Guiding Principles for Sida’s Engagement with and Support to Civil Society
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FOREWORD

These guiding principles aim at assisting staff at Sida and Swedish missions abroad to engage with and support civil society in more aid and development effective ways. We also hope that they can serve as a source of inspiration for other development partners.

The guiding principles address topics such as overall design of civil society portfolios, selection of partners and funding modalities, methods to follow up support to civil society organisations (CSOs) and how to engage in donor-CSO dialogues. They intend to facilitate the planning, implementing, and follow-up of Swedish development cooperation strategies within a context of shrinking civil society space. The guiding principles can also offer a bridge between Sweden’s Aid Policy Framework and Sida’s system for management of individual contributions.

The guiding principles were developed through a consultative process including representatives from civil society, Sida and other donors. They were drafted by Sida’s then Senior Policy Specialist on Civil Society, Karin Fällman, in cooperation with colleagues at Sida.

The principles constitute an effort to systematize and make more effective the Civil Society Unit’s advisory services. They are also part of this unit’s assignment to guide Sida towards a more effective cooperation with civil society per the Director General’s management response to a review of civil society support modalities at Sida and Swedish missions abroad.¹ The guidance is grounded in the needs identified in the review and requests for advisory support from the Civil Society Unit. It is an attempt to answer the questions most frequently asked, based on good practice, and Sida’s interpretation of what constitutes aid and development effective engagement with and support to civil society. The guiding principles were pre-launched in September 2017. Subsequently they were piloted and revised based on feedback from staff of several Swedish missions abroad and units at head office. Thanks to feedback by staff members, the principles were supplemented with real life examples illustrating each principle, and a one page version to facilitate internal and external communication.

As directors with primary responsibility for this guidance, we look forward to constructive cooperation with regards to the implementation and refinement of the guiding principles. We hope that together, we can make our engagement with and support to civil society more effective and relevant.

Alan AtKisson
Assistant Director General
Director, Department for Partnership and Innovation, Sida

Charlotta Norrby
Head of Civil Society Unit,
Sida
Sweden recognizes the vital contribution of civil society in the areas of sustainable development, human rights, policy making, and social services. Sweden is therefore committed to creating an enabling environment for civil society, fostering a vibrant and pluralistic civil society, and supporting civil society as an integrated part of support toward other development objectives. Consequently, a substantial part of Swedish aid is implemented in cooperation with civil society organizations (CSOs).^2

While CSOs are widely recognized as important and independent development actors in their own right, the global landscape is changing, and a variety of CSO-related challenges can be identified in the following areas, in particular with regards to shrinking civic space:

- CSO to state relationships
- Donor CSO support
- CSO governance and sustainability
- New civic activism and alternative forms of organisation

In response, Sida’s Civil Society Unit has developed a guidance to assist Sida staff to engage with and support civil society. It attempts to answer the questions most frequently asked about cooperation with civil society. The guidance is based on good practice and Sida’s interpretation of effective partnerships with civil society. It centres on the following five guiding principles:

1. Sida should explore the various roles of civil society within their context
2. Sida should strive to support civil society in its own right
3. Sida should provide aid and development effective support to civil society partners
4. Sida should support civil society partners’ efforts to strengthen their own development effectiveness, including their transparency and accountability
5. Sida should engage in continuous dialogue with civil society

This guidance explains the rationale behind each principle and how to put them into action within Swedish development cooperation.
BACKGROUND

**Sida’s Engagement with and Support to Civil Society**

Civil society plays a vital role in sustainable development, enabling people to claim their human rights, promoting human rights-based approaches, shaping policies, and providing social services. A substantial part of Swedish aid is therefore implemented in cooperation with civil society: the last few years around 40 per cent of Sida’s budget was channelled to or through CSOs, according to Sida’s annual reports. Sida provides support to civil society both with the stand-alone objective of strengthening a pluralistic, independent and human rights-based civil society and as an integrated part of support toward other development objectives.

In addition, Sida and the Swedish missions abroad engage in dialogue with and support other actors, especially partner country governments, to promote an enabling environment for civil society.

**Framing the Guiding Principles**

Sweden’s policies for and practice in engaging with civil society are part and parcel of the enabling environment for civil society. The concept of a CSO enabling environment includes four elements:

1. conducive legal and regulatory framework
2. space for civil society to engage in multi-stakeholder policy processes
3. donor support to and engagement with civil society
4. CSO development effectiveness, including accountability and transparency

For the first element, it is vital to remain consistent with agreed international human rights standards and principles, and with international principles protecting civil society. Of particular importance are the freedoms of association, peaceful assembly, and expression; the right to operate free from unwarranted state interference; the right to communicate and cooperate; the right to seek and secure funding; and the state’s duty to protect.

Sida also considers the second element, the presence of systematic and inclusive multi-stakeholder dialogue fora, as a critical component of the enabling environment. This element has become increasingly important, with development actors committing to “democratic ownership” in the aid and development effectiveness agenda and to inclusion and participation in multi-stakeholder partnerships in the 2030 Agenda.

These two elements of the enabling environment are frequently referred to as civic or democratic space. Donors have an important role to play at all levels in improving the legal and regulatory environment for CSOs and the space to engage in policy dialogue (e.g. providing support to regulatory bodies, supporting an independent media and access to information, and promoting multi-stakeholder dialogues). Sida works with the entire chain of actors and institutions to promote democratic space: both rights holders – people and their representatives in civil society and political parties – and duty bearers – state institutions and actors. How Sida can work more effectively to counteract the shrinking democratic space with duty bearers and other actors who influence civil society space is elaborated on in a Sida report to the Government of Sweden in March 2017. The response to this report will complement the guiding principles.

The focus of the guiding principles and its methodological framework is the cooperation with civil society. Donors’ engagement with and support to civil society is the third element of the enabling environment. Given the influence that donors are able to exert on individual CSOs and the civil society sector as a whole, donor behaviour is an important component of the enabling environment.

The fourth element, CSO development effectiveness, concerns what the CSOs themselves can do to enhance their effectiveness, accountability and transparency. Although CSO development effectiveness is the responsibility of CSOs, donors usually require and also fund CSO actions in this regard. Thus, it is part of donors’ cooperation with civil society. For that reason, recommendations on how Sida can support CSO development effectiveness is also included in this guidance.

It is worth noting that the inter-related nature of the four elements of a CSO enabling environment means that the guiding principles may directly or indirectly affect any one of them. This is for example the case with regard to CSO development effectiveness, where the level of transparency and accountability within civil society can influence legal and regulatory environments and policy space.
Over the past decade, contrasting developments have taken place. CSOs are now widely recognized as development actors in their own right, with a crucial role in reducing poverty and a particular importance and potential to contribute to democratic development and increased respect for human rights. CSOs stand out for their capacity to reach out to, empower, represent, and defend people living in vulnerable situations, and to trigger social innovation. For these reasons, governments in several countries have strengthened their engagement with CSOs.

Civil society to state relationships
The relationship between states and CSOs can be delicate however. Many countries still have a limited tradition of dialogue and cooperation, and far too often, the space for civil society remains narrow or is shrinking. In recent years, there has been a drastic worldwide increase in the number of government restrictions on civil society, as well as threats to and harassment of civil society activists. Restrictions go far beyond limiting space to influence policy (a seat at the table) in that they cut deeply into the political space to organize, to operate, to have a legitimate voice, to protest and to dissent. This entails that political society, particularly political parties and party activists in opposition to their governments, are affected as much as civil society.

