

The purpose of this Issues Brief is to:

- share research findings on levels of funding and the financial sustainability of women's organisations in the context of changing approaches to delivering aid;
- provide ideas for donors on how to strengthen the work and roles of women's organisations in making development effective and sustainable;
- illustrate innovative donor practices and approaches; and
- identify some future challenges for donors, partners and civil society organisations.

It responds to:

- the recognition by several donors that their investments in gender equality and women's empowerment were not matching their policy statements and commitments and that new approaches to funding were needed;
- findings from research which examined the funding realities "on the ground" in partner countries; and
- a challenge from the Chair of the Development Assistance Committee for donors to re-think their priorities for the support of local civil society organisations.<sup>1</sup>

This Issues Brief is for programme managers and thematic advisors in donor agencies. It is one in a series of publications focussing on aid effectiveness prepared by the DAC Network on Gender Equality.<sup>2</sup>

## INTRODUCTION

Funding support for women's organisations and for non-governmental organisations working to achieve gender equality is an important element in many donors' strategies. These organisations often have detailed knowledge, rooted in local realities, of the social and cultural barriers to gender equality and empowering women and can recognise and address the impact of gender inequalities at local, national and international levels (FEMNET 2006).

Since the adoption of the Paris Declaration on Aid Effectiveness (2005) a number of women's organisations, researchers and development practitioners have raised questions and concerns about the impact that the changed approaches to delivering aid have had on the funding available to women's rights organisations and on the relationships of civil society organisations (CSOs) with donors. Recent research by two women's organisations has shown that even though some local women's CSOs are reporting increases in funding, a far larger number are struggling to secure funds and to sustain their core activities. Only a small percentage of local organisations, mostly in Africa, reported that they have benefited from increased funding since 2000, in particular for areas such as reducing violence against women and HIV/AIDS.<sup>3</sup> In several countries, local women's organisations now need to apply to their own governments or to local embassies for funding. Despite globally agreed commitments, gender equality and women's empowerment are rarely high priorities in national development plans.

1. *Development Co-operation Report 2006*, OECD, 2007.

2. The other documents in the series on Gender Equality, Women's Empowerment and the Paris Declaration on Aid Effectiveness are Issues Brief "Making the Linkages" and Issues Brief 2, "Finding the Entry Points". These documents should be read together.

The contributions of Alyson Brody at BRIDGE, with support from AWID, are gratefully acknowledged by the DAC Network on Gender Equality.

3. Research carried out by AWID in 2006 and 2007 and the UK Gender and Development Network in 2008.

A group of donors has also been working together on an evidence gathering project which assesses the impact of the Paris Declaration in partner countries. Its recommendations point to some ways in which donors, partners and CSOs may need to change the nature of their relationship in the future.<sup>4</sup>

The Paris Declaration has become a significant instrument in a changing environment of aid distribution and management. It sets out five principles to ensure that scaled up Official Development Assistance has maximum impact: ownership, alignment, harmonisation, managing for development results and mutual accountability. The Paris Declaration principles apply to the full set of aid modalities, including more recent ones like budget support, sector wide approaches (SWAs), basket funding and Joint Assistance Strategies.<sup>5</sup>

There is considerable potential for making greater use of the changing aid environment, including the implementation of the Paris Declaration, to ensure that women's organisations benefit from increases in aid. These organisations are essential contributors to improving the lives of poor women and men.

### **DAC Chair challenges donors**

In the OECD *Development Co-operation Report* (2006), the Chair of the Development Assistance Committee (DAC) challenged donors to re-think their priorities for the support of local civil society organisations:

*"The largest investments have, not surprisingly, been in service delivery by NGOs. The balance between state and civil society in service delivery varies widely between countries and over time, and 'either/or' approaches are not usually appropriate, though there are some basic responsibilities which public institutions need to perform.*

*However, in most countries, civil society's role in domestic accountability needs to grow. This is not just an issue for 'developmental NGOs'. In all OECD countries the role of professional associations, business organisations and trade unions is fundamental to the close scrutiny of government policy and practice. This makes a huge contribution to improving the quality of policy and legislation, as long as vested interests are exposed to challenge effectively. A bigger investment by donors in promoting such non-state institutions is well justified, and cannot be provided by traditional government-to-government channels, which tend to be the default option for many donors.*

