



## **Civil Society Dialogue Network Funding Instruments Meeting**

### **Support to in-country CSO capacity building and initiatives in conflict prevention and peacebuilding**

Wednesday 4 October 2017, Brussels

## **MEETING REPORT**

### **Background**

The overall objective of this Civil Society Dialogue Network (CSDN) Funding Instruments Meeting was to gather international non-governmental organisations' (INGOs) assessments of previous and ongoing donor support for in-country civil society organisation (CSO) capacity building and initiatives in peacebuilding and conflict prevention, and their recommendations for future EU support in this sector.

This small-scale dialogue meeting, which was organised in addition to the annual meetings which the European Peacebuilding Liaison Office (EPLO) organises on Instrument contributing to Stability and Peace (IcSP) programming<sup>1</sup>, brought together approximately 20 participants, including INGO representatives and officials from the European Commission (EC).

This report is a summary of the assessments and key recommendations made by individual civil society participants during the meeting. The views expressed may not be attributed to any participating individual or organisation nor do they necessarily represent the views of all of the meeting participants, the European Peacebuilding Liaison Office (EPLO) and its member organisations, or the co-organiser (the EC).

### **Session 1: International non-governmental organisations' (INGOs) experiences of applying for and managing donor funding for supporting in-country civil society organisation (CSO) capacity building and initiatives in conflict prevention and peacebuilding**

Civil society participants identified a number of positive experiences regarding donors' support to in-country CSO capacity building and initiatives in conflict prevention and peacebuilding:

- In comparison to other donors' support, the IcSP provides a lot more flexibility to INGOs. In-country IcSP staff members are responsive towards applicants and highly co-operative (e.g. co-designing projects and allowing for project changes during the implementation phase).
- The IcSP supports a wide variety of in-country CSOs, including unregistered CSOs, and it is one of the few donor funds which are specifically dedicated to conflict prevention and peacebuilding.

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<sup>1</sup> See <http://eplo.org/activities/ongoing-projects/civil-society-dialogue-network/funding-instruments-meetings/>

- Funding under the IcSP's 'Response to situations of crisis or emerging crisis to prevent conflicts' (Article 3) and 'Conflict prevention, peace-building and crisis preparedness' (Article 4) components has contributed to the development of several conflict prevention and peacebuilding tools, including conflict analysis and conflict sensitivity training, which are now used by different EU institutions. The collective use of these tools by both INGOs and EU institutions can further improve their way of working (e.g. the integration of resilience assessment into conflict analysis as part of the work on the Joint Communication: 'A Strategic Approach to Resilience in the EU's External Action').
- The annual meeting on the IcSP, which is co-organised by EPLO, is an important dialogue tool for INGOs as it enables them to provide their input into IcSP programming and helps them to anticipate the geographic and thematic focuses thus enabling them to inform their respective country offices in advance of the launches of calls for proposals.
- The regionalisation of IcSP staff members is a positive development as it could contribute to the development of cross-border projects which are urgently needed in some areas (e.g. the Democratic Republic of the Congo (DRC) and South Sudan) and which, without coordination between the different EU delegations (EUDs), have been difficult to develop.
- There have been some positive experiences regarding the creation of INGO consortia under the IcSP. Although more time is needed to set them up, they enable projects to have bigger budgets and can lead to long-term partnerships between the consortium members.

Civil society participants also highlighted a number of challenges relating to donors' support to in-country CSO capacity building and initiatives in conflict prevention and peacebuilding:

- It remains a challenge to decide which instrument to use at which stage of the conflict prevention cycle and to analyse the relations between short-, medium- and long-term instruments as they can affect each other.
- There is a need for better coordination between the EU's external financing instruments (EFIs) to ensure that funding can be continued from one to another in case of an extended need. IcSP funding could also be considered as incubator or seed funding.
- Responses to IcSP funding applicants can take a long time and therefore make it difficult for INGOs to plan ahead in terms of financial and human resources decisions.
- It is difficult to find the contact details of IcSP in-country staff and to find out who to contact regarding proposals for new IcSP actions.
- Some calls for proposals under the Article 4 component of the IcSP have been handled in the same way as other calls for proposals and there was no notable flexibility in terms of project changes.
- The average duration of IcSP-funded projects is too short for them to bring about behavioural changes.
- Calls for proposals are sometimes focused on getting the most widespread project coverage possible even though it might be better to focus on fewer project locations.
- High amounts of co-financing (i.e. 20% in some cases) are a burden for those INGOs which act as lead applicants in projects as these costs cannot be shared with in-country CSOs.
- It is challenging for small in-country CSOs to respond to calls for proposals without the support of INGOs. When they lack the necessary skills and capacities, they need to hire external consultants or co-operate with bigger in-country CSOs. Partnerships with bigger in-country CSOs might in turn disadvantage smaller CSOs as they tend to focus on the bigger CSOs' priorities.
- Calls for proposals should ensure a 'Do No Harm' approach in countries where there is a crackdown on civil society.
- Since a lot of projects depend on technical support from the lead applicant, it is important to ensure that rates for overhead costs are sufficiently high to cover them. The current limit of seven percent is insufficient for most INGOs. According to World Bank estimates, overhead costs for delivering conflict-related activities are three times higher than for standard development activities.