According to a range of knowledge producers civic and political space is shrinking. Autocratization is manifesting in a number of large countries including Brazil, India, Russia, Turkey, and the United States. It affects one third of the world’s population — some 2.5 billion people, according to Varieties of Democracy, a global research program. Freedom House notes more than a decade of net declines in political rights and civil liberties in countries worldwide. CIVICUS in turn, reports more than a hundred countries characterized by closed, repressed or obstructed civic space, and notes that only around 4 per cent of the global population living in completely open civic spaces. CSOs focused on human rights and advocacy — including women’s organisations — are particularly affected by the shrinking available space. Even service delivery CSOs in a growing number of countries face difficulties in carrying out their work and securing funding.

Donors’ CSO support
Donors’ CSO financial support models and broader engagement with civil society also help to determine the environment that affects CSOs’ ability to contribute to development. Evidence shows that donors face challenges in navigating and understanding the complex world of civil society and in reaching out to relevant actors. In particular, donors have difficulties reaching civil society at the grassroots level and liaising with or supporting some of the civil society change agents, such as informal social movements and social or not-for-profit enterprises. Donors also face challenges in balancing their respect for the independence of CSOs as development actors in their own right with the conditions they attach to funding.

CSO governance and sustainability
CSOs acknowledge that they may also face challenges of representativeness, transparency, internal governance and capacity, dependency on international donors, and competition over resources. CSOs’ desire to be more predictable, transparent, accountable, and driven by results is behind the Istanbul Principles for CSO Development Effectiveness. This aid- and development-effectiveness agenda drawn up by and for CSOs is a welcome contribution, and is recognized by the international community through the Busan Partnership Agreement and subsequent commitments out of the Global Partnership for Effective Development Cooperation (GPEDC). In addition to the Istanbul Principles, interesting initiatives have emerged on both global and national levels, like the Global Standard for CSO Accountability and national-level codes of conduct. In the GPEDC monitoring framework, CSO development effectiveness is now seen as the fourth element of a CSO enabling environment.
New civic activism and alternative forms of organisation

Another relevant development within civil society that adds to the complexity of civil society’s role in sustainable development and CSO support is the recent rise of more fluid forms of citizen and youth action. These social and cultural movements encompass a more active citizenship with potential to contribute to democratic deepening—but with clear shortcomings as well. In addition to the challenge they present with their fluid organisational forms and accountability, they are often sceptical of the traditional NGO community and can often hold donor funding to be part and parcel of what they are mobilizing against. Moreover, some of these social and cultural movements are neither internally democratic nor pro-democracy. The space and opportunities opened up by digital technology, the internet, and social media are playing a substantial role in driving this change towards more fluid forms of citizen action. CSOs and donors can take advantage of the opportunities presented by the new civic activism but in so doing they need to be cognisant of the downsides of these protest movements.

Another emerging alternative that is increasingly popular is the social economy organisation, a hybrid entity that aims to increase social inclusion and reduce inequalities while simultaneously creating economic value. These organisations, such as different types of cooperatives, associations, foundations and social enterprises (which are businesses of various legal forms using an entrepreneurial approach in order to respond to an increasing number of social and environmental challenges) are developing at a fast pace around the world. They are increasingly common within development cooperation, but they blur the lines between non-profit and for-profit organisations and thus need to be carefully understood.
Sida is finding ways of pushing back against the new inappropriate restrictions being placed on civil society. At the same time, Sida must make sure its own support to civil society does not contribute to the shrinking of space; rather, Sida should support civil society as an independent development actor in its own right. Sida should assist civil society, including in its alternative forms, to be effective and make full use of its potential to contribute to inclusive and sustainable development.

1. Sida should explore the various roles of civil society within their context
2. Sida should strive to support civil society in its own right
3. Sida should provide aid and development effective support to civil society partners
4. Sida should support civil society partners’ efforts to strengthen their own development effectiveness, including their transparency and accountability
5. Sida should engage in continuous dialogue with civil society

To make this happen, Sida puts forward the following five guiding principles:

1. **Sida should explore the various roles of civil society within their context**

Why is this principle important?
A clear, transparent policy that outlines the purpose of supporting civil society and sets out operational objectives helps contribute to predictable, relevant, and effective support and partnerships. Swedish support to civil society is justified in the Aid Policy Framework decided on by the Government of Sweden, and includes:

- developing a democratic culture and enhancing social inclusion, particularly by building more connected communities (this is both a crucial component of societal wellbeing and an outcome with intrinsic merit)
- contributing as change agents to development or humanitarian outcomes by stimulating public debate; supporting citizens to make governments more effective and accountable; and promoting democratic processes, accountability, and good governance
- contributing directly as development or humanitarian actors to development or humanitarian outcomes, for example, by delivering services.

Sida expects that civil society will play one or more of these roles, depending on the context and the development cooperation strategy in question. Evaluations of civil society support often identify tension between these different roles, though at the same time, favouring one role over others can contribute to negative perspectives of civil society’s legitimacy and value-added. For example, supporting only the democracy role may contribute to the “foreign agents” accusation. Supporting only the service delivery role may contribute to perceptions that civil society is undermining government service provision or that it takes pressure off the government to perform its role as a duty bearer.

Each role has different implications for the appropriate type of funding support and success measurement. It is therefore important to develop a locally-adapted theory of change for civil society support at the strategy level.

How does Sida put this principle into action?

➢ **Conducting power analyses**
To develop a locally-adapted theory of change (ToC) and deep enough knowledge to operationalize and make use of the ToC, Sida staff needs to know the drivers – and resisters – of change in the country or context in question as well as structural conditions and power dynamics in which they act or are restrained.

Power analysis considers the social, economic and political dimensions of power and how they are interrelated. It examines actors, structures, institutions and norms – from the visible and formal to the invisible and informal. However, the focus of a particular power analysis exercise can vary depending on the context, issue or purpose.

The first step is to identify existing knowledge (academic research, national statistics, reports by think tanks, narratives of people’s lived-realities, etc.) and any remaining gaps. The second step is to subsequently carry out a power analysis, including an actor’s analysis, to fill those gaps and analyse existing knowledge through a power lens. At Sida, this is usually done as part of the preparatory work ahead of a new development cooperation strategy but could also be done at other occasions.

Power analysis, in Sida’s view, is a learning process that supports staff, partners and other actors to understand the forms of power that reinforce poverty and marginalisation, and to identify the positive kinds of power that can be mobilised to fight poverty and inequality.
The analysis should among other things clarify the links between (1) support to civil society, democracy, and good governance and (2) pro-poor development. It should also identify civic actors with potential to deliver pro-poor outcomes. Consequently, it is important to analyse the representativeness and legitimacy of potential civil society partners and the extent to which they share the objectives and perspectives of Sweden’s policy for global development and international development cooperation.

The power analysis should also set the level of expectation as to what is realistic and achievable through support to civil society. It should be carried out in close collaboration with a range of relevant CSOs and preferably also with other donors, if possible. The EU initiative of country roadmaps is an attempt to conduct such joint analyses as a basis for donor coordination of CSO support at the country level. Sida’s guide includes ideas, recommendations and practical steps, which you can use selectively. More guidance was provided by OECD/DAC/Governance Network which compiled lessons learned on political economy analyses in 2005.

Drafting an intervention logic for the engagement with- and support to civil society
Next, the theory of change for Sida’s civil society support should include an intervention logic that identifies the goal of each scheme, how it will achieve that goal, and how its success will be measured. Key terms, objectives, goals, and principles should all be included, as well as different cooperation modalities for supporting and engaging with civil society.

Engaging stakeholders
A theory of change that is broadly owned by all stakeholders will be more effective than one that is drafted by just one or more donors. Therefore, a locally adapted theory of change for civil society support should ideally be designed in close consultation with CSOs, from the inception to the finalisation of collaboration. Umbrella CSO bodies can play a role in facilitating such consultations. There is also merit in outreach to different levels of government to gather their perspectives on the emerging theory of change and its subsequent management and continuous adaptation.