*Developmental NGOs have an important role to play as well, naturally. In particular, they can make a real contribution in confronting policy makers and donors with realities in the field, and in helping devolved levels of government to be held more effectively to account. There is scope for a fuller discussion between donors and both international and Southern-based NGOs on how this 'challenge role', which is not of course uncontroversial, can be supported in a reasonable and effective way in the medium term."*

Source: Manning, R., *Development Co-operation Report* 2006, OECD Journal on Development, Volume 8, No.1<sup>6</sup>

## **FINDINGS FROM RESEARCH ON FUNDING OF WOMEN'S ORGANISATIONS**

Recent research by the Association for Women's Rights in Development (AWID) and the UK Gender and Development (GAD) Network, have provided in-depth insights into the experiences of local women's organisations. As the GAD Network notes, some of the findings are contradictory and it may be too early for either donors or civil society organisations to fully understand the implications and impacts of shifts in the way aid is being delivered.

In 2006 AWID undertook a survey of organisations working on the rights of women around the world. These results, from almost a thousand respondents worldwide, provide insights into the funding and organisational challenges of women's organisations globally.

4. OPM, Social Development Direct and Working Together, *Making Aid More Effective through Gender, Rights and Inclusion: Evidence from Implementing the Paris Declaration*. Analytical Summary, June 2008. Report funded by DFID, Irish Aid, the Netherlands and Norway.

5. Budget support entails donors delivering financial assistance directly to partner country governments as a contribution to their central or sectoral budget. PRSPs are intended to outline a country's main issues relating to poverty and its strategy to overcome them. SWAs involve donor support to sectors, such as health or education, rather than to individual projects. Basket Funding is a joint funding modality by several donors for a sector or for budget support. Joint Assistance Strategies provide a framework for supporting donor harmonisation.

6. Richard Manning was the DAC Chair from June 2003 to January 2008. He was succeeded by Eckhard Deutscher.

### **Key findings from *The Second Fundher Report – financial sustainability for women’s movements worldwide***

Key findings from AWID’s research include that:<sup>7</sup>

- Most women’s organisations are small – two thirds of the survey sample have annual budgets of less than USD 50 000.
- In 2005, 729 women’s rights organisations worldwide had the collective income of only USD 79 million.
- More than half of the survey respondents are receiving less funding than in 2000. 67% of the survey respondents said that they find it more difficult to raise funds than five years ago (only 16% find it easier) and over half of the organisations having to use more staff and resources for fundraising efforts.
- Much of the “growth” in organisational funding is at a very small scale
- On average, organisations said they would need twice their budget to do all they wanted to do in 2006. Funders and organisations are often stuck in a vicious cycle where small women’s groups are seen as not having the absorptive capacity to grow. As a result funding is not increased, yet with increased funding organisational capacities would expand.
- Since 1995 the majority of organisations have been getting most of their funding from bilateral/multilateral agencies, large private foundations, international NGOs, individuals and local governments.
- In financial terms, the most important overall donors globally for the survey respondents in 1995, 2000 and 2005 were individual donors, the Dutch Government, the Ford Foundation and Oxfam International member agencies.
- Organisations in the Middle East and North Africa, Latin America and the Caribbean and Eastern Europe/CEE were likely to have more difficulty in raising funds in the past five years than previously. Groups in Africa, Asia and the Pacific and North America and Western Europe have been more likely to improve their funding situation than the other regions.

Source: Kerr, J. (2007).

In January 2008, the Gender and Development Network published a complementary research report: *Women’s Rights & Gender Equality, the New Aid Environment and Civil Society organisations* in response to “... a growing concern about the fast changing aid structures, such as direct budget support, pooled funding schemes for supporting civil society and other forms of donor alignment and their possible implications for work on gender equality and women’s rights issues, in the Global North and South.”

### **Key recommendations from *Women’s Rights & Gender Equality – the New Aid Environment and Civil Society Organisations***

The GAD Network proposes three key areas of recommendations in its research report: <sup>8</sup>

**Implement:** a joined-up approach to development is recommended. This means looking at development outcomes, principles and tools in a coherent and consistent manner and, most importantly, linking any debate around aid effectiveness and the new aid environment with already existing agreements and commitments to gender equality, women’s rights and development as established in CEDAW, BPFA, MDGs (in particular MDG3).

