOs regarding USAID's own policies and practices were not well received. Since 2012 InterAction has been engaged with USAID through a CEO Task Force that is discussing the issue of the role of US CSOs vis-à-vis the agency in the post-Busan aid effectiveness era. As a part of this effort, InterAction has produced a paper entitled 'A New Vision for the USAID–US CSO Relationship: Partnering for Effective Development'.

In August 2012 USAID announced a new consultation process involving both international and local CSOs for the Presidential initiative on food security, called 'Feed the Future'. While the initiative has been in place for three years, CSOs believed it did not have a satisfactory consultation process with international and local CSOs regarding its direction. The consultation process has now been launched after an extensive set of meetings between USAID staff and representatives of InterAction member agencies, which involved an iterative development of a set of consultation guidelines with substantial CSO input.

While US CSOs regard the policy dialogue described above on development issues as unsatisfactory, they see the engagement with USAID's OFDA on humanitarian assistance issues as continuous and quite satisfactory.

Individual US CSOs provide advice to US government agencies from which they receive funding, often within the context of a particular project. There is no

way to track to what extent government agencies take this advice and/or incorporate it into future policies and procedures. In certain instances, as noted above in Section 2.1 regarding Save the Children urging more attention to the nutritional well-being of infants and toddlers to the Department of State, CSOs have been successful in convincing the government to pay more attention to a particular issue.

4. OVERVIEW OF US CSOs OPERATIONAL RELATIONSHIPS IN DEVELOPING COUNTRIES

4.1 RELATIONSHIPS WITH DEVELOPING-COUNTRY CSOs

Regarding the degree and the ways in which US CSOs are operational in host countries, these two issues have been detailed earlier in Section 1.2. To reiterate, US CSOs working in development carry out service delivery work either directly or through local CSO partners in developing countries around the world. Most US CSOs provide some level of capacity strengthening to local CSO partners, with the degree of effort varying depending on resources of the US CSO and the particular project or programme involved. In some instances, US CSOs, together with local CSOs, advocate to national governments regarding sector issues. This advocacy normally derives from experiences CSOs have in operational projects in the country.

Sub-grants or subcontracts are the normal modalities used between a US CSO and a local CSO. In some instances, US and local partners agree on a partnership Memorandum of Understanding, which delineates the particular roles of each partner and the manner in which they will work together in carrying out projects,

conducting advocacy, strengthening each other's capacity and otherwise supporting one another.

Most USAID funding for CSOs has historically gone to US CSOs. In past years, 'umbrella' grants or CAs that have been awarded to US CSOs have provided capacity strengthening sub-grants to local CSOs. Some well-established local CSOs have received USAID direct funding for a number of years. In 2012, as part of its general support of the Busan commitments to aid effectiveness and the use of country systems, USAID promised to increase the percentage of its funds that will be channelled directly to local CSOs and has begun to carry out this mandate.

4.2 RELATIONSHIPS WITH HOST-COUNTRY GOVERNMENTS

For both development and humanitarian assistance, host governments enter into agreements with US CSOs regarding the presence and operations of these CSOs in the country, but there are virtually never funding agreements between the two. The agreements tend to cover such issues as import privileges, the extent to which US CSOs will be expected to pay local taxes, if at all, and other issues related to operations in the country. Some countries require separate agreements for every project. In some development programmes, US CSOs and their local partners work with ministries or local government representatives, sometimes formally but more often informally. For example, CSOs might work with district agriculture officers or with local representatives of a ministry such as health officers and medical personnel running district health clinics. In some instances where CSOs have made excellent connections with local government structures, such arrangements can enhance the effectiveness of the particular programme. In some health programmes,

local non-governmental structures work with governments in carrying out programmes.

Regarding humanitarian assistance, while host governments value the assistance of US CSOs, they also increasingly view them as 'Western' agents bringing in cultural values that the government may not want.

BIBLIOGRAPHY

InterAction, 'Foreign Assistance Reform: Views from the Ground', InterAction, Washington, DC, 2008: 14.

USAID, '2012 VOLAG. Report of Voluntary agencies engaged in relief and development registered with the US Agency for International Development', United States Agency for International Development, Washington, DC, 2012.
http://idea.usaid.gov/sites/default/files/attachments/Volag2012.pdf

USAID, 'PVO Registration', United States Agency for International Development, Washington, DC, 2013a. http://idea.usaid.gov/ls/pvo

USAID, 'ADS Chapter 303 Grants and Cooperative Agreements to Non-Governmental Organizations', United States Agency for International Development, Washington, DC, 2013b.
http://transition.usaid.gov/policy/ads/300/303.pdf

Worthington, S.A. and Pipa, T., 'Private Development Assistance: The Importance of International NGOs and Foundations in a New Aid Architecture', in *Catalyzing Development. A New Vision for Aid,* edited by H. Kharas, K. Makino and W. Jung, Brookings Institution Press, Washington, DC, 2011: 66.

INTERVIEWS

Nilda Bullain, Vice President – Operations, International Center for Not-for-Profit Law, 15 August 2012

Joel Charny, Vice President for Humanitarian Policy and Practice, InterAction, 30 July 2012

Paul Miller, Senior Advisor, Catholic Relief Services, 1 August 2012

Bonnie Ricci, Program – Finance, Grants and Contracts, InsideNGO, 25 July 2012

Jenny Russell, Director of Development Policy and Advocacy, Aid Effectiveness, Public Policy and Advocacy, Save the Children, 2 August 2012

Laura Abrahams Schulz, Division Chief, Local Sustainability Program, Innovation and Development Alliances (IDEA), US Agency for International Development, 13 August 2012

Hajira Shariff, Finance Team, Save the Children, input by email on 8 and 10 August 2012

ANNEX 1
Selected Information on InterAction Members

1   MEMBER REVENUE

Revenue Range			Members
$ 1,000,000,000	+		5
$ 500,000,000	– $	1,000,000,000	3
$ 250,000,000	– $	499,999,999	8
$ 100,000,000	– $	249,999,999	18
$ 50,000,000	– $	99,999,999	21
$ 25,000,000	– $	49,999,999	22
$ 10,000,000	– $	24,999,999	31
$ 5,000,000	– $	9,999,999	16
$ 1,000,000	– $	4,999,999	47
$ 500,000	– $	999,999	9
$ 0	– $	499,999	13
TOTAL MEMBERS			**193**

Number of Members by Their Reported Total Revenue

Legend:
- $ 1,000,000,000 +
- $ 500,000,000 – $ 1,000,000,000
- $ 250,000,000 – $ 499,999,999
- $ 100,000,000 – $ 249,999,999
- $ 50,000,000 – $ 99,999,999
- $ 25,000,000 – $ 49,999,999
- $ 10,000,000 – $ 24,999,999
- $ 5,000,000 – $ 9,999,999
- $ 1,000,000 – $ 4,999,999
- $ 500,000 – $ 999,999
- $ 0 – $ 499,999
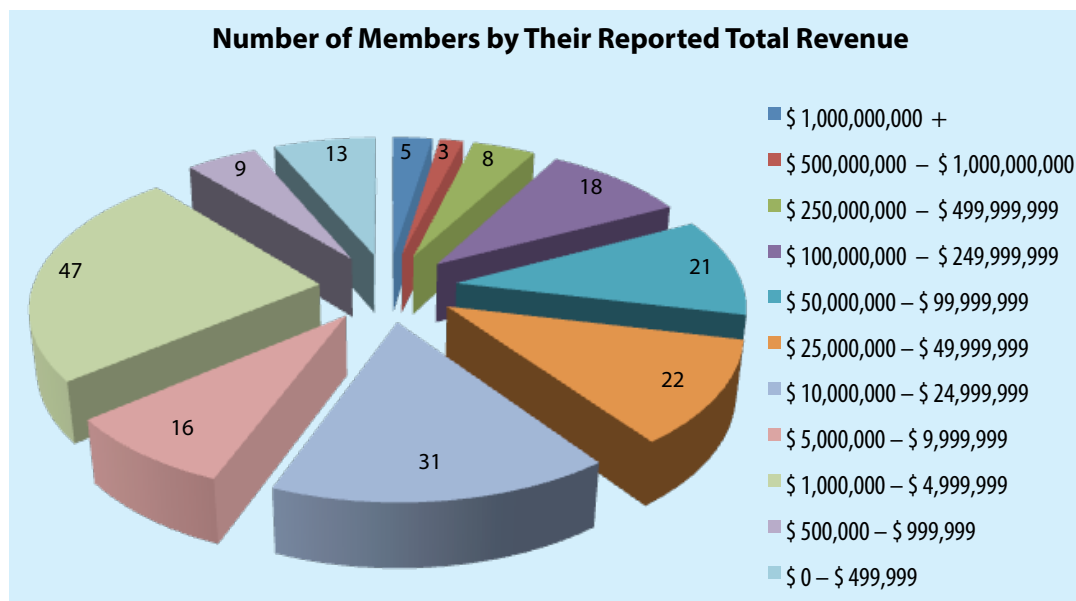
2 MEMBERS BY FAITH

Members by Faith	Total	Percentage
FAITH-BASED	42	22%
FAITH-FOUNDED	16	8%
NOT FAITH-BASED	135	70%

InterAction Members by Faith

- ■ FAITH-BASED
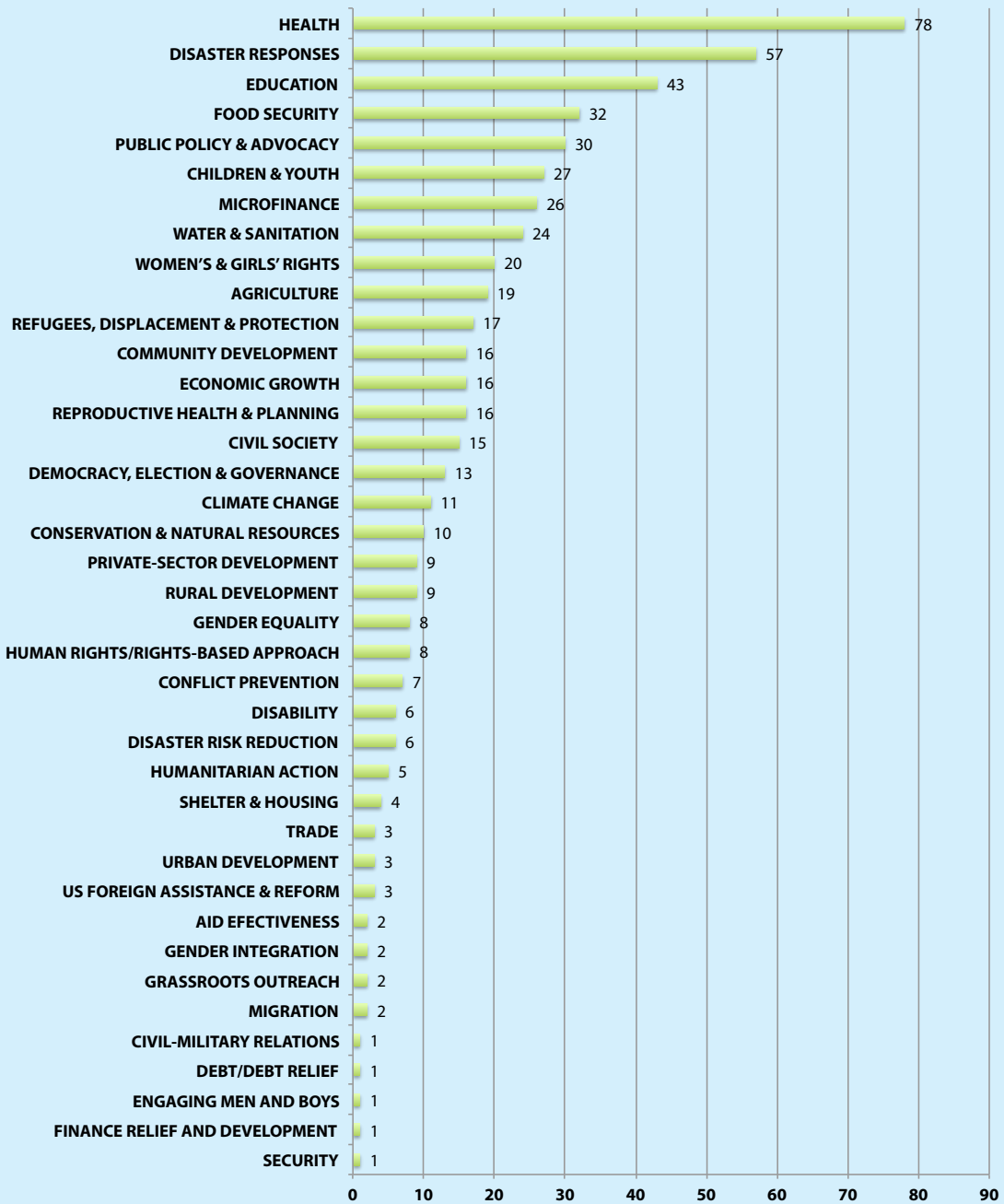- ■ FAITH-FOUNDED
- ■ NOT FAITH-BASED