Choosing partners to meet objectives
Civil society partners should be selected on the basis of their capability to meet the objectives of the Swedish development cooperation strategies, and the extent to which their vision and mission coincide with the strategy’s because this maximizes the chances of achieving results. However, choosing partners to meet objectives can be challenging. Sida may have to find new civil society partners and build trust with them while long-standing partnerships may need to be transformed. To ensure that Sida chooses the most suitable and relevant partners – rather than defaulting to the most familiar – sufficient funding for human resources, time, and research is important.

Conducting regular reviews
Regular reviews of country context and theory of change (including its management and continuous adaptation) are necessary to help Sida and CSOs to ensure that their support to civil society remains relevant and effective. The reviews should clarify which changes CSOs might be able to influence, which are beyond their sphere of influence, and whether their assumptions are still valid.

The mid-term reviews of the Swedish development cooperation strategies present an opportunity to update the analysis and the theory of change/change management. However, with the rapid changes taking place in the environment that affects civil society, and the equally rapid changes within civil society itself, updates should ideally be carried out more frequently.

“With a new bottom-up and collective approach towards results both Sida and our partners have gotten a clearer understanding of the emerging context, theory of change and joint results and impact in different areas.”

Anette Widholm-Bolme, formerly program manager of the Embassy of Sweden in Dar Es Salaam, Tanzania. Read more about this example at Annex, p. 28.

2. Sida should strive to support civil society in its own right

Why is this principle important?
Despite many donors’ commitments to a vibrant and robust pluralistic and independent civil society in developing countries (e.g. by developing capacity through partnerships), most fund CSOs to primarily deliver development outcomes, often outcomes defined by the donors themselves (e.g. to reach sector/theme-specific objectives). Support is provided predominantly through donor country CSOs, with requirements for these organisations to partner with CSOs in recipient countries. Many CSOs rebalance their organisations to match donors’ shifting priorities in competition with each other for funding. According to the OECD, donors should strive to strike a balance between working towards their own policy goals...
and respecting the independent role of CSOs – between supporting CSOs to deliver development results and supporting an independent, diverse civil society as an objective in itself. Sida wants to take this ambition further and strive to support civil society in its own right, that is, support a pluralistic and rights-based civil society as an objective is itself in addition to supporting individual CSOs with respect for their independence and right of initiative. The rationale behind supporting civil society as an objective in itself derives from the understanding that a strong, independent civil society is an essential part of a democratic society, and is key to inclusive and sustainable development. This belief is manifested in the Aid Policy Framework and in the previous Swedish Government policy “Pluralism – Policy for Support to Civil Society in Developing Countries within Swedish International Development Cooperation”. Civil society can provide services and give a voice to people who are poor and marginalized, and it can balance and monitor the powers of the public and private sectors. Using CSOs as “implementing organisations” alone will not achieve this, but rather create a plethora of consultancy-oriented CSOs bidding for projects with agendas set by donors. This can undermine the credibility of CSOs, shift their accountability from their constituencies towards the donors, make it difficult for CSOs to engage in longer-term planning, and fuel claims by opponents that certain CSOs are mere donor agents.

How does Sida put this principle into action?

➤ Applying a whole-of-agency approach
Strengthening a pluralistic civil society in developing countries requires action that goes beyond funding or capacity development of individual CSOs, towards supporting the civil society sector systemically. What it requires is for a donor to take a strategic “big picture” and “whole-of-agency” approach to civil society where decisions about civil society engagement are made having taken into consideration the implications for individual CSOs and for the sector as a whole, and for their respective abilities to act as effective agents of change. For example, when designing CSO support at the country-level, funding to individual organisations delivering sector- or theme-specific results can be accompanied by funding to a program with the broader objective to foster a pluralistic and human rights-based civil society.

➤ Supporting a variety of CSOs working with poverty eradication from a human rights based approach
There is a common misunderstanding that maintaining the objective of promoting a vital and pluralistic society justifies the funding of any civil society actor for any kind of activity, such as civil society actors fighting against sexual and reproductive health rights. This is not the case. First and foremost, for Sida, the primary potential CSO partners would be those that focus on opportunities for people living in poverty and under oppression to improve their living conditions and do so based on the perspectives of people living in poverty and a human rights based approach. Second, when working towards this objective, the aim is to strengthen civil society: that is, to focus on capacity development. Support is meant to improve the capability of CSOs to contribute to sustainable development, as many collective voices, and as providers of services. Thus support will be provided for both the organizational development of the partner CSO itself, and for activities where the partner CSO develops the capacity of rights holders and accompanies them as they engage in advocacy and assists them to improve their living conditions.

➤ Coordinating with other donors for larger outreach
Even with the above criteria applied, there will be many more CSOs in need of support than a single donor can fund. This is why donor coordination is extraordinarily important in pursuit of a pluralistic civil society. Therefore, a power analysis is important as it can contribute to guiding donors in finding the most relevant and effective ways to divide up labour and to support a variety of development actors. As mentioned previously, the EU initiative of country roadmaps is an attempt to facilitate such coordination. Other examples include the EU joint programming and the growing number of multi-donor civil society support programs that are found at country-level.

“Our relations have developed into true partnerships, a ‘win-win’ balance between supporting civil society in its own right and achieving our strategic objectives.”
Louise Bermsjö, program manager of the Embassy of Sweden in Nairobi. Read more about this example at Annex, p. 30.
3. **Sida should provide aid and development effective support to civil society partners**

**Why is this principle important?**

Donors like Sida exert significant influence on the shape of civil societies in developing countries and on CSO effectiveness through the terms and conditions of donors’ support and the strategic choices they make in favour of specific CSOs, CSO networks, or umbrella organisations.

On the political level, most donors have committed to strive for aid and development effective support to civil society, respecting the principles of ownership, alignment, coordination and harmonization, mutual accountability, and appropriate management for results. However, reviews of the aid and development effectiveness agenda in practice show a counter-trend: rather than creating an enabling environment for civil society with more aid effective support models and respect for CSO independence and “right of initiative”, donors have increased the number of administrative requirements for civil society partners and tightened the focus on short-term and tangible results. Sida is often referred to by CSOs as an exception, but also Sida need to be wary of the requirements placed on civil society partners.

Therefore, when designing civil society support at the level of Sida and Swedish missions abroad, Sida should strive to use more coordinated and harmonized support mechanisms that strengthen CSO ownership and development effectiveness.

**How does Sida put this principle into action?**

**a. Providing flexible and responsive funding to support a variety of civil society actors**

First, as mentioned previously, to work in line with aid and development effectiveness commitments, Sida should consider the overall strengthening of civil society at the country, regional, and international level as an objective worth supporting in its own right. Working towards such an objective strengthens civil society independence and CSO ownership significantly. Reaching out to a pluralistic civil society usually requires the donor to provide flexible funding.

The non-formal and spontaneous forms of organization, facilitated by social media and mobile communications, often bypass formal CSOs and present a challenge to donors. Studies on CSO policy engagement suggest that new forms of social mobilization require a readiness on the part of donors to support more fluid forms of civil society association, unconventional civic alliances, and processes of change rather than individual CSOs. Accordingly, there is need for responsive funding to support informal, temporary coalitions; networks of small, local issue-based groups; and “tipping point” moments that occur during policy influencing processes.

There are various ways in which Sida can include more responsive funding in the civil society portfolios. The initiative *Doing Development Differently* offers an interesting suggestion towards more adaptive funding, using rapid cycles of planning, action, reflection and revision (drawing on local knowledge, feedback and energy) and managing risks by making ‘small bets’, where activities with promise are pursued and others are dropped. *Thinking and Working Politically* is another initiative underway within the international development community which advocates for fundamental changes to the way development assistance is conceived and implemented. The aim is to help better understand how to translate the evidence that political factors are usually much more important in determining developmental impact than the scale of aid funding or the technical quality of programming into operationally relevant guidance. Political engagement is seen as an iterative and adaptive approach that is relevant programmatically, and for broader development policy objectives. This network was initiated in November 2013, by a group of senior officials from major donors, along with leading practitioners and researchers, and now run a bi-monthly newsletter and a website, produce new case studies and synthesis reports, support new working groups, and organise workshops in partnership with members.