**Monitor:** the GAD Network calls for increased monitoring of funds that support women’s rights; changing funding mechanisms; funding of CSOs by government; implementation of PRSPs and SWAps; Performance Assessment Frameworks; the impact of the Paris Declaration and budget support on social development and rights and CSOs. The research has shown that there is a need to understand how change is affecting all actors.

**Diversify aid:** funding mechanisms and conditions could be more diversified, including by setting up special funds for gender equality in each partner country. Moreover, the GADN report recommends a commitment to long-term funding – which is particularly important for gender equality and women’s rights work as change takes a long time. Given the trend to pool funding, which has had some positive results, the GADN is calling for a meaningful inclusion of gender into such funds. The GADN also recommends broadening the types of work and organisations that receive funding. Finally, the research points to the importance of providing adequate resources for national women’s machineries.

7. AWID’s data is not only based on the 2006 survey. Findings and trend analyses are also a product of literature reviews, interviews and discussions with donors and women’s rights leaders. The *Second Fundher* report is but one product in a multi-year action research initiative of AWID that sets out to achieve a significant increase in access to and amount of funding available to support women’s rights work and improve the effectiveness of women’s organisations to raise more funds.

8. The GADN report findings are based on a process investigating the experiences of a small number of civil society members of the GADN and several of their partners in the south. The majority of the evidence was gathered by means of a questionnaire. Respondents included partners from Asia, Latin America and Africa.

### Voices of women who participated in the research:

*“To implement good and effective gender equality programmes is expensive and long term. Donors prefer fast moving projects, gender equality tends to be rather slow.” (Ghana)*

*“Priority to meeting MDGs and reducing poverty...[has] brought gender equality and women’s rights to the forefront – strengthening grass roots women’s groups and institutional committees.” (Bolivia)*

Source: Collinson *et al.* (2008).

## APPROACHES AND STRATEGIES FOR FUNDING

There is a growing recognition amongst donors that more funding needs to be allocated to gender equality programming. There is also a willingness to use new processes and channels. Drawing on the findings of the research by AWID and GADN and information gathered from donors,<sup>9</sup> this section describes innovative donor practices and approaches to funding women’s organisations. It focuses on how to ensure that the money reaches women’s organisations, that multi-donor funds benefit women’s organisations and that gender equality is democratically owned.

### 1) ENSURING THAT THE MONEY REACHES WOMEN’S ORGANISATIONS

#### Earmarking funds for gender equality and women’s empowerment

Some bilateral donors, such as the Netherlands, Norway and Ireland, are responding to the need for additional resources for gender equality and women’s empowerment through the creation of targeted budget lines. Such earmarking of funds is a response to evidence that funding allocated to “mainstreaming” gender equality into development programmes has not resulted in positive gender equality outcomes.

The Dutch and Norwegian targeted funds are guaranteed over a fixed number of years, with yearly increments. These funds do not focus exclusively on women but also contribute to gender equality work targeted towards men and boys (*see boxes*).

#### Addressing gender inequalities through Norwegian development co-operation

Following the DAC Peer Review of Norway in 2004, an external evaluation of the Norwegian Strategy for Women and Gender Equality in Development Cooperation (1997-2005) in 2005 revealed that gender mainstreaming had not been implemented effectively. The Government of Norway responded to this negative evaluation with a renewed political commitment to promoting women’s rights and gender equality, using a twin-track strategy of mainstreaming and empowerment, which revitalised targeted measures and earmarking of resources.

In 2007, the development co-operation budget of the Norwegian Ministry of Foreign Affairs included a new gender equality budget line of around EUR 25 million dedicated to women’s rights and gender equality, capacity development and competence, as well as movement building. This includes funding for initiatives that target men and boys from a gender equality perspective. It also addresses discrimination and stigmatisation of sexual minorities. In addition, a further EUR 24 million was earmarked for promoting women’s rights and gender equality within other budget lines.

In the budget for 2008-2009, the gender budget line was further increased to around EUR 30 million. In addition to the targeted mechanisms for financing gender equality and women’s empowerment, a broader gender budgeting initiative aims to ensure that the entire development co-operation budget is responsive to gender equality and women’s empowerment.

Also, Norad has increased its support for the umbrella organisation Fokus’ co-operation with women’s organisations in the South by almost 50 % from EUR 2.3 million in 2006 to EUR 3.4 million in 2008.

