CONCORD position paper on CSO enabling environment for the 4th High-Level Forum on Aid Effectiveness in Busan, South Korea[1]

Introduction

In the Accra Agenda for Action (AAA), donors and governments committed to provide enabling conditions for CSOs that maximise their contributions to development. Moreover, the **AAA recognises CSOs are development actors in their own right** whose efforts complement those of governments and the private sector. This has been a considerable step forward with respect to the Paris Declaration which turned a blind eye to the role of CSOs in development. Today it is recognised that CSOs play key roles in development, as watchdogs holding governments to account, as organisations facilitating citizen engagement in development and as providers of essential services, among others. The ongoing political turmoil in the Middle East and North Africa shows the limitations and ineffectiveness of donor approaches that ignore or neglect a continued and strategic engagement with and support to domestic CSOs.

However, since Accra **progress on improving the enabling environment for CSOs has been meagre** and the implementation of international commitments on enabling environment at country level was sluggish at best. A clamp-down on civil society and shrinking political spaces for CSOs to engage in public policy making can be observed in many countries. A number of reports[2] show that since Accra the environment has become less enabling in many countries. Many partner governments, for instance, put restrictions on CSOs that receive funding from foreign donors (i.e. Ethiopia). This backlash against CSOs threatens to undermine the efforts to promote domestic accountability and democratic ownership which are key to realising aid and development effectiveness.

Also **in Europe, CSOs are observing a limitation of dialogue opportunities with administrations and decision-makers**. CONCORD fears that these trends will undermine reform efforts to strengthen domestic accountability and democratic ownership. Thanks to its ongoing consultation processes with civil society (Structured Dialogue, Green Paper consultations, see below), the EU is in a privileged position to promote the issues of domestic accountability, democratic ownership and CSO enabling environment and to push other donors and partner governments to make strong and concrete commitments on CSO enabling environment at the HLF4, i.e. by supporting a multi-stakeholder agreement on minimum standards for enabling conditions for CSOs.

The European Commission and EU member states are seeking to reform the way they do business in international development. Many donors are re-assessing their engagement with and funding to different stakeholder groups through different channels. **CSOs play increasingly important roles in building state-society relationships, democratic ownership and domestic accountability in an international aid architecture[3]** with new donors emerging (i.e. China) and an increased interest by donors in demonstrating results to

---

[1] This position paper sets out CONCORD's priorities and views on how the European Union should address CSO enabling environment in the run-up to and at the 4th High-Level Forum on Aid Effectiveness in Busan, South Korea. Other areas of aid and development effectiveness will be addressed by forthcoming or existing CONCORD AidWatch and BetterAid position papers.

[2] Throughout 2009 and 2010, the International Center for Not-for-Profit Law reported, among other things, on shrinking political spaces and restrictions on foreign funding for civil society. Also the Open Forum and the World Movement for Democracy, through their respective consultations, have observed shrinking policy spaces for and increased government restrictions on CSOs.

[3] The EC has launched a series of Green Paper consultations, including most notably on Inclusive Growth and on budget support. Both consultations raised questions and issues on the role of CSOs in development and how to best work with and support them. Notably, the Green Paper on Inclusive Growth states that the "EU promotes minimum standards of an enabling environment for CSOs and encourages a genuine dialogue between State and Non-State". The Green Paper on budget support in turn points to the need for donors to enable CSOs to participate in national policy dialogue and monitor the use of foreign assistance, particularly the use of budget support.

taxpayers and linking development with security and private sector development. This is especially true for countries that receive high levels of budget support[4].

Providing an **enabling environment for CSOs requires a long-term and continued commitment from both donors and governments to reform practices** in areas as diverse as financial support, legal frameworks and political conditions[5]. With just over five and two years having passed since the Paris Declaration and AAA respectively were agreed, it is perhaps not surprising that necessary reforms are not yet fully implemented and require continued application and monitoring.

Key demands from CONCORD

General demands

- **Recognise the Open Forum framework for CSO development effectiveness:** At the first Global Assembly of the Open Forum in September 2010, the Open Forum endorsed the eight Istanbul Principles. At the second Global Assembly in June 2011, the Open Forum will finalise a framework setting out guidelines, indicators, mechanisms and enabling conditions for how the Istanbul Principles can be implemented. Donors and governments are important and indispensible partners for CSOs in development processes. CONCORD therefore calls upon the EU to recognise the Open Forum framework in its entirety as a key CSO contribution to improve their effectiveness.

- **Endorse and promote minimum standards for an enabling environment for CSOs:** The Open Forum framework will include proposals for minimum standards for enabling conditions for CSOs. Minimum standards will cover areas as diverse as funding, legal frameworks and political conditions. These proposals are currently being developed through a global process[6]. Governments and donors have been part of the discussions at many occasions, notably in the Task Team on Civil Society Development Effectiveness and Enabling Environment. CONCORD calls upon the EU to endorse and promote the Open Forum proposal for minimum standards for an enabling environment, i.e. by endorsing together with CSOs a multi-stakeholder agreement on enabling conditions. We also call upon the EU to endorse and implement the recommendations from the Task Team[7]. The EU should push partner governments and other donors to support such an agreement.

- **Enact and implement comprehensive strategies for support to and engagement with CSOs:** Many EU donors have already designed comprehensive strategies to engage with CSOs. However, many EU donors are still lacking such a strategy, notably the European Commission[8]. The EU must be a champion in predictable, strategic and long-term engagement – including political and financial support – with CSOs. In addition, the EU should bring the key lessons learned and recommendations from the Structured Dialogue to the aid effectiveness debate and the HLF4.