Responsive funding could also include providing services in activities such as project management and information for advocacy, resource centres/libraries, or establishing platforms for interaction and cooperation. The latter is becoming increasingly popular as a means of developing the capacity of the civil society sector as a whole and of fostering multi-stakeholder partnerships, both within civil society and between civil society and other sectors.

Last but not least, flexible funding could also include core funding to smaller CSOs, traditional forms of civic association and new, emerging civic actors. Indeed, core funding has proven to be a modality that offers much-welcomed flexibility for the recipient CSO.

**Favouring core funding**

In the interest of flexibility and more importantly, of respecting CSO independence and ownership over pro-
gramming, donors like Sida should also consider the degree to which they steer CSOs by earmarking funds in pursuit of their own specific objectives. In recent years, DAC members have tended to use project or programme support to CSOs that have specific comparative advantages in a certain sector, or that have close links with rights-holders. This puts Southern CSOs at a disadvantage, in that shorter-term funding linked to specific activities does not enable them to invest in their own organizational development and sustainability. The purest form of un-earmarked funding is core and institutional support, which allows CSOs to pursue their own set priorities and plans, and to implement the strategies and approaches they themselves have defined, in a predictable manner. This form of funding is therefore also most effective in facilitating CSO programming in ways that align with and are owned by their partners and constituents.

There is also strong evidence to suggest that unrestricted core funding is the most appropriate modality to strengthen organizational systems and processes, provide flexibility to respond to unforeseen events, fund “hard-to-fund” areas of work or geographic regions, invest in innovation, and promote sector networking and sector-wide learning among other things. Moreover, literature presents a strong message from CSOs that they prefer core, unrestricted funding under almost all circumstances. For these reasons, core funding is the preferred funding modality at Sida.

b. Taking calculated risks
When supporting civil society, especially in times of shrinking civic space and a new civic activism, donors like Sida need to be prepared to take risks, both financially and in relation to the expected results. This applies when supporting civil society as an objective in itself and when funding CSOs for development outcomes (especially in the area of human rights and democracy). For example, informal social movements and nascent organisations may not have the capacity to provide financial accounting at the level of more established and experienced CSO partners, and targeted human rights actors may be unable to reach the projected outcome because of legal restrictions or threats and harassments.

Sida is breaking ground in the area of effective financial risk-taking with a pilot project testing a number of risk-sharing methods, such as providing guarantees. Other
risk-management measures worth exploring are risk-sharing between donors, particularly between official donors and philanthropists. The latter can often take higher risks because they are using private funds.

Another way of managing risks could be to work with financially robust and established CSOs, administering funds for informal or weak CSOs, while developing their capacities. It is important in such cases to avoid pushing informal civil society actors into the blueprint of a formal, fund managing CSO. Donors can mitigate the risk of expected results not being achieved by applying more flexible results frameworks (this is described in more detail below in the paragraph about “management for results”).

c. Preferring direct grant-making to calls for proposals
Another important consideration when supporting civil society support is whether funding should be provided through targeted or competitive approaches, that is, through direct granting or calls for proposals. With the latter, there is often the risk of: professional and already well-funded CSOs winning further grants; of CSOs aligning with donor priorities rather than the other way around; and of CSOs competing rather than cooperating with each other. Therefore, funding support should preferably be granted through contribution systems, where Sida identifies relevant partners for possible cooperation. Such identifications take place within the frame of analyses described in the first guiding principle. Calls for proposals should only be favoured where the services of CSOs (or other actors) are sought to implement donor-defined programs.

➤ Carefully selecting the intermediary organisations when working with indirect funding
Working with differentiated support to a variety of civil society actors – including weak partners – puts demands on human resources. This is one of the reasons why donors promoting a pluralistic civil society often support civil society via sub-granting intermediaries. The resource-saving argument is also valid for support to CSOs that aim to deliver specific development outcomes, at least where reaching the objective requires support to weak and/or numerous CSOs. Other advantages of the intermediary model include capacity development and the strengthening of partnerships and advocacy. These benefits are commonly referred to as the primary reasons for supporting civil societies in developing countries through CSO intermediaries. There are also risks to account for when working via such intermediaries, like the creation of power imbalances within civil society and high transactions costs because of several links in the chain of funding.

The many advantages of working via intermediaries make it by far the most common modality for donors’ CSO support. The intermediaries most frequently used by bilateral donors like Sida are donor domestic or international CSOs and multilateral organisations, like the UN. However, which organisation or entity that is best suited to act as intermediary depends on the context. For example, in one context, international CSO intermediaries may offer protection to developing country partners at risk, and the advocacy support they provide and the international attention they attract can contribute to positive changes, or at least, to the situation not worsening in-country. In another context, or for other targeted CSOs, the affiliation with international CSOs may increase the risk for partners and make them vulnerable to accusations of being “foreign agents” and/or being alienated from their constituencies and target groups in-country. For this reason, it is important that the selection of intermediaries is based on a thorough context analysis, with participation of developing country CSOs, and that both risks and possible advantages of the different intermediaries are accounted for.

CSOs and multilaterals naturally make a mark on the programmes they work with, so it can be best for donors to support more than one programme in the interest of pluralism as a basis for cooperation. When working via intermediaries it is also advisable to pay extra careful attention to the dialogue with CSOs to avoid the risk of reducing dialogue opportunities between back-donors and end-recipient CSOs. This is particularly important in the developing country context.

A relatively new and increasingly popular way of working directly towards the objective of a pluralistic civil society is through multi-donor civil society funds at the country level. These funds are usually set up by donors in close cooperation with the CSOs they target, and frequently the aim is for them eventually to become independent from donors and/or owned by these same CSOs. In the interim, they are generally managed by CSOs and multilaterals and sometimes by consultancy companies. Multi-donor civil society funds have the potential to provide extensive outreach, but should be used carefully to avoid the risk of being supply- rather than demand-driven as well as the risk of reducing dialogue opportunities between donors and CSOs.
A less common modality is to work via developing country CSOs. There is a growing demand on donors to provide a larger share of their funding directly to CSOs in developing countries. Since many southern CSOs now have the capacity and the aspiration to be sub-granting entities, this is likely to become a more frequently used model for supporting civil society in developing countries. Studies have also shown that southern CSOs are popular intermediaries among end-recipient CSOs, though again issues of power imbalance and perceptions of lack of neutrality can arise.

➤ Supporting developing country CSOs directly
Another way of strengthening CSO ownership and working towards the objective of a pluralistic and human rights-based civil society is to provide more direct support to developing country CSOs. Current data indicates that donors continue to prefer to work with their domestic CSOs, with requirements for these organisations to partner and develop capacity with developing country CSOs, or with international CSOs. In Sida’s case, direct support to CSOs in developing countries was 7 per cent of disbursements to and through civil society in 2017, compared to 11 per cent in 2015. As mentioned previously however, there is a growing demand for the provision of more direct funding to developing country CSOs. Joint funding through country-level intermediaries has offered a partial solution for many donors seeking to support developing country CSOs more (if not entirely) directly, but such joint funding is not without its disadvantages, some of which have been previously noted.

This development is one of the reasons behind the current rethinking and re-organization of many Northern and international CSOs in decentralizing their operations. However, as donors and CSOs review the relative advantages of direct and indirect funding to developing country CSOs, it is important to avoid undermining inter-CSO relationships or creating unnecessary competition.