22%

8%

70%
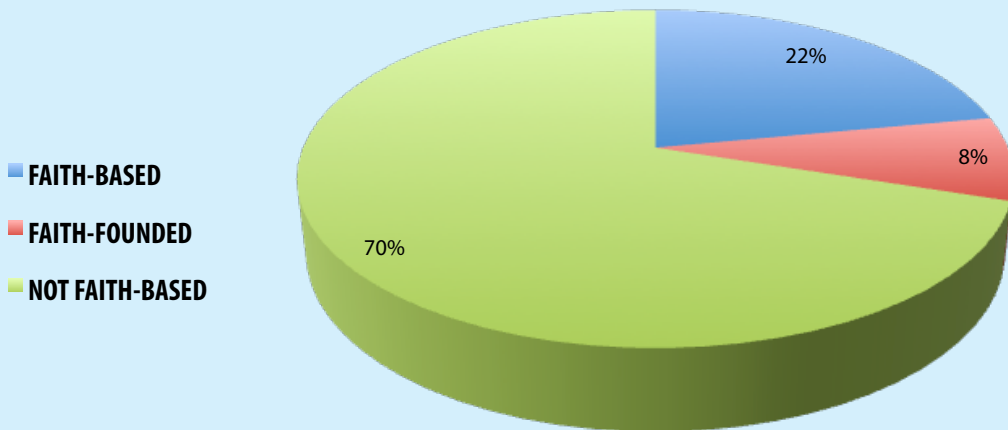
3   MEMBERS BY MAIN ISSUES OF FOCUS

(Note: some members focus on more than one issue)

Members by Issues	Total Members
HEALTH	78
DISASTER REPONSES	57
EDUCATION	43
FOOD SECURITY	32
PUBLIC POLICY AND ADVOCACY	30
CHILDREN AND YOUTH	27
MICROFINANCE	26
WATER AND SANITATION	24
WOMEN'S AND GIRLS' RIGHTS	20
AGRICULTURE	19
REFUGEES, DISPLACEMENT AND PROTECTION	17
COMMUNITY DEVELOPMENT	16
ECONOMIC GROWTH	16
REPRODUCTIVE HEALTH AND PLANNING	16
CIVIL SOCIETY	15
DEMOCRACY, ELECTION AND GOVERNANCE	13
CLIMATE CHANGE	11
CONSERVATION AND NATURAL RESOURCES	10
PRIVATE-SECTOR DEVELOPMENT	9
RURAL DEVELOPMENT	9
GENDER EQUALITY	8
HUMAN RIGHTS/RIGHTS-BASED APPROACH	8
CONFLICT PREVENTION	7
DISABILITY	6
DISASTER RISK REDUCTION	6
HUMANITARIAN ACTION	5
SHELTER AND HOUSING	4
TRADE	3
URBAN DEVELOPMENT	3
US FOREIGN ASSISTANCE AND REFORM	3
AID EFFECTIVENESS	2
GENDER INTEGRATION	2
GRASSROOTS OUTREACH	2
MIGRATION	2
CIVIL–MILITARY RELATIONS	1
DEBT/DEBT RELIEF	1
ENGAGING MEN AND BOYS	1
FINANCE RELIEF AND DEVELOPMENT	1
SECURITY	1

Number of Members by Issues

Issue	Value
HEALTH	78
DISASTER RESPONSES	57
EDUCATION	43
FOOD SECURITY	32
PUBLIC POLICY & ADVOCACY	30
CHILDREN & YOUTH	27
MICROFINANCE	26
WATER & SANITATION	24
WOMEN'S & GIRLS' RIGHTS	20
AGRICULTURE	19
REFUGEES, DISPLACEMENT & PROTECTION	17
COMMUNITY DEVELOPMENT	16
ECONOMIC GROWTH	16
REPRODUCTIVE HEALTH & PLANNING	16
CIVIL SOCIETY	15
DEMOCRACY, ELECTION & GOVERNANCE	13
CLIMATE CHANGE	11
CONSERVATION & NATURAL RESOURCES	10
PRIVATE-SECTOR DEVELOPMENT	9
RURAL DEVELOPMENT	9
GENDER EQUALITY	8
HUMAN RIGHTS/RIGHTS-BASED APPROACH	8
CONFLICT PREVENTION	7
DISABILITY	6
DISASTER RISK REDUCTION	6
HUMANITARIAN ACTION	5
SHELTER & HOUSING	4
TRADE	3
URBAN DEVELOPMENT	3
US FOREIGN ASSISTANCE & REFORM	3
AID EFECTIVENESS	2
GENDER INTEGRATION	2
GRASSROOTS OUTREACH	2
MIGRATION	2
CIVIL-MILITARY RELATIONS	1
DEBT/DEBT RELIEF	1
ENGAGING MEN AND BOYS	1
FINANCE RELIEF AND DEVELOPMENT	1
SECURITY	1

ENDNOTES

1   USAID, 2013a.

2   USAID, 2012: 5.

3   USAID, 2012: 136–137 and 164–165. See Annex 1 for further information on revenues for members of InterAction, the national platform of US CSOs working in international development and humanitarian assistance.

4   USAID, 2012: 7.

5   USAID, 2012.

6   See www.InterAction.org

7   Estimate based on research of the top 100 InterAction member CSOs' 990 IRS forms.

8   Worthington and Pipa, 2011: 66.

9   See Annex 1 for the InterAction members' main areas of focus.

10 See www.bread.org and www.one.org

11 www.icnl.org

12 www.ifes.org

13 Websites of these organizations include www.care.org, www.oxfamamerica.org, www.planusa.org and www.worldvision.org

14 www.lwr.org

15 www.modernizeaid.net

16 www.usglc.org

17 www.basiced.org

18 www.coregroup.org

19 www.insideNGO.org

20 www.humanitarianinfo.org/iasc

21 www.icva.ch

22 InterAction, 2008: 14.

23 InterAction, 2008: 14.

24 USAID, 2013b.

25 USAID, 2013b: 10.

26 USAID, 2013b.

27 USAID, 2013b.

SELECTED AID-PROVIDERS CASE STUDIES:
THE ROLE OF CSOs IN SOUTH–SOUTH DEVELOPMENT COOPERATION

BRIAN TOMLINSON

Reflecting a wide range of countries involved in South–South cooperation (SSC), these short case studies provide an introduction to trends and policies in relation to their engagement with civil society organizations (CSOs) in their provision of development assistance.

1. INDIA

India's support for development cooperation dates from the 1950s. Since the 1960s, India's Technical and Economic Cooperation programme has aimed at sharing India's development experience primarily through technical cooperation. The focus for this SSC has been mainly on countries geographically close in Asia (Nepal, Afghanistan and Bhutan). Some researchers argue that India's SSC has to a large extent been driven by commercial and geopolitical interests.[1] The sectoral emphasis of this cooperation in the past has been in the areas of education, health care, energy and internet technology.

India's economic strength is providing an impetus to consolidate, expand and change the focus of its SSC. The programmes are currently taking place in more than 60 countries, but with continued emphasis on regional partners and a growing interest in Africa. In July 2012 the Indian government announced the establishment of the Development Partnership Administration (DPA) within the Ministry of Foreign Affairs, which will oversee Indian development partnership projects around the world. It is

expected to coordinate a $15 billion budget over the next five years.[2] As Chaturvedi observes, "India's aid initiatives are growing beyond its neighbouring countries to the wider South, and emerging from the confines of human resource training and basic capacity-building into skill-upgrading and the establishment of specialized institutions across the partner countries."[3]

Available evidence suggests that Indian CSOs have so far not been included much in Indian SSC programmes. A 2007 report by the International Development Research Centre (IDRC) on India[4] quotes Dr. Syeda Hamid, a senior member of the Planning Commission, as saying: "There is an urgent need to identify systems by which the government could work with voluntary organizations, both in India and abroad, based on mutual trust and respect and with shared responsibility." This implies that at least up until 2007 there was very little if any engagement with India's voluntary sector in these programmes.

Chaturvedi suggests that the consolidation and expansion of India's SSC programmes will require greater involvement of both parliamentarians and civil society in the formulation of a development cooperation policy.[5] There are indications that this is indeed happening. Following its creation, DPA officials sought out Indian CSOs to discuss potential areas for dialogue and cooperation. In 2012 and 2013 a series of multi-stakeholder meetings were convened under the Forum for Indian Development Cooperation. Their purpose has been to increase mutual understanding of India's global development cooperation efforts, including the experience of Indian CSOs globally, and to establish some mechanisms for dialogue on India's external development policies.[6] In parallel, Indian CSO coalitions are also contesting what they consider to be restrictive legislation and regulations governing the space for CSOs to participate in India's development. These organizations welcome the DPA and the potential

for dialogue and partnerships with the Ministry of Foreign Affairs, a ministry that to date has largely been inaccessible to Indian civil society.[7]

2. SOUTH AFRICA

Since the end of apartheid an important emphasis in South Africa's foreign policy has been the promotion of development and stability in Africa. This policy has been implemented since 2001 through the Africa Renaissance and International Cooperation Fund (ARF) administered by the government's International Relations and Cooperation Department. Its focus has been democracy and good governance, conflict prevention, social and economic development and humanitarian assistance. In 2010, ARF contributed €45 million (approximately US$60 million), a significant increase from €9.3 million (approximately US$12.3 million) in 2006. It sometimes participates in triangular SSC (for example, with Cuban doctors in Sierra Leone).[8]

South Africa's development cooperation to date has largely been in the areas of peacekeeping, debt forgiveness, non-concessional loans for infrastructural development, customs and trade arrangements. Much of this assistance is through training, scholarships and technical cooperation from various departments and is difficult to quantify in total.[9]

In April 2012 the government established the South African Development Partnership Agency (SADPA).[10] This new body is intended to coordinate both South Africa's outbound international partnership programmes as well as the development assistance it receives. It replaces the ARF and brings together other programmes currently dispersed among many departments. It is expected to have an annual budget of approximately US$70 million to $US90 million.

SADPA is expected to work through development partnerships with approaches similar to other Southern providers: "South Africa promotes the notion of solidarity, equality, horizontal co-operation, reciprocity, mutual benefit, exchange and learning." The government "envisions national and regional development processes to occur through multiple partnerships with the North, the South, multilateral organisations, the private sector and civil society."[11]

There is little written information on the inclusion of South African CSOs in ARF programmes in Africa. One study noted that ARF works with UN agencies "as well as CSOs such as the Red Cross."[12] A recent study by Besharati confirms these existing arrangements and acknowledges civil society as an important development actor in future SADPA programmes. He points to the potential of South African civil society in the promotion of democracy, pluralism, oversight and accountability as well as its wealth of technical experience. While there is interest in collaborating more with civil society, Besharati points to "one of the biggest constraints for civil society participation in government policymaking…[as] the lack of effective co-ordination mechanisms in South Africa's NGO community."[13]

3. REPUBLIC OF KOREA

The Republic of Korea has a substantial programme in development cooperation that is framed around sharing the knowledge and experience of Korea's model for rapid economic growth, based on heavy investment in national infrastructure and a robust industrial strategy. The history of Korea's cooperation programmes starts in the mid-1960s when the government provided training to technical staff from developing countries under the sponsorship of the United States Agency for International Development

(USAID). In 1987, the government established the Economic Development Cooperation Fund (EDCF) through which concessional loans for development projects were provided to the governments of developing countries. In 1991, the Korea International Cooperation Agency (KOICA) was established to manage grant aid, technical cooperation and volunteer programmes.

In 2009 Korea joined the Organisation for Economic Co-operation and Development (OECD) and the OECD's Development Assistance Committee (DAC). In 2012, Korea provided US$1.55 billion in Official Development Assistance (ODA), of which close to US$400 million was in the form of concessional loans. The overall budget for ODA has been growing rapidly in Korea, with these increases allocated to different priorities each year.

Korean CSOs have been active in developing countries with their own programmes on the ground. Smaller CSOs mainly have direct programmes that are operational through Korean and local staff in developing countries. Only recently, the larger CSOs have begun to develop partnership arrangements through which they carry out programmes. Korean branches of international non-governmental organizations (INGOs), such as World Vision and Save the Children, raise funds in Korea from public donations and pool these resources globally with their international organization for projects around the world.

For more than 10 years KOICA has been supporting the work of Korean CSOs abroad, mainly in the area of service delivery. This collaboration in aid delivery by KOICA takes two forms: support for projects implemented by Korean CSOs in developing countries and support for Korean volunteer programmes (World Friends of Korea) in developing countries. Smaller CSOs are more dependent on KOICA than larger organizations, which raise most of their funds from the Korean public.

KOICA organizes its support for Korean CSO projects through periodic calls-for-proposals. These are based on criteria established by KOICA — programmatic criteria based on the Millennium Development Goals (MDGs) and geographic criteria based on Korea's priority countries. These have been mainly one-year programmes of support, but since 2011, multi-year framework budgets have also been approved (based on submission of an annual budget). Financing for KOICA-supported projects is exclusively project-based, and the CSO must contribute 20 percent of the total financing for the project. Only 8 percent of KOICA financing is allowed to cover the costs of CSO personnel. Monitoring by KOICA is primarily through self-reporting by the CSO, supplemented by occasional on-site visits via the embassy.