- The provision of 'financial support to third parties' (i.e. sub-granting) is very challenging for many INGOs as sub-grantees often experience difficulties in following the rules. There should be more flexibility in the percentage requirement for sub-granting, and a thorough assessment of whether or not it is definitely needed.
- The creation of INGO consortia under EU EFIs can prove difficult for INGOs as the coordination costs are not funded by the EU. In addition, consortia tend to favour INGOs rather than in-country CSOs, which provides an obstacle to in-country CSO capacity building.
- In some countries, there is a need for better coordination between the EC's headquarters in Brussels and the EUD. EUDs sometimes block the development of projects which have been identified by in-country CSOs and/or INGOs.
- Although the IcSP does not include any restrictions in terms of the nationalities of applicants, there have been some cases in which the nationalities of applicants have been restricted in the calls for proposals (e.g. limiting eligibility to EU-based and local CSOs). This can cause problems if the most suitable applicant within an INGO network is established elsewhere.
- In cases in which the EU is perceived as a political rather than an impartial actor, it might be better to ignore the usual requirement for the visibility of EU funding.
- There should be better coordination between funding provided by the EU and by United Nations (UN) agencies in order to avoid duplicating projects.
- There is a trend amongst EU Member States (MS) to provide core funding and to establish strategic partnerships with a small number of INGOs rather than to provide specific project funding. Some EU MS do provide small grants but they also involve disproportionately high levels of reporting.

Finally, civil society participants suggested a number of opportunities for exchange of good practices with the UN:

- There is a possibility for the IcSP to work more closely with the UN Peacebuilding Fund (PBF) for the sake of mutual learning. The PBF has a useful model through which it provides feedback on project concept notes in various stages and which could be replicated for IcSP calls for proposals in order to improve the learning process for applicants.
- The UN is undergoing reforms which are similar to the IcSP in terms of the regionalisation of the UN peacebuilding, political affairs and development programme departments. This could be an opportunity for an exchange of good practices.

## **Session 2: Options for future EU support to in-country CSO capacity building and initiatives in conflict prevention and peacebuilding**

Civil society participants provided the following recommendations on how the EU could design its support to in-country CSO capacity building and initiatives in conflict prevention and peacebuilding in the future:

- The design of the different EU EFIs should ensure sustainability and coherence between them. This could include informing project partners about the possibilities for receiving funding under a different EFI when a project is coming to an end.
- There is a need to translate the broad understanding of capacity building within the IcSP Regulation into practice at the programme level. The main focus should be on strengthening capacities for civil society actors to have a voice rather than on financial management or the delivery of project activities. In addition, in-country CSOs should receive financial support to enable them to manage better the risks which have been transferred to them.
- The budgets and duration of IcSP grants should be increased in order to allow for behavioural changes and sustainable impacts rather than just the execution of the agreed project activities. The limit for overhead costs should be raised in order to reflect the increased costs of delivering projects in conflict-affected contexts.

- The provision of ‘financial support to third parties’ should not become mandatory as it limits the types of activities which INGOs can undertake with in-country CSOs in some contexts. It should also be simplified through the establishment of a standard mechanism and the provision of training on it to INGOs and in-country CSOs.
- The guidelines for IcSP calls for proposals should not overlap with those for other EU EFIs so that the added value of the IcSP as the EFI dedicated to conflict prevention and peacebuilding is preserved.
- In line with the results of the mid-term review of the IcSP, gender equality and women’s empowerment should be further mainstreamed in its projects and programmes, including through targeted interventions.
- All IcSP calls for proposals should respect the Regulation in terms of non-discrimination towards applicants on the basis of nationality.
- The EU should provide training seminars for in-country CSOs outside project budgets on topics such as the financial management of projects. One option could be to build on information sessions which have been organised by EUDs when calls for proposals are launched. This could provide the basis for further training by INGOs in the project implementation phase and would take the remove the financial burden from INGOs’ project budgets.
- INGOs working in the same geographic area should be given financial support to organise regular coordination meetings in which they could discuss their various activities and provide feedback to the EU.
- There is a need to introduce mechanisms to ensure a continuation in funding for in-country staff members when a project needs to be temporarily stopped.
- The design of future support to in-country CSO capacity building and initiatives in conflict prevention and peacebuilding should include a broader outlook on upcoming processes in different geographic areas (e.g. a possible transitional process in Syria) in order to ensure the availability of contingency funds for those areas without having to stop funding elsewhere.
- The future design of the IcSP should take into consideration the commitments included in the UN’s ‘Sustaining Peace’ agenda.
- Given the possibility of future budget cuts, there is a need for IcSP funding to be made available to support implementing partners to try to document the effectiveness of peacebuilding and conflict prevention measures. The outcomes could be used to make the case for peacebuilding to EU MS and other donors.
- The future design of the IcSP should consider the connections between the two concepts of ‘stability’ and ‘peace’ within the Instrument itself. It should also examine the various links to other EU EFIs in order to continue the process of mainstreaming conflict sensitivity into all of the EU’s external actions.

#### **Civil Society Dialogue Network**

The Civil Society Dialogue Network (CSDN) is a mechanism for dialogue between civil society and EU policy-makers on issues related to peace and conflict. It is co-financed by the European Union (Instrument contributing to Stability and Peace). It is managed by the European Peacebuilding Liaison Office (EPLO), a civil society network, in co-operation with the European Commission (EC) and the European External Action Service (EEAS). The third phase of the CSDN will last from 2017 to 2020. For more information, please visit the [EPLO website](#).