➤ Coordinating and harmonizing with other donors
Donors and their CSO partners share the desire to coordinate their support and harmonize their procedures to reduce transaction costs. In the 12 lessons from DAC Peer Reviews, the OECD argues that donors need to develop “strategic, clear, flexible and harmonized approaches for funding and reporting systems … to make them more strategic, streamlined and flexible.” Such approaches make it easier for CSOs to manage support from several donors and lessen their administrative burden.

When coordinating and harmonizing CSO support, however, donors must avoid the risk of harmonizing in favour of the lowest common denominator: that is, the donor with the most rigid requirements. Moreover, it is important that donor coordination and harmonization do not lead to a streamlining of CSO operations; respect should be maintained for CSO ownership, diversity, and innovation. Sida is already often at the forefront of donor coordination, but at the global and country-level. A good practice example that Sida should strive to follow and that can inspire coordination at country-level is the Sida-led Code of Practice on harmonization of donors’ requirements for CSO funding.

➤ Managing for results with appropriate frameworks
Donors and CSOs also share a common interest in management for results to effectively demonstrate and communicate issues for which civil society support works well. However, they may be less in agreement over what kind of results are expected, and how and to whom they should be communicated. The types of monitoring and reporting systems considered appropriate for civil society support can have a powerful influence on the nature of civil society partnerships. To ensure a mutually beneficial, effective partnership, Sida and the CSO partners need to have a shared understanding of and commitment to:

• the theory of change – that is, the purpose of funding support and the changes it is designed to bring about, as well as appropriate ways of managing, adapting and communicating these changes over time;
• an outcome/impact assessment framework appropriate to the types of programmes supported and the size and nature of the CSO;
• systems and processes conducive to ongoing learning and improvement.

If the purpose of a partnership is to deliver a specific programme corresponding to Sida’s priorities, it makes sense for results frameworks to be clearly defined in advance. If the partnership is geared to support a CSO in its role as an agent of social and institutional change, or to strengthen civil society as an objective in itself, a more iterative approach to results-based management is required. In such cases, indicators that are qualitative or that assess processes can be more appropriate. Another option can be to allow flexible indicators or work with a basket of complementary indicators. Such approach has been suggested for adaptive programming, where activities and outputs change over the life of a program. It may also be relevant when working according to the manifesto Doing Development Differently, mentioned previously as

...
a possible model for flexible and responsible funding, or inspired by the knowledge produced by the Thinking and Working Politically initiative, mentioned previously.  

Similarly, when supporting civil society engagement in policy processes, or strengthening civil society at large, results frameworks should focus on qualitative results over the medium to long term and consider the added value of the CSO partner’s contribution. When expectations are unrealistic in terms of results, CSOs might feel under pressure to invent artificial results, to focus on delivering outputs that are easily measurable, and to keep any challenges they are facing hidden – especially if they risk having their funding cut off. Such an approach also distracts from learning objectives. There are examples of instructive, learning-centred approaches to results management and evaluation designs that are underpinned by different logics. These approaches assume that the changes democracy assistance actors seek are political, complex, unpredictable and difficult to assess and measure. The examples collected by International IDEA are all flexible approaches to results management and evaluation with a view to support local ownership and mutual learning.

Finally, results reporting should not only serve to account for results but also facilitate knowledge sharing between CSOs and donors. Reports including information that can be useful for programme design and management are most useful when there are systems in place, such as policy dialogue, and tools that may be used for sharing and applying any learning.

── Conducting evaluations for learning or accountability

All donors conduct evaluations of programmes and projects run by the CSOs they support. In line with the DAC Quality Standards for Development Evaluation, the specific focus of and approach taken in an evaluation should be chosen based on what is best suited to meeting learning or accountability needs. In the 12 lessons from DAC Peer Reviews, the DAC argues that donors need to move away from “automatic” evaluations of their support to and through CSOs (particularly those that involve high transaction costs for donors and CSOs), and their focus more on financial compliance than on learning about what works, why, and in what context. Donors like Sida are recommended to collaborate closely with CSOs in selecting evaluation topics and setting an evaluation agenda to identify needs that may be addressed through evaluation. Routine evaluations should be avoided, and it is important to have a flexible approach to evaluation, adapting the evaluation to the needs, setting, and programmes at hand. According to the OECD, this approach will lead to more useful and instructive evaluations.

“What thanks to our core support the Sarajevo Open Center could seize emerging political and legislative opportunities and actually succeeded in shifting norms with regards to LGBTI issues.”

Pia Hallonsten, then program manager of the Embassy of Sweden in Sarajevo. Read more about this example at Annex, p. 33.

4. Sida should support civil society partners’ efforts to strengthen their own development effectiveness, including their transparency and accountability

Why is this principle important?

Ensuring CSO development effectiveness is a critical component of development effectiveness. Success in the pursuit of CSO effectiveness and accountability may not only help to prevent donor and government efforts to over-regulate civil society, but may also strengthen the social support needed to sustain civil society in the long term. CSOs are addressing internal challenges and making progress in awareness and capacity development toward implementation of the Istanbul Principles for CSO Development Effectiveness, and CSO-led accountability mechanisms continue to emerge at global and country levels. Yet, demands for CSO accountability and transparency are still heard, while development cooperation recipient countries struggle to understand CSOs’ reach and results. According to the 2016 progress report of the GPEDC, CSOs need to strengthen the transparency and accountability of their development efforts by improving the coordination of their activities, and strengthen public reporting on their development efforts. Indeed, CSO development effectiveness is an area needing ongoing attention so that CSOs can better pursue accountability from governments with the strength of having “their own houses in order” and an ability to demonstrate high standards of governance and accountability within their organisations. Sida and other donors can do much to assist CSOs’ efforts in this regard.
How does Sida put this principle into action?

➤ Providing CSO support in ways that enhances CSO partners’ accountability in the developing countries where they operate

Most importantly, Sida should work in line with the previous guiding principle and the overall applied human rights based approach and hence, support demand-driven initiatives that respond to the priorities of CSOs’ constituencies. That way, local ownership and accountability towards constituencies are placed at the centre of Sida’s cooperation with civil society. Relatedly, if Sida engages in efforts to streamline and potentially harmonize donors’ accountability requirements, that will help avoid that providers’ requirements substitute for CSOs’ need to advance their accountability in their countries of operation.

➤ Supporting CSOs’ own efforts to enhance their development effectiveness

Sida can also support CSOs’ own efforts to strengthen their effectiveness, accountability and transparency. At the core of the endeavours are the Istanbul Principles for CSO Development Effectiveness, adopted by thousands of CSOs. The implementation of the Istanbul Principles is supported by various toolkits and guidelines. The Principles are in essence a statement of CSO common values and approaches to guide their work, with adaptability to different contexts and CSO approaches. As the Principles are applied it will be important to continue to pay attention to some of the key outstanding challenges regarding CSO effectiveness and support CSOs to address them. These challenges include CSOs’ internal management and governance; coordination and information sharing across CSOs, with governments and with the general public; results monitoring and reporting; and ensuring demand-driven programming.

Another relevant initiative is the Global Standard for CSO Accountability, a common framework that attempts to synthesize all core areas of CSO operations. It aims to be applicable for all CSOs, whether working on human rights, environmental protection, humanitarian responses, sustainable development, etc. As mentioned previously, there are also numerous country-level initiatives to relate to and/or support. Last but not least, the Key Messages from the multi-stakeholder Task Team on CSO Development Effectiveness and Enabling Environment are noteworthy in this regard. They offer recommendations on how all actors, including donors like Sida, can support CSO development effectiveness.

“We truly believe in and consistently use demand driven programming to ensure development effectiveness. We do this by bringing more voices into our agency, which in turn increases the trust that others have in our agency and work and reinforces the relationships and collaboration that drives our collective success.”

Perry Maddox, CEO, Restless Development. Read more about this example at Annex, p. 34.

5. Sida should engage in continuous dialogue with civil society

Why is this principle important?