KOICA also runs substantial programmes for capacity-building for smaller Korean CSOs on both technical management of development projects and on different approaches to development cooperation (such as rights-based approaches). Sometimes these training programmes are managed through CSOs that specialize in training.

The Korean volunteer programme sends approximately 4000 Koreans abroad for either one- or two-year missions. Volunteers are either Korean civil servants or skilled professionals or volunteers selected from the Korean voluntary sector (about 15 percent of total volunteers per year). Volunteers from the voluntary sector are financed 100 percent by KOICA and coordinated by the Korea NGO Council for Overseas Cooperation (KCOC), the Korean coalition of CSOs involved in service delivery.[14] Korean CSOs submit applications to KCOC to send volunteers. Selected CSO volunteers are placed through CSO channels in CSO programmes in developing countries.

There are two primary CSO platforms or coalitions in Korea: KCOC and the Korea Civil Society Forum on International

Development Cooperation (KoFID). KoFID is composed mainly of advocacy-oriented CSOs, while KCOC brings together and coordinates about 90 CSOs involved in service delivery overseas, including the volunteer programme. Sources of finance for advocacy organizations are from their members and from some Korean foundations that support research and advocacy programmes.

4. THE CZECH REPUBLIC[15]

The Czech Republic has a modest ODA budget, amounting to US$250.5 million in 2011 — or 0.12 percent of gross national income (GNI) — with bilateral resources of less than US$80 million. The outlook for 2013–2015 is for no growth in this ODA. More than 65 percent of Czech aid is allocated to the European Union (EU) development budget. Czech ODA has been coordinated since 2008 by the Czech Development Agency (CzDA) within the Ministry of Foreign Affairs, but it involves other line ministries such as the Ministry of Finance, Ministry of the Interior, Ministry of Industry or the Ministry of Education.[16] The Czech Republic joined the OECD DAC in April 2013.

Czech aid has five priority themes: environment, agriculture, social development, economic development, and democracy and human rights. The projects are concentrated in 11 countries, with Georgia, Egypt, Belarus, Cuba, Bosnia and Ukraine among the top countries for projects. A large number of projects are co-financed with the EU.

After 1989, the Czech State played a large role in the expansion of Czech civil society, including organizations working in international cooperation. Support for Czech CSOs comes from bilateral funds. In 2010 the DAC reported that US$540,000 — or slightly more than 20 percent of bilateral funds — was disbursed to Czech CSOs.[17] In

2011 the Ministry of Foreign Affairs reported that US$9.4 million was disbursed to/through Czech CSOs. There are four main areas of support: capacity-building, supporting public awareness, support to platforms and members' capacity, and support to regional development activities in beneficiary countries.[18]

Currently, Czech CSOs must apply for Czech government financing on a project-by-project competitive basis. There are no framework agreements with Czech CSOs. Caritas Czech Republic, People in Need, Svet jako domov and ADRA were the top CSO recipients of bilateral aid in 2010. There is a very limited window with CzDA to apply for project grants in other than priority countries. On the other hand, there are several specific grant programmes for CSOs, including trilateral cooperation (co-financing with the European Commission or other donors). So far trilateral cooperation has not been used for cooperation with other new development assistance providers, such as Slovakia.

There are no framework agreements or core support schemes for Czech CSOs, similar to other European countries, even for the Czech platform of CSOs, the Czech Forum for Development Cooperation (FoRS).[19] The platform is a member of the Europe-wide coalition CONCORD. FoRS was engaged by the government in the process of developing a law on Czech ODA, which was enacted in 2010.[20]

BIBLIOGRAPHY

Besharati, N.A., 'South Africa Development Partnership Agency (SADPA): Strategic Aid or Development Packages for Africa', *Research Report*, No. 12, South Africa Institute of International Affairs, Economic Diplomacy Programme, Johannesburg, August 2013. http://www.saiia.org.za/doc_download/347-south-african-development-partnership-agency-sadpa-strategic-aid-or-development-packages-for-africa

Braude, W., Thandrayan, P. and Sidiropoulos, E., 'Emerging Donors in International Assistance: The South Africa Case', South Africa Institute of International Affairs, Johannesburg, and International Development Research Centre, Otawa, 2008: 12.

Chaturvedi, S., 'India's development partnership: key policy shifts and institutional evolution', *Cambridge Review of International Affairs*, 2012, Vol. 25, No. 4, December 2012.

Correa, G., 'Manual de Cooperación Internacional', RACI, Buenos Aires, 2012. http://www.raci.org.ar/recursos-para-ong/manual-de-cooperacion-internacional/

CPM, MESA and CRPE, 'Mapping of East-East and triangular cooperation initiatives in Europe and CIS: key players, issues, modalities, Part 1: Sharing knowledge and transition experience for development: mapping of selected new European donors', study commissioned by UNDP, New York, December 2012.

Dubochet, L., 'The Changing Role of Civil Society in a Middle Income Country: A Case Study from India', *Oxfam India Working Paper Series*, OIWPS – XI, Oxfam India, New Delhi, December 2011. http://www.oxfamindia.org/sites/default/files/XI%20The%20Changing%20Role%20of%20Civil%20Society%20in%20a%20Middle-Income%20Country.pdf

Fuchs, A., 'The Needy Donor: An Empirical Analysis of India's Aid Motives', *University of Heidelberg Discussion Paper*, No. 532, University of Heidelberg, Heidelberg, July 2012. http://www.fww-ev.de/fileadmin/files/Vortraege/Ankuendigung-Fuchs.pdf

IDRC, 'Emerging Donors in International Development Assistance: The India Case', International Development Research Centre, Ottawa, 2007.
http://www.idrc.ca/EN/Documents/Case-of-India.pdf

Jaitli, H., 'Changing role of the Voluntary Development Sector in India', in *State of Civil Society 2013: Creating an enabling environment*, edited by A. Firmin, C.-M. Pegus and B. Tomlinson, CIVICUS, Johannesburg, 2013.
http://socs.civicus.org/wp-content/uploads/2013/04/2013State ofCivilSocietyReport_full.pdf

John, L., 'Engaging BRICS: Challenges and Opportunities for Civil Society', *Oxfam India Working Paper Series*, OIWPS – XII, Oxfam India, New Delhi, September 2012.
http://www.oxfamindia.org/sites/default/files/Working%20 paper%2012.pdf

KoFID and ReDI, 'Korea's Development Experience: A New Perspective', *Issue Brief*, November 2011, KoFID and ReDI, Seoul.
http://www.redi.re.kr/korean/viewtopic.php?p=505

Latechova, B., 'How can civil society be involved in development cooperation? Central and Eastern Europe Experience', PowerPoint presentation, UNDP/TIKA Workshop, Istanbul, 26 April 2013.

Park, K.-H., 'New Development Partners and a Global Development Partnership', in *Catalyzing Development: A New Vision for Aid*, edited by H. Kharas, K. Makino and W. Jung, Brookings Institution, Washington, DC, 2011: 38–60.

Vaes, S., and Huyse, H., 'New Voices on South-South Cooperation Between Emerging Powers and Africa: African Civil Society Perspectives', 11.11.11 Research Chair on Development Cooperation, Leuven, 2013.
http://hiva.kuleuven.be/en/publicaties/publicatie_detail.php?id=3449

INTERVIEWS

Anselmo Lee, Executive Director, Korea Human Right Foundation, and Chairperson, Organizing Committee for the Busan Civil Society Forum at HLF4, Korea Civil Society Forum on International Development Cooperation (KoFID).

Daniel Svoboda, Development Worldwide, Czech Republic, via e-mail.

ENDNOTES

1   Fuchs, 2012: 28.

2   Note that this US$15 billion over five years will be allocated to international cooperation programmes, some of which may not be grants or concessional finance and, therefore, not directly comparable to DAC ODA. Kang-Ho Park (2011) at the Brookings Institution estimated Indian aid equivalent to ODA at US$1 billion in 2008.

3   Chaturvedi, 2012: 558.

4   IDRC, 2007.

5   Chaturvedi, 2012: 575.

6   Vaes and Huyse, 2013: 40-41. See the brief discussion of the Forum for Indian Development Cooperation at PRIA (a major Indian policy oriented CSO) at http://www.pria.org/events/general-events/details/168-indias-global-development-presence-and-engagement-of-indian-civil-society

7   Jaitli, 2013.

8   Correa, 2012.

9   See Besharati, 2013: 36.

10 An important analytical review of South Africa's past, present and future development assistance was published subsequent to completing this short overview of South Africa as an aid-provider. It is an essential reference for understanding the directions for SADPA. See Besharati, 2013.

11 Besharati, 2013: 36–37.

12 Braude, Thandrayan and Sidiropoulos, 2008: 12.

13 Basharati, 2013: 41.

14 See http://www.ngokcoc.or.kr/english/index.php

15 Information for this summary case study is based on CPM et al., 2012: 26–30.

16 See www.czda.cz/?lang=en

17 CPM et al., 2012: 27.

18 Latechova, 2013: slide 8 (Case Study: Czech Republic (I)).

19 http://www.fors.cz

20 Latechova, 2013: slide 8.

AN OVERVIEW OF INTERNATIONAL NGOs IN DEVELOPMENT COOPERATION

BILL MORTON

1. INTRODUCTION

Any discussion of the provision of aid through civil society organizations (CSOs) needs to take into account the particular case of international non-governmental organizations (INGOs).[1] They are a powerful force in the delivery of aid, and important actors within the international development architecture. They are now providing more aid to developing countries than ever before, and the budgets of particularly large INGOs have surpassed those of some Organisation for Economic Co-operation and Development (OECD) donor countries.[2] Eight INGOs (World Vision International, Oxfam International, Save the Children International, Plan International, Médecins Sans Frontières, CARE International, CARITAS International and ActionAid International) had combined revenue of more than US$11.7 billion in 2011, up 40 percent since 2005. INGOs represent a major presence in many developing countries, receive substantial sums from donors to carry out humanitarian assistance and development work, and are an increasingly influential actor in policy processes and in the global governance of aid.

2. NATURE OF INGOs

2.1 WHAT DISTINGUISHES INGOs FROM NATIONAL CSOs IN BOTH DONOR COUNTRIES AND HOST COUNTRIES?

INGOs in donor countries are different from other national CSOs in donor and recipient countries in several respects, including in terms of their global operations, their size, scale, geographic reach, access to funds, budgets, and roles in development.

Membership of global consortia: A key factor that distinguishes INGOS from national CSOs in donor countries is that they have global operations. INGOs usually have multiple autonomous national offices based in many OECD and some middle-income developing countries, but they also operate together as members of global consortia, confederations or affiliations that undertake development programmes through their own regional and national offices in a large number of developing countries. Thus Oxfam Canada, for instance, is an autonomous organization with its own governance structure but is a member of the Oxfam International confederation that has 16 other member organizations. CARE USA is a member of CARE International, a confederation of 14 member organizations.

Global reach: INGOs have extensive global programmatic reach as a result of their membership of global confederations. While individual national INGO affiliates may only directly manage or operate programmes in a relatively small number of countries, they can participate across the whole range of the confederation's programme countries (by providing financial resources or advice). For instance, Save the

Children works in 120 countries globally,[3] World Vision International in 98 countries,[4] and Oxfam International in more than 90 countries.[5] The global reach of INGOs often exceeds that of many individual OECD official donor bilateral geographic programmes.

Size and scope: INGOs are generally much larger than other national CSOs in donor countries, in terms of budgets, number of staff, and operations. For instance, in Australia, two of the main INGOs (Oxfam Australia and World Vision Australia) have over 200 members of staff based in Australia, whereas nearly all other national CSOs have under 50, and usually much fewer. INGOs also typically have much larger budgets than national CSOs: in 2011 World Vision Australia's revenue was US$345 million,[6] and Oxfam Australia's was US$76.5 million, compared to most national CSOs that had revenue below US$10 million, and many of them below US$1 million.

The much larger budgets that INGOs command is the result of a range of factors, including increased capacity for fundraising from the public, governments and other institutions, greater legitimacy and influence with government and other donors, and greater capacity to use funds at economies of scale. These factors also mean that large INGOs are more likely to gain core or framework funding agreements from donor governments, and in larger amounts. National-level INGOs are also able to tap into the global financial and staff resources of their confederations (discussed more in Section 3).

Organizational capacity: INGOs' larger budgets and staff contingents allow for dedicated staff across a full range of operations and programming, meaning that INGOs generally have both broader and deeper capacity than national CSOs. INGOs typically have

staff (often in dedicated teams) undertaking roles in organizational management, development programme implementation and management, humanitarian assistance, fundraising, communications and media, human resource management, finance and accounting, and policy and campaigning. Individual INGO national affiliates can also draw on the staff resources and expertise of their confederation members. In comparison, staff of national CSOs are often responsible for several roles in the organization, or make strategic decisions on where to concentrate staff resources (for instance, on how much staff time to dedicate to managing existing development programmes versus developing new programmes).

Many INGOs now also have dedicated staff working on monitoring, evaluation and learning. This allows INGOs to assess the results and impact of their work, to implement quality assurance and improvement measures, demonstrate accountability to partners, recipients and the public, and to report efficiently to donors on how funds have been used and on the overall impact of funded programmes. This type of work is specialized, resource-intensive and time-consuming, and many smaller national CSOs have limited capacity to undertake it, concentrating most of their efforts in reporting to official donors and their fundraising publics.