Specific demands

---

[4] The Court of Auditors report on the Commission's Management of General Budget Support in ACP, Latin American and Asian Countries states that the EC has given insufficient attention to strengthening key oversight institutions (CSOs, Parliaments, Court of Auditors) in countries where it is providing budget support.
[5] The draft framework for CSO development effectiveness (version 2 from November 2010) sets out minimum standards to be met by donors and governments to provide enabling environments (see section IV and annex III). These minimum standards were identified through a global and inclusive consultation process, involving over 2,000 CSOs in over 60 consultations globally.
[6] To date, more than 2,000 CSOs have been consulted in more than 60 consultations worldwide. Please visit www.cso-effectiveness.org for more details.
[7] http://www.cso-effectiveness.org/IMG/pdf/final_key_messages_from_the_task_team.pdf
[8] The Evaluation of EC Aid Delivered through CSOs (December 2008) shows that the absence of a clear and consistent strategy limits the effectiveness of the EC's engagement with CSOs.

- **Institutionalise policy dialogue with CSOs at country level and in the EU**

  To give effect to paragraph 13 of the Accra Agenda for Action, CONCORD calls upon the EU to promote institutionalised policy dialogues with CSOs from the EU and CSOs in partner countries on the planning, implementation, monitoring and evaluation of development programmes and projects, as well as on EU policies that affect partner countries.

  EU donors must support policy dialogue between CSOs in partner countries and their national governments. At a technical level, this means i.e. supporting capacity-building both within governments (both at central and local levels) and CSOs, technical assistance for judicial reforms in support of CSO policies and enabling legislation, or providing support to coalition and platform building among CSOs. At a political level, it means to play an active role in promoting human rights practice, good governance and domestic accountability, i.e. by providing financial assistance to CSO initiatives aiming at building citizenship and strengthening democratic ownership and human rights. The EU, i.e. through EU delegations, should assume a responsibility to facilitate the political and legal enabling environment for CSOs in the dialogue with partner governments.

- **Provide responsive, long-term and accessible funding for CSOs**

  Funding to CSOs must respond to CSO priorities and respect their multiple roles as independent development actors, hence respecting the key principle of ownership which should apply not only to funding for governments but also to funding for CSOs.

  EU donors must step up responsive, and accessible funding and ensure the access to a wide range of CSO actors (including grassroots organisations) and to other institutions that can promote democratic ownership and domestic accountability, such as Parliaments and Court of Auditors.

  Funding must become increasingly long-term and predictable to enable CSOs to tackle the more structural stumbling blocks to poverty and marginalisation. Grant conditions should allow for a certain degree of flexibility to ensure that projects and programmes can respond to changing contexts. Enabling funding conditions should also attend to support processes and institutional funding. CONCORD has put forward concrete recommendations on how to improve funding to CSOs in the Structured Dialogue and calls upon the EU to promote the key lessons learned from this EU consultation process at international level, including HLF4[9].

- **Promote results-driven assessment and reporting frameworks**

  In light of the evolving agenda around results and value for money and increased interest in accountability to taxpayers, CONCORD fears that donors might be tempted to focus increasingly on quick wins and short-term, tangible results and outputs. CONCORD therefore calls upon the EU to ensure that this increased interest in results does not undermine, but promote a focus on long-term, sustainable approaches to development, outcomes achievement and impact measurement. This is especially important in the work of CSOs that often engage in long-term political and empowerment work at local levels.

- **Promote increased harmonisation among donors on the administrative requirements attached to funding**

  CONCORD calls upon the EU to promote increased harmonisation among donors on the administrative requirements attached to funding. Many CSOs receive funding from multiple donors each with different procedures, eligibility criteria and reporting requirements. This leads to CSOs expending limited resources on multiple donor templates. CONCORD acknowledges and commends the work that is already being

---

[9] See CONCORD Structured Dialogue Principles Paper.

done by Nordic+ countries as part of the Reality Check on Harmonisation, as well as the efforts by the Donor Group on Civil Society and Aid Effectiveness[10] and encourages all other donors to harmonise, where possible, their assessment and reporting requirements.

EU donors to engage with CSOs in the run-up to HLF4 on enabling environment

– **Open Forum for CSO Development Effectiveness:** EU donors and some partner governments have shown a continued engagement in the Open Forum for CSO Development Effectiveness. This global process was started by CSOs after Accra to define a framework, including principles, for their own effectiveness. This framework will include proposals for minimum standards for an enabling environment for CSOs. The Open Forum has held over 60 consultations, involving more than 2,000 CSOs. The Open Forum is therefore in a unique position to present legitimate proposals on minimum standards. EU governments have been at the forefront of providing financial support to the Open Forum consultation process. To promote enabling environments at country level, the EU now needs to recognise these principles and minimum standards.

– ☐**Structured Dialogue:** After Accra, the EC has launched a multi-stakeholder debate involving the EC, the European Parliament and Member States representatives in a dialogue with CSOs and local authorities from the EU and developing countries on how to work more effectively together and to provide more effective support to civil society and local authorities. The EC and all stakeholders have invested a considerable amount of resources and time in that process and the results and lessons learned from the Structured Dialogue should inform the international agenda on CSO enabling environment as well as the Donor Group on Civil Society and Aid Effectiveness.

–

---

[10] The Donor Group has finalised a report on donor grant conditions which proposes possible areas for harmonisation.