Establishing fora for regular dialogue with civil society provides a way for donors to systematically tap into CSOs’ knowledge and expertise. In particular, effective dialogue helps Sida to make policies more relevant, development-friendly, demand-driven, and results-focused. Furthermore, open and transparent dialogue with CSOs on civil society policies, partnerships, and programmes fosters trust, improves accountability, helps identify common ground for collaboration, and paves the way for achieving results. For CSOs, dialogue is a means to stay abreast of and potentially influence evolving policy and programmes in donor agencies. Last but not least, dialogue represents an opportunity for learning and exchange for all participants.

Most donors hold consultations with CSOs on the overall vision and policy for development and civil society policy, guidelines and partnerships. However, in general, donors need to improve how they conduct dialogues and consultations with CSOs to make them more strategic, useful, and meaningful. Efforts to inform and co-ordinate with CSOs on development policy and programming need to be made more systematic and inclusive. Arrangements also need to allow for identifying the inputs from consultations that are actually taken on board in defining development policies. All too often, consultations are also held on an ad hoc basis during the late stages of the policy-making process and do not give CSOs time to prepare their input and position. Such consultations appear as tick box exercises, undermining the donors’ credibility.

How does Sida put this principle into action?

➤ Conducting strategic and structured dialogues

In line with the OECD’s recommendation to make consultations meaningful, Sida should become more
strategic, reflecting on the different types and purposes of consultations, and (2) organized by preparing and sharing transparent guidelines for consulting with civil society and applying them consistently. Consultations should be regular and announced in time for CSOs to prepare, and should enable a more qualitative, knowledge-sharing, results-oriented dialogue. Follow-up, whether by providing feedback to CSOs or demonstrating the impact of CSOs’ contribution, is critical to making the process credible and to maintaining CSO interest in participating in consultations.76

Sida should also consider the following77:

- soliciting input from CSOs when setting agendas for dialogue, especially when a particular issue may affect civil society directly
- being clear and transparent about how the CSOs participating in policy dialogue should be identified (e.g. representative attendees are selected by CSOs, donor agencies, or both)
- maintaining a dialogue with CSO partners at all levels of the development aid chain – not just with the intermediary agreement partners – to facilitate information sharing and mutual accountability throughout the donor’s engagement with and support to CSOs78
- evaluating consultations and dialogues for their quality and meaningfulness.

➤ Making use of existing initiatives

The Swedish country compact, the so-called “Joint commitments for dialogue and co-operation between the Government of Sweden and Swedish CSOs in development cooperation”, is an example of how a policy dialogue can be structured.79 This country compact guides the policy dialogue and cooperation between the Government of Sweden and Swedish CSOs both in Sweden and at the level of Swedish missions abroad in developing countries. The EU’s Policy Forum on Development and its predecessor, the Structured Dialogue, are other examples of dialogues held between donors and civil society.80 In English at https://www.regeringen.se/49e3a3/contentassets/8ba0ede834a544e782ec5c4e57962e2/joint-commitments.pdf

“Dialogue is ongoing with a high number of different actors on different issues, including through joint field visits. Thanks to these opportunities, we improve our mutual knowledge and understanding of local realities and our different roles in contributing to progress.”

Martin Hessel, Head of development cooperation, Embassy of Sweden in Guatemala. Read more about this example at Annex, p. 38.
QUICK TIPS

**Strategy for aid- and development-effective engagement with and support to civil society**

**Step 1:** Conduct a power analysis with stakeholders and donors.

**Step 2:** Draft a theory of change with the targeted CSOs, aimed at supporting a pluralistic and rights-based civil society or at least striking a balance between supporting civil society in its own right and funding CSOs to deliver development results.

**Step 3:** Design aid- and development-effective CSO support that:

- favours flexible contribution systems and core funding to align with CSO partners’ programmes and procedures
- tolerates risks, both financially and in relation to results, managing and where possible, sharing these risks with CSO partners and other donors
- assesses the relative advantages of direct and indirect funding to CSOs without undermining inter-CSO relationships and creating unnecessary competition
- coordinates and harmonizes support while respecting diversity and CSO ownership
- manages for results with appropriate monitoring and reporting systems

**Step 4:** Engage in strategic and well-organized policy dialogues with CSOs to share information, knowledge, and expertise.

**Step 5:** Commission evaluations for learning or accountability.

**Step 6:** Conduct regular reviews of the power analysis and update the theory of change when necessary.
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- (Annika Nilsson et al. 2013:15, p. 3) and Sida’s management response, decision no. 2015-001877) Review of Civil Society Support Modalities at Sida HQ and Swedish embassies.
- (International NGO Training and Research Centre, 2014, p.14) INTRAC. Study on Support to Civil Society through Multi-Donors Funds For more about the multi-donor civil society funds and recommendations on how to use this funding modality. Fallman, K., 2010 Implementation of the Nordic+ conclusions on civil society support: The case of Zambia.
- Read low and medium-income countries, in the statistics system stated as “developing countries”
- (Sida, 2017, p.15). Sidanskrivelse om krympande demokratiskt utrymme Sida’s report on how shrinking democratic space can be prevented through Swedish development cooperation. An English version is forthcoming. See for example Sridhara Dahanjayan and the Guardian (Dhananjayan Sridhara Dahanjayan, 2015, p.15).

(Task Team, 2016, p.18) Key Messages for the Global Partnership on Effective Development Co-operation, High-Level Meeting in Nairobi p.5


(Task Team, 2016, p.19) Key Messages for the Global Partnership on Effective Development Co-operation, High-Level Meeting in Nairobi


(OECD, 2012, p.20) Partnering with Civil Society: 12 Lessons from DAC Peer Reviews

(Regeringen, 2015, p.21) Regerings och svenska civilsamhällesorganisationers gemensamma åtaganden för stärkt dialog och samverkan inom utvecklingssektor


(Richard Youngs, 2015, p.21) Rethinking Civil Society and Support for Democracy


(GPEDC, 2015, p.23) Monitoring Guide 2015/16


(International Center for Not-for-Profit Law (ICNL) & World Movement for Democracy Secretariat at the National Endowment for Democracy (NED), World Movement for Democracy(WMD) 2012, p.23 Defending Civil Society Report pp. 34-52 and UN Special Rapporteur on the rights to freedom of peaceful assembly and of association, Maina Kiai


(UN, 2015, p.23) Sustainable Development Goals 2015, particularly goals 16 and 17.

(p.24) See for example, CIVICUS Civic Space Monitor (Retrieved 15-03-2018).

(p.25) See for example the Global Partnership on Effective Development Cooperation, Busan Partnership for Effective Development Co-operation.


(Jethro Pettit, Sida, 2013, p.27) http://www.sida.se/contentassets/830232c5404440082c3762ba3107d55/power-analysis-a-practical-guide_3704.pdf
ENDNOTES

2 Government of Sweden, 2013. Aid policy framework – the direction of Swedish aid Pages 18, 21 and 49
3 For more information about the Government of Sweden’s rationale behind the support to civil society, see Government Communication 2013/14:131.
4 Within Swedish development cooperation, civil society is defined as an arena, distinct from the state, the market, and the individual household, in which individuals, groups, and organisations act together to promote common interests (Aid Policy Framework – the Direction of Swedish Aid, Government Communication 2013/14:131, p. 21). CSOs “can be defined to include all non-market and non-state organisations outside of the family in which people organise themselves to pursue shared interests in the public domain. Examples include community-based organisations and village associations, environmental groups, women’s rights groups, farmers’ associations, faith-based organisations, labour unions, cooperatives, professional associations, chambers of commerce, independent research institutes and the not-for-profit media” (Civil Society and Aid Effectiveness: Findings, Recommendations and Good Practice, OECD, 2010, p. 25). The media are often included in the concept of civil society, but engaging with and supporting the media may require different approaches to protect media independence and strengthen media professionalism, for example. Sida’s annual reports are available at https://www.sida.se/Svenska/ in Swedish only.