Range of partnerships: While most national CSOs in donor countries adopt a partnership approach to development programming, INGOs often work across a broader range of partnerships, and have the advantage that they can bring to these partnerships greater financial and other resources (in particular, expertise and knowledge). Like national CSOs, INGOs typically work in partnership with developing-country CSOs. However, their partnerships in both donor and

developing countries increasingly also extend to other institutions and the private sector. They are increasingly collaborating with academic and research centres, as well as the private sector, in the design and delivery of programmes, and drawing on additional resources from their consortium members when they do so. In some cases INGOs will also partner or collaborate with other INGOs, but are less likely to do so with national donor-country CSOs.

Legitimacy and influence: INGOs' size and scale, global reach, large staff contingents, range of programmes and partnerships and ability to demonstrate results afford them a level of professionalism, credibility and legitimacy in the eyes of donors and the public. As a result, INGOs have a comparatively higher profile than national CSOs, both with the public and with government and other donors. Although governments require INGOs to meet stringent eligibility and accountability requirements, they generally regard the largest INGOs as established development actors that have proven track records and, therefore, as trustworthy channels for the delivery of aid. In comparison, while seen as legitimate, national CSOs sometimes have a more difficult time demonstrating their eligibility for funding, because they do not have comparable levels of programme scale, staff capacity and resources. Greater visibility and reputation also allow INGOs to maintain their advantageous positions: they are better placed and can draw on greater resources to continue to demonstrate their legitimacy and to undertake continued fundraising.

These factors also mean that INGOs can have greater standing and 'voice' with decision makers, funding agencies and within policy processes. INGOs are, therefore, generally in a position to more strongly influence both the domestic and international

development policy agendas than national individual CSOs — making them "among the most powerful members of civil society" (although the latter can be effective working in coalition, often with INGOs).[7] INGOs are usually better resourced to participate in global coalitions and campaigns, and can take a more active and influential role in them.

2.2 WHAT ARE THE ROLES OF INGOs IN INTERNATIONAL DEVELOPMENT COOPERATION?

INGO mission and mandate: INGOs have varied roles in development cooperation, and have varied approaches based on different models of development practice. However, there are strong similarities in the objectives they aim to achieve, and in their overall mandates. Key objectives for INGOs typically include the reduction of poverty and inequality, the realization of rights, the promotion of gender equality and social justice, protection of the environment and strengthening of civil society and democratic governance. For example, three of the largest INGOs have primary objectives based on poverty reduction:

- CARE International "shares a common vision to fight against worldwide poverty and to protect and enhance human dignity."[8]

- Oxfam International is a "global movement for change, to build a future free from the injustice of poverty."[9]

- World Vision is "dedicated to working with children, families and communities to overcome poverty and injustice."[10]

INGO target groups and sectors: INGOs work with a wide range of target groups and sectors to achieve their

development objectives. While some have a special focus, many work in similar areas. Save The Children and Plan International, as their names suggest, have a specific focus on children and undertake programmes in health, nutrition, education, protection and child rights.[11] ActionAid works on food rights, women's rights, democratic governance, education, climate change and HIV/AIDS.[12] Many INGOs, such as World Vision International or Oxfam International, are involved in humanitarian assistance as well as long-term development programmes. One of the world's largest INGOs, Médecins sans Frontières works only on humanitarian assistance, delivering emergency aid "to people affected by armed conflict, epidemics, healthcare exclusion and natural or man-made disasters".[13]

Programme approaches: Most INGOs are directly involved in planning, implementing and managing development programmes and humanitarian assistance in developing countries. Their approaches can range from the operational implementation of programmes, to working wholly through partners, where they have no direct role in programme implementation. Most INGOs undertake a mix of approaches, often informed by practice models and theoretical frameworks, and by performance and quality standards. In these respects, INGOs do not necessarily differ from national CSOs: the difference, as stated above, relates to the scale and geographic reach of INGOs' programmatic approaches.

Policy dialogue and campaigning: Some INGOs are also involved in policy dialogue, advocacy, lobbying and campaigning work at the domestic and international level. This work may be undertaken as part of global campaigns or coalitions, and is usually designed to bring about structural or policy change

in relation to development problems. These roles are connected to a view that, in addition to undertaking programmes in developing countries to address the symptoms of poverty, CSOs should also be involved in addressing the underlying causes of poverty — and that this means undertaking policy dialogue and influencing roles.[14] As a result, INGOs such as World Vision and CARE have increased their policy, advocacy and campaigning roles in recent years. For instance, CARE states that:

> "Advocacy is a key aspect of CARE's humanitarian and development efforts, addressing not only the immediate needs of the poor, but also the root causes of poverty and obstacles to its elimination."[15]

Increasing role in research: INGOs draw on the global reach and the cumulative experience of their confederation members for both their programme delivery and for their policy influence work. They undertake research and learning processes to ensure that both their development programmes and their policy influence work are informed by their own programme experience and knowledge, and in particular by their relationships with developing-country partners and communities. Increasingly, some INGOs are commissioning research to establish a stronger evidence base for both programming and policy influence. Many national INGO affiliates now have dedicated research units, along with teams in the international secretariat of INGOs (their consortium's coordinating body). For instance, in the first half of 2012, the Oxfam International research unit produced reports on climate change, food security, the arms trade and the African Union.[16]

Changing roles for a changing world: Similar to official donors and other international development

institutions, INGO roles are not static: they change and respond to the changing global context for development. Some commentators suggest that changing geopolitical dynamics at the global level have particular implications for the roles of INGOs. In this context, INGOs are assuming greater and more important roles at the supranational level, ensuring that global public goods are handled and distributed in ways that benefit rather than disadvantage poor people.[17] INGOs are also increasingly drawing on their capacity to work with States and international organizations to address transnational problems, such as climate change, global poverty, urbanization, complex humanitarian crises and security threats in a globalized world.[18]

2.3 WHAT ARE THE CHARACTERISTICS OF INGOs IN SIZE, SCOPE AND OPERATIONAL STRUCTURES?

The size and scope of INGOs is one of their defining characteristics and a key reason why they occupy an important position within international development cooperation. World Vision International, the world's largest INGO, has an annual budget of US$2.8 billion (in 2011), which is greater than the budget of all UN agencies combined other than the World Food Programme (WFP), and more than the gross national income (GNI) of smaller African and European countries.[19] World Vision International's global revenue in 2011 was larger than the aid budgets of 12 out of the 23 OECD Development Assistance Committee (DAC) donors.

INGOs' scale and scope are the result of dramatic increases in their budgets over the last 15 years. They are channelling more aid to developing countries than ever before.[20] The eight largest INGOs by revenue in

2005 (World Vision International, Oxfam International, Save the Children International, Plan International and Médecins Sans Frontières, CARE International, CARITAS International, and ActionAid International) earned a total of US$11.7 billion in 2011, a 40 percent increase in these years.[21] The flow of money through INGOs for humanitarian assistance has also grown significantly: in 2007, INGOs supplied US$4.9 billion of the US$15 billion in humanitarian assistance provided by all aid actors.[22]

The sources of INGO revenue can vary quite significantly. Private donations amounted to 89.5 percent of the revenue of Médecins Sans Frontières in 2012,[23] while CARE International received more than 60 percent of its revenue from official donors.[24] Between 2007 and 2011, all NGOs (mainly INGOs) contributed over US$20 billion to humanitarian assistance from private sources, while also channelling US$14.4 billion from official donor sources.[25]

INGO sources of funding also often vary by country. Private voluntary organizations registered with the United States Agency for International Development (USAID) received more than six times as much funding from private donors in 2008 than from USAID.[26] While the origins of INGO funding vary significantly from organization to organization, INGOs in general are collectively dependent on official donors for approximately half of their budgets.[27]

Structures of INGOs: The structures of INGOs vary from one to the other but also have a number of common key features. Most of the largest INGOs operate as independent registered organizations within a donor country, with their own governance structures and programme arrangements. Most also have programme management and implementation offices in developing countries. At the same time, as

noted above, INGOs are members of confederations and affiliations, and this affiliation also determines the characteristics of their structures and operations.

Each confederation has its own development objectives, priorities and set of operating standards and principles (and in some cases internal codes of conducts) to which each confederation member must agree and is required to follow. Management arrangements, the way programmes are funded and implemented and, in particular, the way that offices and programmes in developing countries operate can vary widely between (and sometimes within) the different international confederations.

For instance, CARE International is a confederation of 14 member countries. Each member is an autonomous member of the confederation, bound by CARE International norms. CARE programmes in developing countries operate as one programme (rather than as programmes of individual members). Each country programme is implemented and administered by a nominated 'lead member' of the confederation, while other confederation 'member partners' provide financial and other support for particular aspects of the programme. An internal code of conduct specifies roles and responsibilities for all members of CARE International.

Oxfam International has a different structure for operating in developing countries. In the past, its 17 affiliate members have independently undertaken their own development programmes, with the result that there could be numerous Oxfam affiliates working in one country and undertaking their own separate programmes. Oxfam is now undertaking a major transformation of how the confederation operates, moving towards a 'single management structure'. Similar

to CARE, this will result in one Oxfam confederation member operating and running programmes in each developing country as the designated 'managing affiliate', with other Oxfams operating as 'contributing affiliates', undertaking primarily funding roles but also contributing programme advice and dialogue. In some cases, however, contributing affiliates may opt to continue to maintain offices in developing countries, with the result that there could still be several Oxfams with a presence in one developing country.

INGO confederation affiliates or members have traditionally been based in Northern countries where they raise most of their revenue. But due to changing global dynamics, some INGO confederations now have autonomous member organizations in developing countries. This includes Oxfam International, for whom Oxfam India is a confederation member, and CARE International, where CARE Thailand is a confederation member.

It is also useful to note that some INGOs are undertaking changes in governance and management structures to facilitate greater representation and ownership of stakeholders in developing countries. For instance, ActionAid, which works in 45 countries globally, moved its headquarters from London to Johannesburg in 2003, to help "to further strengthen our accountability to the people, communities and countries we work with and make us more effective in fighting and eradicating poverty."[28] The Agency for Cooperation and Research in Development (ACORD), originally established as a consortium of INGOs to respond to African emergencies, also moved its headquarters from London to Nairobi around 2005 to transform itself from a Northern consortium into an Africa-led international alliance.[29]

2.4 NATURE OF RELATIONSHIPS WITH BOTH TRADITIONAL AND DEVELOPING DONORS AND HOST-COUNTRY GOVERNMENTS

INGOs have a range of relationships with traditional donors in relation to both funding and non-funding issues.

Funding relationships: Funding is a key part of the relationship between INGOs and donors. Official donor funding is extremely important to INGOs: they depend on donors for about half of their total revenue.[30]

Before considering the characteristics of this funding relationship, it is important to first recognize that while funding from donor governments is important to INGOs, INGOs are also important to these governments. INGOs represent a key way in which governments engage in developing countries. Governments support INGOs and other donor-country CSOs for a range of reasons, but one of the main ones is that the delivery of aid through INGOs and CSOs allows them to expand their options for operationalizing their own development cooperation priorities. For instance, INGOs are able to undertake fast and efficient responses to humanitarian crises, and their emphasis on supporting civil society is consistent with most donors' own objectives of strengthening the role of civil society in service delivery and reducing poverty in developing countries.

Funding to and through INGOs is usually tied to donor governments' own sector and geographic programmes but often extends their scope and geographic reach. In many cases (such as directly supporting governments in fragile states), INGOs represent a relatively low-risk delivery option, due to their ability to work through global affiliates and members of confederations, their

presence on the ground, their ability to demonstrate results and impact, and their relatively sophisticated systems for ensuring accountability for funds.

Nevertheless, the transfer of funds from official donors to an INGO defines the nature of their relationship to a great extent. Before the donor provides funds, INGOs must usually demonstrate that that they are an eligible, trustworthy recipient; that they can efficiently manage the funds once transferred; that they can implement programmes, monitor their progress and demonstrate results; and that they can demonstrate accountability for the use of the funds. In Australia, for instance, INGOs are required to fulfil a rigorous accreditation process, with requirements in each of the above areas, to be considered eligible for core funding from the government.[31]

The fulfilment of donor accountability requirements represents a key part of INGOs' relationship with official donor funders. INGOs are required to demonstrate fiscal accountability: to show that the funds have been used for the purpose they were provided for, and that they can be accounted for. INGOs are also required to demonstrate accountability in terms of agreed outputs and outcomes. This is often a more complex and time-consuming process; in some cases, demonstrating a causal relationship between the provision of funds for development activities and specific outcomes is difficult (for instance, in programmes to strengthen women's rights, or that build capacity of CSOs). Many INGOs have established dedicated staff teams to meet programme accountability requirements.

Accountability is one of the evolving areas in the INGO–donor relationship. This is the result of the changing global environment for aid and development, and affects both donors and INGOs. Many donor

governments, especially those undertaking budgetary constraint, are under strong political and economic pressure to justify budgetary expenditure on aid and development, to demonstrate value for money and results for the money provided through the aid programme, and to be accountable to citizens and taxpayers for the use of the funds. When donors provide aid funds to INGOs, they also pass on the requirements to demonstrate results, value for money and accountability. When INGOs in turn draw on donor funds to work with partners, they often also pass on donor accountability requirements to their partner organizations, which they require to report against donor standards and requirements. This has resulted in debate about ownership in CSO programmes: whether INGOs should be primarily accountable to donors for the funds they have received, or to the communities and partners they work with.[32] Many INGOs struggle to fulfil accountability requirements towards donors, while also ensuring they are maintaining their commitments to partners.

Non-funding relationships: Relationships between donors and INGOs are often dominated by the funding aspect. In any relationship, the provision of funds from one entity to another establishes a power imbalance that favours the donor, with the donor able to set the terms of the relationship, and the recipient ultimately forced to accept these terms. At worst, donor–INGO relationships follow this prescription and are based on a principal–agent arrangement, where the government provides the funds, and the INGO accepts them and implements programmes according to the donor's requirements. In these cases, donor roles in the government–CSO relationship have tended to focus on contract and risk management, and INGOs' roles have been limited to implementation and meeting reporting and accountability requirements.[33]

Both INGOs and donor governments have recognized that relationships that are defined by principal–agent and strict contract management arrangements are not suitable for addressing complex development problems. They limit opportunities to respond to unforeseen circumstances and frequently changing development contexts, to learn from experience and improve practice and outcomes based on this learning.

As a result, donors and INGOs are increasingly working to develop the non-funding dimensions of their relationships, most commonly by exploring a greater emphasis on partnerships. These may exist alongside funding arrangements, but their general aim is to increase the scope and quality of the relationships. Key features of partnership arrangements between donors and INGOs are based on principles such as collaboration, trust, open dialogue, mutual respect and sharing, a long-term view of results and outcomes, and flexibility and willingness to adapt to changed circumstances.[34]

In some cases these partnerships are built into core or framework funding arrangements, where there is a recognition that INGOs have a certain level of expertise and capacity to undertake their own development programmes within broadly agreed parameters, but where there is also an expectation of frequent exchange, learning and policy dialogue between the donor and INGO. For instance, World Vision Australia is very active in ongoing dialogue in relation to its core funding partnership agreement with the Australian government. AusAID now views World Vision as "partners rather than tenderers". Where World Vision and AusAID priorities coincide, AusAID sees that World Vision can be trusted to undertake activities with minimal direction from AusAID.[35]

In other cases INGOs provide direct advice to donor governments as part of partnership and policy dialogue, including on donors' programming, and sometimes on their funding models. Thus there are both advocacy and collaborative aspects of CSO–donor relationships. For instance, Oxfam Australia directly contributed to the design of one of AusAID's geographic funding programmes, in the context of its funding and partnership arrangement. AusAID sees that CSOs have expertise in areas that it does not, in particular at the country level.[36]

2.5 IMPLICATIONS OF INGO OPERATIONS FOR DEVELOPING-COUNTRY GOVERNMENTS AND NATIONAL (LOCAL) CSOs IN DEVELOPING COUNTRIES

INGOs' geographic reach, staff numbers, global presence and substantial budgets mean that they are major players within the international aid system. This has particular implications in developing countries. Along with bilateral and multilateral organizations, INGOs constitute a significant component of external engagement in domestic development processes for both governments and domestic civil society.[37]

Implications for communities in developing countries: INGOs have a major role in developing countries, and can sometimes constitute the main international presence in some regions or locations, in particular those that are more remote, affected by conflict or less important economically or politically. This means that some communities experience the aid system — including its programmes and institutions — primarily through INGOs.[38] In these cases, there is a heavy onus of responsibility on INGOs: to operate ethically, to work collaboratively and productively with

communities, to ensure positive outcomes of their interventions, and to be accountable for their actions. INGO presence in communities can be highly visible, and long-term: World Vision, for instance, establishes a 15-year presence in communities through its Area Development Plans and offices and its teams that support these plans.

Implications for national (local) CSOs in developing countries: The size, scope and extensive presence of INGOs in developing countries can have important implications for national (local) CSOs. These can be both positive and negative.

INGOs provide a range of opportunities and relationships for local CSOs, through both their funding and non-funding roles. Many local CSOs depend on INGOs to support their own development activities (through core, programme or project funding), and many also undertake work on behalf of INGOs (through project subcontracting work). INGOs provide important capacity development opportunities for local CSOs, as well as exposure to an increased range of expertise and development approaches. Many local CSOs view INGOs as an established and important component of the development environment, and work alongside them in funding or partnership arrangements, or in non-funding collaborative approaches, such as knowledge and practice networks, or through collaboration in policy dialogue with governments, donors or the private sector.

At the same time, however, the major physical and sustained presence of INGOs in developing countries can have negative implications for local CSOs. INGOs' larger programmes, budgets and staffing contingents, as well as their use of foreign consultants, can cause them to 'crowd out' local development organizations,

which may have knowledge, skills and capacities that are more closely linked to, and better informed by, 'on-the-ground' realities. Following the 2004 Indian Ocean tsunami in Sri Lanka, for example, "local experts were often reduced to the level of research assistants and left to carry out mundane administrative tasks instead of contributing to the leadership."[39]

Large INGOs with high visibility in developing countries are also sometimes more likely to gain access to local government officials, and can have more opportunities to influence decision-making.[40] They may also be more likely than local CSOs to win grants and contracts that are available at the developing-country level. In some cases, INGOs are seen as a source of 'brain drain' from local CSOs and governments, because they offer higher salaries and better terms and conditions. These differences between INGOs and local CSOs set up an unfortunate dynamic that may lead to resentment and difficult working relationships.

Implications for developing-country governments: The significant on-the-ground presence of INGOs has a number of implications for developing-country governments. Governments can have a variety of relationships with INGOs. At the simplest level, this may occur through INGOs legally registering their presence with the government. The relationship in many cases, however, extends beyond this to both informal and formal engagements on the programmatic work of INGOs. In some cases, in particular where the government has a policy on the role of CSOs, INGOs may be required to enter into Memoranda of Understanding with the government. These may include mechanisms for the government to ensure INGOs are working within the general parameters of its overall development effort. In rare cases, a government may require INGOs to align with its major strategies or

priority sectors.[41] In many other cases, however, other than registration, relationships between host-country governments and INGOs may be minimal.

Whatever the nature of the relationship, the major presence of INGOs means that they are undertaking significant development programmes, nearly always in a context where the government is also undertaking (or attempting to undertake) its own development programmes. As a result, governments are at the very least interested in information about what INGOs are doing. In some cases, INGOs will consciously fill gaps in government development programmes, either in terms of the range of services provided or of their geographic reach. In some cases, governments and INGOs can address issues and collaborate on programmes. In these cases, governments can see INGOs as important actors in the development arena, as sources of collaboration, and of increasing and improving the scope of development programming.

This, however, is not always the case. INGOs by nature are independent organizations. They, therefore, will want to maintain a certain distance from government, with the ability to operate as development actors in their own right. In this way they continue to demonstrate their unique or niche approaches and pursue their own particular development programmes, responding to the needs and interests in communities and in locations of their own choice.

Many governments in developing countries recognize INGOs' need to maintain independence, whereby INGOs increase the range of development actors, services and opportunities for communities (and for local CSOs). Nevertheless, the particular roles and approaches of INGOs can represent a challenge to some governments. Governments may be concerned that

INGOs undertake major development programmes, with significant geographic reach and with major presence, but that these are not coordinated with existing government programmes. In some cases, governments may feel that INGOs' particular approaches undermine their own programmes, or that their approaches are inconsistent with government priorities. This is often the case at the level of regional or local governments, which are closer to the actual operations of INGOs. As such, the presence of INGOs in developing countries often means an ongoing negotiation with different levels of government, in terms of respective roles, development contributions and terms of engagement.

ANNEX

SAMPLE OF SOME OF THE LARGEST INGOs[i]

TABLE 1

(US Dollars; in alphabetical order[ii])

ORGANIZATION	INCOME 2011	STAFF NUMBERS	GEOGRAPHIC REACH
ActionAid (Johannesburg, South Africa)[iii]	$314 million	2,328	- 45 countries - 25 million people
Aga Khan Development Network (Geneva, Switzerland)	Development activities budget $450 million (2008)[42]	60,000	- 25 countries
CARE International (Chatelaine, Switzerland)	$780 million	12,000	- 87 countries - 60 million people - 12 national members
Catholic Relief Services (CRS) (Baltimore, USA)	$823 million	5,211	- 100 countries - 130 million people
Christian Aid (London, UK)	$148 million	758	- 45 countries
Médecins Sans Frontières (Geneva, Switzerland)	$1.24 billion	22,000	- 60 countries
Mercy Corps (Portland, USA)	$301 million	3,700	- 40 countries
Oxfam International (Oxford, UK)	$1.25 billion	6,000	- 98 countries - 14 member organizations
Plan International (Woking, UK)	$827 million	8,131	- 48 countries
Save the Children (London, UK)	$1.4 billion	14,000	- 120 countries - 29 national organizations - 80 million children
World Vision International (Monrovia, California, USA)	$2.79 billion	40,000	- 120 countries - 100 million people

Notes Table 1

i   Information is derived from INGO official annual reports and websites. While annual reports generally cover the fiscal period from January to 31 December 2011, some organizations report figures based on different fiscal periods within the nominated year. Staffing and geographic reach are 2008 data.

ii   All figures were converted to US$ using average midpoint currency exchange rates retrieved from http://www.oanda.com/currency/historical-rates for the fiscal periods indicated.

iii   The headquarters of each INGO is listed below its name. However, the term is used loosely here. Some INGOs are structured hierarchically, while others have international offices that operate more or less independently from each other and are simply coordinated by a single office.

TABLE 2 COMPARISON OF OECD DONORS AND PROMINENT INGOs[i]

DAC Donor/INGO	ODA/INGO revenue (US$ 2010 millions)[ii]
United States of America	29,431
United Kingdom	12,871
Germany	11,884
Japan	10,842
France	10,073
Spain	5532
Netherlands	5518
Canada	4703
Norway	4228
Sweden	4137
Australia	3813
World Vision (2011)	**2790**
Italy	2763
Denmark	2675
Belgium	2311
Switzerland	1904
Save the Children (2011)	**1400**
Finland	1287
Oxfam International (2011)	**1250**
Médecins Sans Frontières (2011)	**1240**
Republic of Korea	1171
Austria	929
Ireland	895
Plan International (2011)	**827**
Catholic Relief Services (2011)	**823**
CARE USA/International (2011)	780
Portugal	622
Aga Khan Development Network (2008)	**450**
Greece	405
New Zealand	330
ActionAid (2011)	**314**
Mercy Corps (2011)	**301**

Notes Table 2

i   *Figures for OECD donors are derived from the OECD's International Development Statistics, (http://stats.oecd.org/Index.aspx?datasetcode=TABLE1) for 2010 and represent total ODA, net of imputed student costs, debt relief, and refugee in donor country allocations. Figures for INGOs derived from their official annual reports and websites. Annual reports generally cover the fiscal period 1 January to 31 December. Some organizations report figures based on different fiscal periods within the nominated year.*

ii *Annual figures converted to US$ using average midpoint currency exchange rates retrieved from http://www.oanda.com/currency/historical-rates for the fiscal periods indicated.*

BIBLIOGRAPHY

ACORD, 'About Us – Governance – ACORD', Agency for Cooperation and Research in Development, Nairobi, 2013.
http://www.acordinternational.org/acord/en/about-us/about-us/governance/

ActionAid, 'About Us – History – ActionAid', ActionAid, Johannesburg, 2013.
http://www.actionaid.org/main.aspx?PageID=7

AusAID, 'Accreditation for non-government organisations', AusAID, Canberra, 2013.
http://www.ausaid.gov.au/ngos/pages/accreditation.aspx

Bieckmann, F., 'Rooting INGOs in their home soil', *The Broker, Special Edition – The Future Calling: A Second Life for INGOs*, 2012, Issue 28, March 2012.

Brown, L.D., 'Civil Society Legitimacy and Accountability: Issues and Challenges', *Hauser Center for Nonprofit Organizations and CIVICUS Working Paper*, No. 32, Hauser Center for Nonprofit Organizations, Cambridge, MA, 2007.

CARE International, 'About Us', CARE International, Chatelaine, 2013a.
http://www.care-international.org/about-us.aspx

CARE International, 'Advocacy', CARE International, Chatelaine, 2013b.
http://www.care-international.org/what-we-do/advocacy.aspx

CARE International, 'Annual Report', CARE International, Chatelaine, 2013c.
http://www.care-international.org/Annual-Report.aspx

Ebrahim, A., 'Accountability in Practice: Mechanisms for NGOs', *World Development,* 2003, 31(5): 813–829.

Edwards, M. and Hulme, D., 'NGO Performance and Accountability in the Post-Cold War World', *Journal of International Development,* 1995, 7(6): 849–856.