5 In the Busan Partnership for Effective Development Co-operation (2011), the principle of inclusive development partnerships recognizes the different and complementary roles of all actors. Reiterating the commitments made in Accra, the partnership recognizes that civil society is an independent development actor in its own right, and acknowledges the importance of supporting an enabling environment for civil society. This principle and associated commitments were reaffirmed in the Global Partnership for Effective Development Cooperation’s Mexico Communiqué (2014), and recently strengthened in the Nairobi Outcome Document (2016).


9 See for example, CIVICUS Civic Space Monitor.

10 In a 2017 report to the Government of Sweden, Sida presents a number of recommendations on how Swedish development cooperation can more effectively and efficiently fight the trend of shrinking civic space. Also several CSOs and think-tanks offer concrete suggestions on how to promote and protect civic space. See for example; CIVICUS Civic Space Monitor: Tom Carothers, 2015, The Closing Space Challenge: How Are Funders Responding?; the International Human Rights Funders’ Group , 2016, Challenging the closing space for civil society and Make Space! Defending Civic Space and Freedom of Assembly and Association (2018).

11 See for example the Global Partnership on Effective Development Cooperation, Busan Partnership for Effective Development Co-operation, Nairobi Outcome Document (2016). Nairobi Outcome Document (2016) and Transforming our world: the 2030 Agenda for Sustainable Development, especially goal 16 on peaceful, inclusive and just societies, and goal 17 on partnership.

12 Annual Democracy Report 2018 of Varieties of Democracy


15 The trend of restrictions against civil society has been identified and documented by a number of international organisations and think tanks, including the International Center for Not-for-Profit Law (ICNL), the World Movement for Democracy, Article 19, Freedom House, CIVICUS, and the Carnegie Endowment for International Peace, among others; as well as by the United Nations (UN) and multilateral organisations – in particular, the Special Rapporteur on the rights to freedom of peaceful assembly and of association and the Community of Democracies. (Retrieved 16-03-2018);
There are a number of examples of donors – individually and jointly – actively pursuing good practice in their support to and engagement with civil society. Good practice examples include the Sida-led Code of Practice on donors’ harmonization of funding requirements on CSOs, an effort by around 15 bilateral donors to reduce transaction costs and strengthen CSO ownership over programming (see also Provide aid- and development-effective CSO support in this document). Another is the OECD published Partnering with Civil Society: 12 Lessons from DAC Peer Reviews (2012) which enables a more systematic monitoring of progress in donor practice. A third example is the upcoming Guidance on the civil society enabling environment, which the multi-stakeholder Task Team on CSO Development Effectiveness and Enabling Environment is developing with Sida participation within the results framework of the Global Partnership for Effective Development Co-operation. Policy dialogue and cooperation between donors and CSOs, and the CSO’s role as an independent watchdog, can also be compromised by relationships that focus narrowly on funding for development projects and programmes – a brief discussion can be found in the OECD DAC. Donors have tended to engage in dialogue with CSOs in an ad hoc manner rather than systematically, and mainly on donor-identified policy priorities (Good practice in Donor Engagement with Civil Society, Tomlinson, 2012, p. 10), often on politically “safe” topics such as specific sector or thematic areas (Support to Civil Society Engagement in Policy Dialogue, ITAD/COWI, 2012) and not on broader or potentially more contentious issues. CSOs continue to point to insufficient and inadequate mechanisms for systematic and meaningful dialogue with donors, both in donor and developing countries (CSO Partnership for Development Effectiveness, 2014, An Enabling Environment for Civil Society Organisations: A synthesis of evidence of progress since Busan 2013, p. 24. Prepared by Brian Tomlinson with the CPDE Working Group on CSO Enabling Environment; CSO Partnership for Development Effectiveness, 2016, GPEDC Indicator Two: Civil society operates within an environment that maximizes its engagement in and contribution to development – An assessment of evidence, pp. 20-21. Prepared by Brian Tomlinson with the CPDE Working Groups on CSO Enabling Environment and on CSO Development Effectiveness. Such findings are echoed in the GPEDC 2016 Progress Report, pp. 86-87).

Istanbul Principles for CSO Development Effectiveness,
20 Global Standard for CSO Accountability
21 Youngs, R. 2015. Rethinking Civil Society and Support for Democracy
22 OECD Social Economy

23 OECD, 2012. Partnering with Civil Society: 12 Lessons from DAC Peer Reviews, p. 9
25 Recommended terms of reference for political economy analysis and examples of such studies can be found at CIVICUS Civil Society Index. (Retrieved 16-03-2018).
26 For guidance please refer to Sida’s power analysis and the EU country roadmaps.
27 Lessons learned on the use of Power and Drivers of Change Analyses in development cooperation http://www.gsdrc.org/docs/open/doc82.pdf
29 See (OECD, 2011) How DAC donors work with civil society; (Annika Nilsson et al. 2013:15) The Review of CSO support modalities at Sida HQ and Swedish embassies concluded that during the 2007-2012 period, CSOs were primarily used as means to reach sector specific objectives within Swedish development cooperation strategies. Support towards the objective of a pluralistic civil society was less common but is was becoming more frequent.
30 Indevelop, 2013, Review of Civil Society Support Modalities at Sida HQ and Swedish embassies, p. 90
31 For example, a 2013 review of Sweden’s Civil Society Support Modalities noted that its country strategies and CSO support generally do not reflect the wider aim of the civil society policy. Instead civil society support is mainly a means to achieve global or country level strategic objectives. This report recommends greater collaboration among all those responsible for the civil society policy and for other agency guidelines to help ensure a more strategic approach. (Annika Nilsson et al. 2013:15) The Review of CSO support modalities at Sida HQ and Swedish embassies pp. 142-
1. An over-emphasis on results and administrative capacity may discourage donors supporting civil society actors such as grass roots organisations, traditional and faith-based groups, and social movements. Donor funding arrangements and reporting requirements may place too high a barrier for such groups to access funding.

32 For information about how Sida defines and works with a human rights based approach, click here. (Retrieved 16-03-2018).

33 Relevant indicators include: increased awareness, commitment, and capacity of people living in poverty to work for democracy and human rights accountability

- increased diversity within the civil society in developing countries that represent or act for the benefit of people living in poverty
- number of individuals living in poverty who through Sida’s support have access to CSOs that care for their interests, including through awareness-raising and strengthening of individuals’ capacities to demand their human rights and by making possible their participation in democratic political processes

34 This is the reason why CSO funding for this objective ends up supporting adult education, women’s health organisations and farmers' associations, for example, and hence runs the risk of overlapping with CSO support aimed at delivering specific development results in prioritized sectors. Here again, a whole-of-agency approach can help to ensure coherent civil society support.


- Pressure on CSOs to choose interventions more likely to produce measurable, short-term results may discourage them from focusing on wider development outcomes. DAC Peer Reviews suggest that donors should have reasonable expectations about the timeframe needed to achieve development results.
- Greater time, energy, and resources are invested in fund administration than on core activities, and on “upward” accountability to donors than on improving “downward” accountability to communities and other national stakeholders, which is vital for strengthening CSO legitimacy.

An over-emphasis on results and administrative capacities may discourage donors supporting civil society actors such as grass roots organisations, traditional and faith-based groups, and social movements. Donor funding arrangements and reporting requirements may place too high a barrier for such groups to access funding.
• enables such “strategic partners” to invest in their own organizational development and learning, and in cross-cutting issues such as gender in development
• reduces the administrative burden for donors and CSOs if reporting is aligned with local partner systems

In Sida’s definition, core funding equals general budget support. When providing core funding, the donor recognizes the strategic plan, budget and annual report as the main steering documents. Prior to entering a core funding relation, a CSO will have formulated its vision, objectives and strategies independently of the development partners in a long-term strategic plan. Such a plan forms the basis for the collaboration between one or a group of donors. The strategic plan will be part of the agreement, the principal tool for endorsing activities, and the basis for result reporting, monitoring, dialogue and evaluation. The donors and the CSO cooperate to ensure that the long-term strategic plan is fully implemented and the intended results achieved.