Global Humanitarian Assistance, 'Global Humanitarian Assistance Report 2009', Global Humanitarian Assistance, Bristol, 2009.
http://www.globalhumanitarianassistance.org/wp-content/uploads/2009/07/GHA-Report-2009.pdf

Global Humanitarian Assistance, 'Global Humanitarian Assistance Report 2013', Global Humanitarian Assistance, Bristol, 2013.
http://www.globalhumanitarianassistance.org/report/4216

Hammad, L. and Morton, W., 'Greater Influence, Greater Responsibility: are INGOs' Self-Regulatory Accountability Standards Effective?', *Working Paper*, The North-South Institute, Ottawa, 2011.
http://www.nsi-ins.ca/wp-content/uploads/2012/10/2011-Greater-Influence-Greater-Responsibility-are-INGOs-Self-Regulatory-Accountability-Standards-Effective.pdf

Kelegama, S. and de Mel, D., 'Sri Lanka: Country Study', prepared for the project 'Southern Perspectives on Reform of the International Development Architecture', North-South Institute, Ottawa, 2007.

Médecins Sans Frontières, 'MSF Financial Report 2008', Médecins Sans Frontières, Geneva, 2009.
http://www.msf.org/source/financial/2008/MSF_Financial_Report_2008.pdf

Médecins Sans Frontières, 'Médecins Sans Frontières', Médecins Sans Frontières, Geneva, 2013.
http://www.msf.org/

Najam, A., 'NGO Accountability: A Conceptual Framework', *Development Policy Review,* 1996, 14: 339–353.

O'Dwyer, B., and Unerman, J., 'The Paradox of Greater NGO Accountability: A Case Study of Amnesty Ireland', *Accounting, Organizations and Society,* 2008, 33: 801–824.

Oxfam, 'About us', Oxfam, Oxford, 2013a.
http://www.oxfam.org/en/about

Oxfam, 'African Union Compendium', Oxfam, Oxford, 2013b.
http://www.oxfam.org/en/policy/african-union-compendium

Plan International, 'What we do', Plan International, Woking, 2013.
http://plan-international.org/what-we-do

Ronalds, P., *The Change Imperative: Creating the Next Generation NGO,* Kumarian Press, West Hartford, CT, 2010.

Save the Children, 'Save the Children', Save the Children, London, 2013.
http://www.savethechildren.net/

Szporluk, M., 'A Framework for Understanding Accountability of International NGOs and Global Good Governance', *Indiana Journal of Global Legal Studies,* 2009, 16(1): 339–361.

USAID, '2010 Volag: Report of Voluntary Agencies', United States Agency for International Development, Washington, DC, 2010.
http://pdf.usaid.gov/pdf_docs/PNADT627.pdf

World Vision International, 'Where we work', World Vision International, Monrovia, CA, 2013a.
http://www.wvi.org

World Vision International, 'Annual Reports & Reviews', World Vision International, Monrovia, CA, 2013b.
http://www.worldvision.com.au/aboutus/AnnualReportsAnd Reviews.aspx

ENDNOTES

1   See Annex A for a discussion of terminology. NGOs and INGOs are considered a subset of CSOs for the purposes of this study.

2   Hammad and Morton, 2011.

3   Save The Children, 2013.

4   World Vision International, 2013a.

5   Oxfam, 2013a.

6   World Vision International, 2013b.

7   Ronalds, 2010: 8.

8   CARE International, 2013a.

9   Oxfam, 2013a.

10 World Vision International, 2013a.

11 Save The Children, 2013; and Plan International, 2013.

12 ActionAid, 2013.

13 Médecins Sans Frontières, 2013.

14 Ronalds, 2010: 9.

15 CARE International, 2013b.

16 Oxfam, 2013b.

17 Bieckmann, 2012: 4.

18 Ronalds, 2010: 7.

19 Ronalds, 2010: 7.

20 Hammad and Morton, 2011.

21 Ronalds, 2010: 6.

22 Global Humanitarian Assistance, 2009.

23 Médecins Sans Frontières, 2009.

24 CARE International, 2013c.

25 See Global Humanitarian Assistance, 2013.

26 USAID, 2010.

27 Szporluk, 2009: 339–361.

28 ActionAid, 2013.

29 ACORD, 2013.

30 Szporluk, 2009: 339–361.

31 AusAID, 2013.

32 See Edwards and Hulme, 1995: 849–856; Najam, 1996: 339–353; Brown, 2007; O'Dwyer and Unerman, 2008: 801–824; and Ebrahim, 2003: 813–829.

33 Informant interviews, 2012.

34 Oxfam Australia submission to Independent Review of Aid: follow-up paper (available on request).

35 Informant interview.

36 Informant interview.

37 Hammad and Morton, 2011.

38 Hammad and Morton, 2011.

39 Kelegama and de Mel, 2007: 24.

40 Hammad and Morton, 2011.

41 Informant interview. For instance, a few years after independence, the Government of Eritrea required all INGOs to work only in the health and education sector.

42 The project companies of the Aga Khan Fund for Economic Development generate annual revenues of $1.5 billion.

ANNOTATED BIBLIOGRAPHY

1. CSOs IN DAC DONOR COUNTRIES

Billing, A., 'Support to Civil Society within Swedish Development Cooperation', *Perspectives*, No. 20, Universitet Göteborg, Gothenburg, June 2011.
http://www.gu.se/digitalAssets/1339/1339124_perspectives20.pdf

A history and overview of support for civil society by the Swedish government.

DANIDA, 'Danish organisations' cross-cutting monitoring of the implementation of the Civil Society Strategy, 2010', Ministry of Foreign Affairs of Denmark, Copenhagen, 2011.
http://um.dk/da/danida/samarb/civ-org/nyhedercivilsam fund/newsdisplaypage/?newsid=be4e89cc-e261-402e-aed2-cc157776557b

The report focuses on the extent to which the goals defined in Denmark's Civil Society Strategy have been promoted through the activities of Danish CSOs and thereby have contributed to generating change in the civil societies of developing countries in 2010. The report applies an approach based on cases from the Danish CSOs funded by the Danish government in 2010.

Development Assistance Committee, 'Partnering with CSOs: Twelve Lessons from DAC Peer Reviews', Draft Version, Organisation for Economic Co-operation and Development, Development Assistance Committee, Paris, 2012.
http://www.oecd.org/dac/peer-reviews/12%20Lessons%20 Partnering%20with%20Civil%20Society.pdf

The development of these 12 lessons is based on a review of DAC Peer Reviews, a survey of DAC donors on their modalities of work with CSOs, and on consultations with selected CSO platforms.

Development Assistance Committee, 'How DAC Members Work with Civil Society Organizations: An Overview', CDC/DAC (2010) 42/FINAL, Organisation for Economic Co-operation and Development, Development Assistance Committee, Paris, 2011.
http://www.oecd.org/dac/howdacmembersworkwithcivil societyorganisationsanoverview2011.htm

A report that brings together and synthesizes the outcomes of a comprehensive survey of DAC donors and selected CSO platforms in donor countries.

Giffen, J. and Judge, R., 'Civil Society Policy and Practice in Donor Agencies', Governance and Social Development Resource Centre, Birmingham, 2010.
http://www.gsdrc.org/go/display&type=Document&id=3866

This paper provides a brief overview of civil society policy and practice among a variety of multilateral and bilateral donors. Donors discussed are: the African Development Bank, the Asian Development Bank, the EC, UNDP, UNICEF, the World Bank, CIDA, Danida, DFID, Irish Aid, MFA Netherlands, Norad, Sida and USAID. Some summaries of donor policies are dated.

Glennie, J., McKechnie, K., Rabinowitz,G. and Ali, A., 'Localising Aid: Sustaining change in the public, private and civil society sectors', Overseas Development Institute, London, 2013.
http://www.odi.org.uk/sites/odi.org.uk/files/odi-assets/publications-opinion-files/8284.pdf
This report examines the proposition that by localizing their aid — transferring it to national rather than international entities — external donors can play a part in strengthening three sectors of society: the public sector (State); the private sector; and civil society. The study looks at the challenges for donors in strengthening local civil society through aid relationships.

Glennie, J., Ali, A., Maia, K., McKechnie, K. and Rabinowitz, G., 'Localising Aid: Can using local actors strengthen them?', *Overseas Development Institute Working Paper*, No. 352, Overseas Development Institute, London, 2012.
http://www.odi.org.uk/resources/details.asp?id=6764&title=use-country-systems-localising-aid-budget-support

A review of donor experience in strengthening the use of country systems following the Paris Declaration. It argues for a more comprehensive approach that includes substantial investment in localizing aid through civil society and the private sector.

Hauser Centre for Nonprofit Organizations, 'Approaches to Development and Humanitarian Action: NGO Profiles and Synthesis', Harvard University, Cambridge, MA, 2010.
http://www.hks.harvard.edu/hauser/engage/humanitarian organizations/research/documents/approaches_to_development_and_humanitarian_action_2010_10.pdf

This paper provides a short overview of nine major US-based CSOs and their operations in humanitarian assistance and development cooperation.

InterAction, 'A New Vision for the USAID-U.S. NGO Relationship: Partnering for Effective Development', InterAction, Washington, DC, 2012.
https://www.interaction.org/document/new-vision-usaid-us-ngo-relationship-partnering-effective-development

InterAction is the umbrella coalition representing the major US CSOs working in humanitarian assistance and development cooperation. The paper outlines the US CSO community's rationale for a strengthened partnership with USAID; lists its value added; identifies the weaknesses in the current relationship between USAID and CSOs; and offers actionable recommendations.

Jayawickrama, S., 'Oxfam International: Moving Towards "One Oxfam"', Hauser Center for Nonprofit Organizations, Harvard University, Cambridge, MA, 2012a.
http://www.hks.harvard.edu/hauser/engage/humanitarian organizations/research/documents/moving_toward_one_oxfam.pdf

Oxfam International is moving from a system in which multiple, autonomous Oxfam affiliates could work in any given country to a single management structure (SMS) in each country, but with a continuing commitment to preserving a diverse confederation. This has been a complex process that aims to deliver greater impact, efficiency and recognition. This paper examines the major features of change and explores the key lessons learned in the process.

Jayawickrama, S., 'Diversifying Membership and Building Inclusion in Governance: Lessons from Plan International's Experience', Hauser Centre for Nonprofit Organizations, Harvard University, Cambridge, MA, 2012b.
http://www.hks.harvard.edu/hauser/engage/humanitarian organizations/research/documents/diversifying_ membership_lessons_from_plan_experience.pdf

This paper examines Plan International's experience with respect to transitioning country offices into members of Plan International in their own right. It draws out the major lessons to be learned from Plan International's experience with organizational evolution in Thailand, India, Colombia and Brazil, and proposes a framework for an organizational evolution agenda going forward.

Jayawickrama, S., 'Save the Children International: Advancing New Structures, Systems and Governance to Deliver Impact at Scale', Hauser Centre for Nonprofit Organizations, Harvard University, Cambridge, MA, 2012c.
http://www.hks.harvard.edu/hauser/engage/humanitarian organizations/research/documents/save_the_children_ advancing_new_structures_systems_governance.pdf

Save the Children International is undergoing a dramatic transformation from a loose confederation of autonomous members to a federation with central authority to manage development programmes, coordinate humanitarian response and lead global campaigning efforts. This paper examines the major features of change and explores the key lessons learned in the process.

Karlstedt, C., 'Mapping of Donors Conditions and Requirements for CSO Funding', unpublished draft report, Sida, Stockholm, 2010.

Commissioned by Sida on behalf of a group of donors, the aim of the study is to identify areas where donors can harmonize conditions and requirements for CSO funding regarding reporting, monitoring, evaluation and audit, in order to improve conditions for donor coordination. The intention is to improve CSOs' possibilities to coordinate their support from different donors and lessen their administrative burden, in line with donor obligations as part of the Accra Agenda for Action.

Nijs, L. and Renard, R., 'Reforming government funding of development NGOs. A comparative analysis of eight European donors', *Working Paper*, No. 2009.01, Institute of Development Policy and Management, Universiteit Antwerpen, Antwerp, 2009. http://www.ua.ac.be/main.aspx?c=.IOB&n=101945
This paper is a comparative study of public financing of CSO development cooperation in selected European countries: Nordic+ group (Denmark, Finland, Norway, Sweden, the Netherlands, the UK and Ireland) and Switzerland. Its main objective is to find out whether and how in the countries studied the modalities and objectives of the subsidization of Northern CSOs have been adapted to the rationale and requirements of the new aid approach as embodied in the 2005 DAC Paris Declaration.

Norad's Civil Society Panel, 'Tracking Impact: An exploratory study of the wider effects of Norwegian civil society support to countries in the South', NORAD, Oslo, 2012.
www.padev.nl/press_and_quotes/NORAD_2012.pdf
A comprehensive study assessing the wider and long-term effects of civil society interventions based on a review of NORAD's extensive portfolio of engagement with Norwegian civil society in development cooperation.

One World Trust, 'An Analysis of Sector Level Quality Initiatives: Identifying common lessons to inform BOND's effectiveness framework', One World Trust, London, 2011.
http://www.bond.org.uk/data/files/Effectiveness_Programme/report_final2.pdf
This paper provides an overview of lessons from 11 frameworks for improving the effectiveness and accountability of the civil society sector. One World Trust prepared the report for BOND, the umbrella coalition of the major UK CSOs involved in humanitarian and development cooperation. One World Trust has a database of 350 self-managed CSO regulatory frameworks, which can be found at http://oneworldtrust.org/accountability-initiatives

PARTICIP, 'Evaluation of the EC aid channelled through civil society organizations', Volumes 1, 2 and 3, PARTICIP, Cideal, Channel Research and South Research, with the collaboration of ECDPM, 2008.
http://ec.europa.eu/europeaid/how/evaluation/evaluation_reports/2008/1259_docs_en.htm
These evaluation reports provide a comprehensive assessment of the issues and lessons from European Commission aid channelled through CSOs, including a case study in Cambodia (Volume 3).

Pratt, B., Adams, J. and Warren, H., 'Official Agency Funding of NGOs in Seven Countries: Mechanisms, Trends and Implications', *Occasional Paper Series*, No. 46, INTRAC, Oxford, 2006.
http://www.intrac.org/resources.php?action=resource&id=407

This paper analyses the mechanisms by which the official agencies of seven major European countries — Denmark, Finland, Ireland, the Netherlands, Norway, Sweden and the UK — distribute ODA to domestic CSOs. It provides details of historical developments of official aid funding of CSOs, overall trends and the implications of these funding mechanisms for CSOs and civil society.

Scanteam, 'Support Models for CSOs at Country Level: Synthesis Report', NORAD, Oslo, 2007.
http://www.norad.no/en/tools-and-publications/publications/publication?key=109753

This report was prepared for the Nordic+ donors to review the opportunities, issues and modalities for supporting CSOs at the country level. It explores the potential of the different approaches in light of the Paris Declaration principles, based on case studies in Bangladesh, Tanzania, Zambia/Zimbabwe, Ethiopia and Guatemala.

Stobart, A., 'Approaches to Partnership', Hafton Consultancy, prepared for BOND, London, 2010. http://www.bond.org.uk/data/files/Effectiveness_Programme/comparative_study_of_parterships_final.pdf

The purpose of this study was to gather and synthesize the best practice in partnership relationships for UK CSOs.

2. CSOs IN DEVELOPING COUNTRIES

Batley, R., 'Structures and strategies in relationships between non-government service providers and governments', *Public Administration and Development*, 2011, Vol. 31: 306–319.

This article analyses collaboration between governments and CSOs in Bangladesh, India and Pakistan in three services: basic education, health care and sanitation. It questions the premise that CSOs that collaborate lose their autonomy and capacity for policy influence. It finds that, even where CSOs operate in constraining institutional environments and enter into agreements with government, they are able to exercise strategic choices in response. Most of the CSOs studied depended on government for less than half of their funding; they all had alternative sources and so could make strategic choices to some degree.

Batley, R. and Rose, P., 'Analysing Collaboration between Non-Governmental Service Providers and Governments', *Public Administration and Development*, 2011, Vol. 31: 230–239.

This is the introductory chapter to a special issue on relations between governments and CSOs that collaborate on service provision in Bangladesh, India and Pakistan. It analyses reasons for the growth of this collaboration, the institutional constraints that result from collaboration for CSOs, and the factors that allow for success.

Besharati, N.A., 'South Africa Development Partnership Agency (SADPA): Strategic Aid or Development Packages for Africa', *Research Report*, No. 12, South Africa Institute of International Affairs, Economic Diplomacy Program, Johannesburg, 2013. http://www.saiia.org.za/doc_download/347-south-african-development-partnership-agency-sadpa-strategic-aid-or-development-packages-for-africa

This report is an in-depth analysis exploring South Africa's past, present and future development assistance to the rest of the continent. It unpacks South Africa's development partnership paradigm and the tensions that lie within its various global engagements, its approach to incoming aid and outgoing SSC. It explores the economic and political drivers and the internal and external forces that affect Pretoria's international development policy, and the comparative advantage that South Africa possesses as a development partner in Africa.

Brass, J., 'Why Do NGOs Go Where They Go? Evidence from Kenya', *World Development*, 2012, Vol. 40, No. 2.

Using Kenya as a case study, this paper provides preliminary evidence of the factors influencing CSOs to choose their locations within a country. It looks at 4210 organizations in 70 districts, and draws on in-country interviews with CSO leaders and workers, government officials and politicians. Contrary to dominant theories of African political economy, political factors such as patronage appear to have little or no significant influence.

Chaturvedi, S., 'India's development partnership: key policy shifts and institutional evolution', *Cambridge Review of International Affairs*, 2012, Vol. 25, No. 4, December.

This article examines the emerging trends in India's role as a provider of development assistance to the other developing countries of the global South. Though India has diversified the regional focus and has multiplied the quantum of development assistance, there remain several challenges at various levels.

Chin, G. and Quadir, F., 'Introduction: rising states, rising donors and the global aid regime', *Cambridge Review of International Affairs*, 2012, Vol. 25, No. 4, December.

This introduction to a special issue of the *Cambridge Review* looks into the ways in which the BRICS are looking to define a unique role for themselves as aid-providers, through their external aid policies and programmes, and trying to create an international identity as aid-providers that is different from the established donors.

China Development Brief, 'An analysis of the Diverse Forms of Public Advocacy in China', *China Development Brief* (English), http://www.chinadevelopmentbrief.cn/, March 2013. http://www.cdb.org.cn/upload/userfiles/files/Advocacy%20Report%20English.pdf

This study looks at the emergence of diverse forms of advocacy in the public sphere in China, carried out by CSOs, media, representatives of marginalized groups, and individual citizens and netizens.

CPM, MESA and CRPE, 'Mapping of East-East and triangular cooperation initiatives in Europe and CIS: key players, issues, modalities, Part 1: Sharing knowledge and transition experience for development: mapping of selected new European donors', study commissioned by the United Nations Development Programme, New York, 2012.

An overview of the evolution of the development cooperation in Central and Eastern Europe commissioned by UNDP. There is a thematic summary and a chapter on each of the CEE donors.

Deen, T., 'Q&A: Rise of South "Unprecedented in Speed and Scale"', Inter Press Service, 14 March 2013.
http://www.ipsnews.net/2013/03/qa-rise-of-south-unprecedented-in-speed-and-scale/

A summary review of the '2013 Human Development Report' on the rise of the South.

Dubochet, L., 'The Changing Role of Civil Society in a Middle Income Country: A Case Study from India', *Oxfam India Working Paper Series,* OIWPS - XI, Oxfam India, New Delhi, 2011.
http://www.oxfamindia.org/sites/default/files/XI%20The%20Changing%20Role%20of%20Civil%20Society%20in%20a%20Middle-Income%20Country.pdf

This study looks at the emergence of India as a middle-income country and presents views from India on some of the questions raised by this evolution. It uses the findings of 35 interviews with academics, leaders of marginalized communities, social movements, CSOs, donors and representatives of the corporate sector. Does the role of civil society change in this context, and what are the challenges for civil society? How are interactions between major stakeholders such as civil society, the government and the corporate sector changing? With donors phasing out, how will civil society be affected?

Elbers, W. and Arts, B., 'Keeping body and soul together: southern NGOs' strategic responses to donor constraints', *International Review of Administrative Sciences*, 2011, Vol. 77, No. 4, 713–732.

A study based on research with 41 Southern NGOs in India and Ghana explores the potential adverse effects of donor conditions in their funding of Southern CSOs. Some conditions are difficult to reconcile with the emphasis on local ownership and strong autonomous civil society.

Fafchamps, M. and Owens, T., 'The Determinants of Funding to Ugandan Non-Governmental Organizations', *The World Bank Economic Review*, 2009, Vol. 23, No. 2: 295–321.

Original Ugandan data collected by the authors are used to examine the determinants of funding to local CSOs. Success in attracting grants from international donors depends mostly on network effects. These results suggest that donors regard Ugandan CSOs as subcontractors of their development efforts, not as charitable organizations in their own right.

Fallman, K., 'Implementation of the Nordic+ conclusions on civil society support: The case of Zambia', in *Global Civil Society: Shifting Powers in a Shifting World*, edited by H. Moksnes and M. Melin, Uppsala Centre for Sustainable Development, Uppsala, 2012.
http://www.csduppsala.uu.se/civilsociety/index.php?option=com_content&view=article&id=55&Itemid=55

A summary of the conclusions drawn from a survey of Zambian CSOs on their perceptions of different support models for donor support of their programmes and activities.

Hossain, N. and Sengupta, A., 'Thinking Big, Going Global: the challenge of BRAC's global expansion, Indonesia', *Research Summary of Working Paper*, No. 339, Institute of Development Studies, Brighton, 2009.
http://www.ids.ac.uk/publication/thinking-big-going-global-the-challenge-of-brac-s-global-expansion-research-summary

BRAC is one of the largest Bangladeshi CSOs and also one of the few Southern CSOs that is working as an INGO in other parts of Asia and Africa.

ITAD Ltd (UK) and COWI (Denmark), 'Joint Evaluation of Support to Civil Society Engagement in Policy Dialogue: Synthesis Report', ITAD Ltd, Hove, 2012.
http://itad.com/wp-content/uploads/2013/02/evaluation_synthesis_report.pdf

A synthesis of findings from three country case studies in an evaluation commissioned by Austria, Canada, Denmark, Finland, Sweden and Switzerland. See the Bangladesh, Uganda and Mozambique case studies: Jupp et al., 2013; Kabuchu et al., 2013; and Topsoe-Jensen et al., 2013.

Jaitli, H., 'Changing role of the Voluntary Development Sector in India', in *State of Civil Society 2013: Creating an enabling environment*, edited by A. Firmin, C.-M. Pegus and B. Tomlinson, CIVICUS, Johannesburg, 2013.
http://socs.civicus.org/wp-content/uploads/2013/04/2013StateofCivilSocietyReport_full.pdf

A review of current issues in the legal and regulatory regime in India for voluntary organizations.

John, L., 'Engaging BRICS: Challenges and Opportunities for Civil Society', *Oxfam India Working Paper Series*, OIWPS - XII, Oxfam India, New Delhi, 2012.
http://www.oxfamindia.org/sites/default/files/Working%20paper%2012.pdf

A review of the challenges and opportunities for Southern CSOs in addressing the meetings and policy outcomes of the evolving relationships of the BRICS.

Jupp, D., Sultan, M. and Costa, T., 'Joint Evaluation of Support to Civil Society Engagement in Policy Dialogue: Bangladesh Case Study Report', ITAD and COWI, Hove, 2013. http://www.sida.se/Publications/Import/pdf/sv/Support-to-Civil-Society-Engagement-in-Policy-Dialogue---Bangladesh-Country-Report_3447.pdf

A detailed case study of four Bangladeshi CSOs and their engagements with the Bangladesh government. This is a joint donor evaluation commissioned by Austria, Canada, Denmark, Finland, Sweden and Switzerland.

Kabuchu, H., Abola, C., Felton, M. and Gariyo, Z., 'Joint Evaluation of Support to Civil Society Engagement in Policy Dialogue: Uganda Case Study Report', ITAD and COWI, Hove, 2013. http://www.sida.se/Publications/Import/pdf/sv/Support-to-Civil-Society-Engagement-in-Policy-Dialogue--Uganda-Country-Report_3444.pdf

A detailed case study of four Ugandan CSOs and their engagements with the Ugandan government. This is a joint donor evaluation commissioned by Austria, Canada, Denmark, Finland, Sweden and Switzerland.

Laite, I., Suyama, B., and Pomeroy, M., 'Africa-Brazil Cooperation in Social Protection: Drivers, lessons and shifts in the engagement of the Brazilian Ministry of Social Development', *WIDER Working Paper*, No. 2013/022, UNU-WIDER, Helsinki, 2013. http://www.wider.unu.edu/publications/working-papers/2013/en_GB/wp2013-022/_files/89307792035545142/default/WP2013-022.pdf

A detailed study of the domestic drivers and organization of Brazil's international cooperation in social protection, which is a policy area that was uniquely developed over a decade within Brazil by its government in strong collaboration with civil society.

McLoughlin, C., 'Factors Affecting State-Non-Governmental Organization Relations in Service Provision: Key Themes from the Literature', *Public Administration and Development*, 2011, Vol. 31: 240–251.

This article reviews the literature on State–CSO relations to identify those factors and circumstances that are likely to lead to successful outcomes in these relationships.

Nair, P., 'Evolution of the Relationship between the State and Non-Government Organizations: A South Asia Perspective', *Public Administration and Development,* 2011, Vol. 31: 252–261.

This articles looks at the evolution of CSOs from charitable voluntary organizations on the Indian subcontinent to become stakeholders in development. It examines the conditions under which CSOs were sometimes partners of the State, sometimes advocates and sometimes adversaries.

NORAD, 'Support Models for CSOs at Country Level: Tanzania Country Report', Scanteam, Oslo, 2007.
http://www.norad.no/en/tools-and-publications/publications/norad-reports/publication?key=109757

An overview of the CSO context in Tanzania and the different donor modalities for supporting Tanzanian CSOs.

PARTICIP, 'Evaluation of the EC aid channelled through civil society organizations', Volume 3, PARTICIP, Cideal, Channel Research and South Research, with the collaboration of ECDPM, 2008.
http://ec.europa.eu/europeaid/how/evaluation/evaluation_reports/2008/1259_docs_en.htm

Volume 3 of this comprehensive evaluation summarizes the findings of a case study of the European Commission's channelling of funds to international and local CSOs in Cambodia.