A long-term budget, corresponding to the strategic plan is established initially. Each donor commits itself to a certain percentage of this strategic budget. Should more donors enter the collaboration, the committed percentages of the donors are revised. The budget contains the entire funding needs of the organization; programmes and activities, staff, overheads and administration, investments, and organizational capacity development needs. The organization reports to the donors and the public with one joint annual report. Core funding can be provided to all CSOs, also to weak, small or new CSOs.

Within the donor community and inside Sida there is a commonly used argument against giving weak or new CSOs core support; they lack the institutional strength to handle core funding. However, the risk of giving weak or new CSOs core support is not higher than the risk of giving such CSOs project or programme support. On the contrary, when providing core support the donor assesses the CSO partner’s overall system for planning, monitoring and follow-up – including the organization’s financial management and control – and when following up the core support, the donor monitors the CSO partner’s use of the entire budget. Thus the donors’ understanding and overview – or control – are greater when providing core support than when working with project support, where focus is only on a part of the CSO’s activities. Moreover when making organizational assessments related to core funding, the CSO partner and the donor can jointly assess overall capacity building needs and monitor capacity building activities. Such strategic support to CSOs is consistent with the international commitments to support civil society as a development actor in its own right. Compare this to a focus on the structure and staff responsible for handling only one out of many (and one by the donor selected) projects within a partner organization.

Last but not least, core funding does not have to mean more money. Thus the grants at risk do not have to be larger than those provided through project or programme support. In this regard, core support is but a funding modality. However, it is the funding modality best suited to provide for strong local ownership and minimum transaction costs as many evaluations have shown lately, it is the funding modality that most CSOs prefer.

44 GSDRC, 2015. Incentives from donor funding mechanisms for civil society organisations
45 The pilot project is hosted by Sida’s civil society unit. This initiative is at an initial stage. Sida is hosting planning meetings to co-design the pilot with a number of Swedish Framework Organisations (SFOs). The intent is to adapt Sida’s Loan and Guarantee instrument so that it could be used by the SFOs’ partner organisations in aid recipient countries. By guaranteeing the “investment”, Sida absorbs the risks that SFOs might otherwise hesitate to take in partnering with more nascent CSOs or with informal civic groups. Sources: Communication with Sida Program Manager Specialist, Oct. 4, 2016 Development loans and guarantees; New Finance Instruments at Sida and Sida’s guarantee instrument
47 For more about the multi-donor civil society funds and recommendations on how to use this funding modality, see INTRAC, 2014. Study on Support to Civil Society through Multi-Donors Funds
48 In 2013, DAC members provided around seven and a half times more ODA (USD 12.6 billion) to and through CSOs based in their countries than to developing country-based CSOs (USD 1.6 billion). There has been a small but positive two per cent increase in the share of flows to and through CSOs going to developing country CSOs, Aid at a Glance, Flows of official development assistance to and through civil society organisations in 2013, October 2015, OECD Development Co-operation Directorate.
In the Sida-led Code of Practice initiative, a number of donors in the International Donor Group are committing to harmonizing the conditions and requirements of their partnerships with their domestic CSOs, including through joint application, monitoring and reporting check lists and frequencies. A Code of Practice package has been developed with input from CSOs containing Key Principles, Guidelines for Operationalization, and a Tool for Commitment and Accountability. The Code of Practice is harmonization based on alignment with CSOs’ own systems and procedures. It is a tool that aims at keeping administration at a minimum as well as strengthening CSO ownership. Overall, the Code of Practice offers an opportunity for reducing transaction costs throughout the aid chain, since the same standards and procedures are accepted by a range of donors. CSOs in donor countries and in particular in developing countries will only to a lesser extent be forced to version applications, reports, and accountability to different donor agencies and can instead focus resources on achieving results.

But apart from this, the Code of Practice also offers a range of benefits to be gained by the donor agencies: inspiration from best practices, a foundation for joint funding arrangements, harmonization as a joint learning opportunity, reduced transaction costs throughout the aid chain, and so on. The Code of Practice has been introduced to the OECD/DAC for possible take-over and finalization.

Read low and medium-income countries, in the statistics system stated as “developing countries”.


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55 OECD, 2012. Partnering with Civil Society: 12 Lessons from DAC Peer Reviews p.35


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59 In CSO programming, “sometimes direction is more important than destination” (Christie et al 2012:74), and sometimes a measure of “value added” may be more relevant than that of Value for Money (ITAD/COWI 2012:103). See also Wood, J. and Fallman, K., 2013, op. Cit.

60 Wood, J. and Fallman, K., 2013, op. Cit. There is a growing body of methodologies and tools for monitoring and evaluating change brought on by civil society programming. See for example OECD 2010 for an overview of selected results monitoring approaches. A publication from DFID’s Governance and Social Development Resource Centre, Methodologies for measuring the value of civil society (GSRDC 2009), provides a brief overview of various methods and their limitations.

61 Barr J, 2015 Monitoring and evaluating flexible and adaptive programming

62 The Doing Development Differently Manifesto, https://twpcommunity.org

63 OECD, 2012. Partnering with Civil Society: 12 Lessons from DAC Peer Reviews

64 See more at http://www.idea.int/news-media/multi-media-reports/flexibility-learning-and-ownership-hear-practitioners and the discussion paper Flexibility, learning and ownership: new trends in democracy assistance, results management and evaluation, International IDEA, 2017

65 OECD, 2012. Partnering with Civil Society: 12 Lessons from DAC Peer Reviews, p. 45


67 Istanbul Principles for CSO Development Effectiveness


69 Task Team on CSO Development Effectiveness and Enabling Environment, 2016. Key Messages for the Global Partnership on Effective Development Cooperation High-Level Meeting in Nairobi p.5
According to the Task Team’s (2014) Review of Evidence of Progress on Civil Society-related Commitments of the Busan High Level Forum, “Donors have tended however to engage in dialogue with CSOs in an ad hoc rather than systematic manner, and mainly on donor-identified policy priorities (Tomlinson, 2012, p. 10), often on politically ‘safe’ topics such as specific sector or thematic areas (ITAD/COWI, 2012), and not on broader or potentially more contentious issues. CSOs continue to point to insufficient and inadequate mechanisms for systematic and meaningful dialogue with donors, both in donor and developing countries (CPDE, 2013, p. 24).”
Återkrav

Återkrav har ställts i 73 fall till ett sammanlagt belopp av 70,2 miljoner kronor. Av erfarenhet kan konstateras att alla återkravsärenden hos Sidas samarbetsorganisationer och utlandsmyndigheter inte alltid rapporteras vidare till utredningsgruppen. Siffrorna ger alltså endast information om de fall som utredningsgruppen känner till.

Att rätt information når Sida och utredningsgruppen är ett ständigt förbättringsområde.

Nytt för i år är att statistiken redovisar när det är Sida som ställt det faktiska kravet på närmaste samarbetspart eller när återkravet ställts av organisation i nästa led. I statistiken räknas även in fall där Sidas samarbetspart ställt ett återkrav på sin avtalspart i nästa led och sedan använt de återbetalade medlen för andra ändamål som överenskommits med Sida. Här ingår även de fall då Sida har kvittat återkrav mot kommande utbetalningar samt då samarbetsparten har täckt upp med egna medel.

Sida har ställt direkta återkrav i 52 fall till ett sammanlagt belopp om 67,6 miljoner kronor. Sidas samarbetsparter har ställt återkrav i 21 fall till ett sammanlagt belopp om 2,6 miljoner kronor.