Ribeiro, M. and Lopes, L., 'The struggle for an enabling environment for Civil Society Organizations in Brazil: One step forward, two steps backwards?', in *State of Civil Society 2013: Creating an enabling environment*, edited by A. Firmin, C.-M. Pegus and B. Tomlinson, CIVICUS, Johannesburg, 2013. http://socs.civicus.org/wp-content/uploads/2013/04/2013StateofCivilSocietyReport_full.pdf

A review of the current state of dialogue between Brazilian CSOs and the government on the legal environment for Brazilian CSOs.

Topsøe-Jensen, B., Salimo, P., Monjane, P. and Manuel, J., 'Joint Evaluation of Support to Civil Society Engagement in Policy Dialogue: Mozambique Case Study Report,' ITAD and COWI, Hove, 2013.
http://www.sida.se/Publications/Import/pdf/sv/Support-to-Civil-Society-Engagement-in-Policy-Dialogue---Mozambique-Country-Report_3445.pdf

A detailed case study of four Mozambique CSOs and their engagements with the Mozambique government. This is a joint donor evaluation commissioned by Austria, Canada, Denmark, Finland, Sweden and Switzerland.

UNDP, 'Human Development Report 2013. The Rise of the South: Human progress in a diverse world', United Nations Development Programme, New York, 2013.
http://hdr.undp.org/en/reports/global/hdr2013/

The 2013 HDR examines the profound shift in global dynamics driven by the fast-rising new powers of the developing world and its long-term implications for human development.

UNDP China, 'China's Aid Flows and Mechanisms', *Issue Brief*, No. 1, United Nations Development Programme, South–South Cooperation China Programme, Beijing, 2013.
http://www.undp.org.cn/downloads/publications_2012/ISSUE%20BRIEF%20China%20Foreign%20Aid%20June%202013_greenA4.pdf

A study by UNDP China on current trends in Chinese development assistance, providing some recent statistics on the scale and orientation of Chinese concessional assistance (parallel to DAC ODA).

USAID, 'Partnerships in Education: Key Findings on the role of NGOs in Basic Education in Africa', United States Agency for International Development, Washington, DC, 2003.
http://pdf.usaid.gov/pdf_docs/PNACS082.pdf

A summary of findings from case studies of relationships between government and CSOs in Ethiopia, Guinea, Malawi and Mali relating to basic education.

Vaes, S. and Huyse, H., 'New Voices on South–South Cooperation Between Emerging Powers and Africa: African Civil Society Perspectives', research commissioned by 11.11.11 Research Chair on Development Cooperation, Leuven, 2013.
http://hiva.kuleuven.be/en/publicaties/publicatie_detail.php?id=3449

A study based on detailed interviews with African civil society representatives on African CSO views on the directions and implications of dramatically growing development cooperation with Africa from China and other Southern aid-providers.

3. GLOBAL CIVIL SOCIETY STUDIES

Banks, N. and Hulme, D., 'The Role of NGOs in development and poverty reduction', *Working Paper*, No. 171, Brooks World Poverty Institute, University of Manchester, Manchester, 2012. http://www.bwpi.manchester.ac.uk/resources/Working-Papers/wp_17112.html

This paper provides an up-to-date comprehensive overview and summary of the literature on issues relating to CSO roles in development and poverty reduction. It explores the rising prevalence and prominence of CSOs, alongside issues such as concerns regarding their legitimacy and their comparative advantages in development processes.

Brown, L.D., *Creating Credibility: Legitimacy and Accountability for Transnational Civil Society*, Kumarian Press, Sterling, 2008.

An overview of the challenges to civil society legitimacy and ways that CSOs have responded to these challenges. The author provides approaches to assessing and enhancing the legitimacy and accountability of CSOs.

Center for Global Philanthropy, 'The Index of Global Philanthropy and Remittances, 2012', Hudson Institute, Washington, DC, 2012.   http://gpr.hudson.org/

An annual report on private resources for development, relying mainly on US data.

CIVICUS, *State of Civil Society 2013: Creating an enabling environment*, edited by A. Firmin, C.-M. Pegus and B. Tomlinson, CIVICUS, Johannesburg, 2013. http://socs.civicus.org/wp-content/uploads/2013/04/2013 StateofCivilSocietyReport_full.pdf

A comprehensive overview of issues in an enabling environment for civil society. The volume contains chapters on thematic issues and several country case studies.

CIVICUS, 'Bridging the Gaps: Citizens, Organizations and Dissociation. Civil Society Index Summary Report 2008–2011', CIVICUS, Johannesburg, 2011.
http://www.civicus.org/downloads/Bridging%20the%20Gaps%20-%20Citizens%20%20Organisations%20and%20Dissociation.pdf

CIVICUS is a global network bringing together thousands of CSOs involved in the civic life of their respective countries, including many that are involved in development. This study is the outcome of a survey of its membership, as well as experts on civil society, about the impact of civil society work and the current issues facing civil society.

Development Assistance Committee, 'Civil Society and Aid Effectiveness: Findings, Recommendations and Good Practice', Advisory Group on Civil Society and Aid Effectiveness, Organisation for Economic Co-operation and Development, Paris, 2009a.
www.oecd.org/dac/publicationsseriesbetteraid.htm

A compilation of case studies by the Advisory Group exemplifying best practices in different aspects of engagement of CSOs with the implementation of the Paris Declaration aid effectiveness principles and the recommendations of the Advisory Group.

Development Assistance Committee, 'Managing Aid: Practices of Donor Countries', Organisation for Economic Co-operation and Development, Paris, 2009b.
http://www.oecd.org/dac/peer-reviews/35051857.pdf

An overview of donor practices in managing the delivery of ODA, drawing out good practices based on a review of peer reviews and donor-country practice.

Dreher, A., 'Are "New" Donors Different? Comparing the Allocation of Bilateral Aid Between non-DAC and DAC Donor Countries', *World Development,* 2011, Vol. 39, No. 11.

Examines the question whether new donors (many of which were aid recipients until recently) are more altruistic and provide better targeted aid according to need and merit.

'International Non-Governmental Organizations Accountability Charter',
http://www.ingoaccountabilitycharter.org/about-the-charter/

The 'INGO Accountability Charter' is an initiative of INGOs to demonstrate their commitment to accountability and transparency. The Charter text codifies practices for INGOs in the areas of respect for universal principles; independence; responsible advocacy; effective programmes; non-discrimination; transparency; good governance; ethical fundraising; and professional management. The Charter Secretariat is housed at the International Civil Society Centre (http://icscentre.org/).

Irish, L., Kushen, R. and Simon, K., 'Guidelines for Laws Affecting Civic Organizations', Second Edition, Open Society Institute and International Criminal Law Network, The Hague, 2004.
http://www.icnl.org/research/resources/assessment/guidelines_en.pdf

This report sets out best practices for standards for laws protecting and regulating civic organizations within a country's legal regime. They are based on extensive theoretical analysis and wide-ranging practical experience in countries around the world.

Jordan, L. and Van Tuijl, P., *NGO Accountability: Politics, Principles and Innovations*, Earthscan, London, 2006.

Provides a comprehensive overview of issues and politics in CSO accountability, assessing the key technical tools available, and presents case studies in moves towards greater accountability, and new approaches and flexible frameworks that enable greater accountability for all stakeholders.

Lloyd, R., Calvo, V. and Laybourn, C., 'Ensuring credibility and effectiveness: Designing compliance systems in CSO self-regulation', *Briefing Paper*, No. 127, One World Trust, 2010. http://www.oneworldtrust.org/csoproject/images/documents/SRI_Compliance_Mechanisms.pdf

An assessment of issues in various compliance mechanisms in the practices of CSO codes of conduct in the One World Trust database.

One World Trust, 'Building a Common Framework: Mapping national level self-regulation initiatives against the INGO Accountability Charter', prepared for World Vision International, London, 2012. http://oneworldtrust.org/component/content/article/93-showcase/358-building-a-common-framework

The report examines country-level CSO-managed regulatory frameworks in developing countries against the principles of the INGO Accountability Charter. The INGO Charter is a global accountability mechanism for 28 of the largest INGOs, which has a robust mechanism for compliance with the Charter principles and guidelines. The study examines 16 country-level self-regulatory frameworks to gauge their consistency with the INGO Charter.

Open Forum for CSO Development Effectiveness, 'Country and Sectoral Consultations: A Synthesis of Outcomes', Open Forum for CSO Development Effectiveness, Brussels, 2010a. http://www.cso-effectiveness.org/-open-forum-national-consultations,049-.html

This document is a summary of the outcomes on various issues affecting CSO development effectiveness, synthesis from more than 70 national and regional CSO consultations around the world in 2009 and 2010. These consultations led to the global agreement on the 'Istanbul Principles for CSO Development Effectiveness' in September 2010 (which was acknowledged in the Busan HLF4 Outcomes Document).

Open Forum for CSO Development Effectiveness, 'Istanbul Principles for CSO Development Effectiveness', Outcome of the First Global Assembly of the Open Forum, September 2010, Open Forum for CSO Development Effectiveness, Brussels, 2010b. http://www.cso-effectiveness.org/-8-istanbul-development,067-.html

More than 200 CSOs from over 70 countries agreed to a global set of principles that should govern their work as development actors, comparable to the Paris Principles on Aid Effectiveness for DAC donors and developing-country governments.

Open Forum for CSO Development Effectiveness, 'The Siem Reap Consensus on the International Framework for CSO Development Effectiveness', Outcome of the Second Global Assembly of the Open Forum focusing on implementing the Istanbul Principles, June 2011, Open Forum for CSO Development Effectiveness, Brussels, 2011. http://www.cso-effectiveness.org/-global-report,052-.html

An agreement on a framework to implement the Istanbul Principles by CSOs reached in Siem Reap, Cambodia. This framework also includes important conditions in donor and government policy environments that will enable CSOs to implement the Principles.

Sphere Project, 'Humanitarian Charter and Minimum Standards in Humanitarian Response, The Sphere Handbook', 2011 Edition, Sphere Project, Geneva, 2011. http://www.sphereproject.org/handbook/ , including a Chinese draft translation of the Handbook at http://www.sphereproject.org/download/4fb52dc46b434

The Sphere Project brings together detailed standards for best practices in the delivery of humanitarian assistance. While there is no formal process for CSOs to adopt these standards, the Sphere Project standards have become the common reference for CSOs responding to humanitarian emergencies.

Tomlinson, B., 'Civil Society Organizations and International NGOs: Ways forward in implementing the IATI Standard. A Background Paper', paper prepared for the CSO IATI Working Group, London, 2012. http://support.iatistandard.org/attachments/token/m9whau7z9 pjq5cg/?name=Final+June+2012+IATI+Background+Paper.doc

A background paper on issues and current practices in CSO transparency in preparation for the development of a CSO protocol for adoption of the International Aid Transparency Initiative Standards for aid transparency.

Tujan, T., 'Civil Society – new power in aid and development?', in *Global Civil Society: Shifting Powers in a Shifting World*, edited by H. Moksnes and M. Melin, Uppsala Centre for Sustainable Development, Uppsala University, Uppsala, 2012. http://www.csduppsala.uu.se/publications/outlook-on-civil-society/.

A review of recent developments in the roles of CSOs in global processes to reform international aid practices, strengthening the recognition of CSOs as development actors in their own right, and the implications of this recognition in these global processes.

UNDP, 'A Users' Guide to Civil Society Assessments', Civil Society Division, Partnership Bureau, United Nations Development Programme, New York, 2010.
http://www.undp.org/content/undp/en/home/librarypage/civil_society/a_users_guide_tocivilsocietyassessments.html

This guide responds to the growing demand not only from donors, governments and development practitioners but also from a range of CSOs to evaluate their performance and capacity to deliver results, and to be accountable to their constituents (particularly for national and CSO-led assessment processes). It provides a systematic yet easy-to-understand review of existing civil society assessment tools, methodologies and information sources.

UNDP, 'Human Development Report 2013. The Rise of the South: Human progress in a diverse world', United Nations Development Programme, New York, 2013.
http://hdr.undp.org/en/reports/global/hdr2013/

This UNDP HDR provides a comprehensive overview of the economic and political developments associated with the rise of the South, including changing political dynamics for aid architecture and relationships.

Working Party on Aid Effectiveness, 'The Global Partnership for Effective Development Cooperation', Outcome Document of the Busan High Level Forum on Aid Effectiveness, Organisation for Economic Co-operation and Development, Paris, 2011.
http://effectivecooperation.org/files/OUTCOME_DOCUMENT_-_FINAL_EN2.pdf

The Outcome Document for the Fourth High Level Forum on Aid Effectiveness, held in Busan, Republic of Korea, 29 November to 1 December 2011.

World Economic Forum, 'Future Role of Civil Society', *World Scenario Series*, World Economic Forum, Geneva, 2013.
http://www3.weforum.org/docs/WEF_FutureRoleCivilSociety_Report_2013.pdf

A background paper on future directions for civil society prepared for the World Economic Forum. The report is the outcome of an eight-month project involving over 200 leaders and experts, looking at how trends in technology, politics, society, economics and the environment are affecting the evolution of civil society and its implications for stakeholders.