9. Donors that have provided information for this Issues Brief include: the Norwegian Ministry of Foreign Affairs, the Dutch Ministry of Foreign Affairs, Irish Aid, New Zealand Agency for International Development (NZAID), the Swedish International Development Cooperation Agency (Sida), the Swiss Agency for Development and Cooperation (SDA), USAID, UNIFEM, Hivos and Mama Cash.

10. See OECD (2007), *Gender Equality and Aid Delivery: What has Changed in Development Co-operation Agencies since 1999?* OECD, Paris.

### The Dutch MDG3 fund

In early 2008 the Dutch Ministry of Foreign Affairs set up a fund of EUR 50 million for the period 2008 - 2011 to support work on gender equality and women's empowerment, focusing on the achievement of MDG3. This was an initiative of the Minister for Development Cooperation of the Netherlands, Bert Koenders, who felt that progress towards MDG3 was slow and needed to be prioritised.

The fund focuses on four priority areas – women's property and inheritance rights; women's formal employment and equal opportunities in the labour market; participation and representation of women in political bodies and governance; and combating violence against women.

The fund is intended for large organisations, outside government, which are dedicated to equal rights for women and girls in developing countries. Applicants can include profit-making companies, formal coalitions of organisations and re-granting organisations. Another important feature of the fund is that it targets regional organisations, which would not be eligible under the standard Dutch national development budget. Hundreds of project proposals have been received from more than 80 countries around the world.

### Reaching women's organisations: addressing the challenges

Although project-based approaches are usually intended to create efficient accountability and tracking processes and to set realistic goals, they can create insecurity for small CSOs and women's organisations with annual budgets of less than USD 50 000. These organisations however need to cover their core costs: salaries, electricity, rent and other overheads.

#### The case of Ghana

In Ghana, women's organisations are being restricted from access to a new pooled funding scheme because the funds available are too large for their needs and because of the scheme's high organisational requirements in the form of strategic plans, policies and financial reporting procedures

*Source: Collinson et al. 2008.*

Small organisations are often not eligible for the large funds that could be used for core activities because of lack of absorptive capacity or the lack of capacity to comply with the conditions related to planning and financial reporting procedures. Time that could be spent on core activities is taken up with writing funding applications for different donors – most with different application formats and reporting requirements (Kerr 2007; Adeleye-Fayemi, 2007).

At the same time bilateral donors are not well placed, or adequately staffed, to process a large number of applications for small grants that are likely to result when advertising a fund. A similar situation applies to multilateral agencies.

One effective solution to overcome these challenges is to use women's funds or international non-governmental organisations (INGOs) as intermediaries to distribute funds to women's organisations.

### Channelling money through women's funds

There are a number of well established women's funds, which are experienced in administering small grants and can reach local organisations. These include Mama Cash, the Global Fund for Women, the African Women's Development Fund, Central American Women's Fund and the Urgent Action Fund for Women's Human Rights.

These funds:

- can provide small, flexible grants from USD 500 up to USD 20 000;
- can support programme expenses as well as projects so that organisations can cover their core costs
- are increasingly providing multiyear funding, so that organisations can make long-term, sustainable plans for their work;
- have strong links with the grassroots level of civil society, so that they are able to reach small, remote and minority organisations; and
- are often in touch with non-mainstream groups that may be focusing on issues considered controversial in some countries, such as lesbian, gay, bisexual and transgender rights.



## Mama Cash

Mama Cash is a global women's fund with 20 years' experience. It is one of the largest funders of small women's organisations and funds throughout the world. Mama Cash is innovative in its capacity to respond to the needs of individual organisations. It provides core funding in the form of general support grants that enable gender-focused CSOs to cover their overheads and pay their staff. The grant advisors at Mama Cash have expertise on the local contexts in which the grantees and potential grantees are working, enabling Mama Cash to reach out to newer organisations and provide funding that is flexible enough to meet their needs. There is a commitment to making the application, evaluation and reporting processes as simple and accessible as possible. In addition, there is a move towards providing multiyear funding, so that organisations can plan over a longer period and do not need to go through the application process every year.

The Dutch Ministry of Foreign Affairs and Irish Aid are both channelling funds through Mama Cash as part of new, innovative gender equality strategies. Irish Aid is supporting Mama Cash with EUR 450 000 over two years, drawing from its new gender equality budget line which amounts to a total of EUR 3 150 000 over three years. A key goal of this fund is to strengthen the capacity of indigenous women's rights organisations and movements to advocate for change and support women's empowerment. Mama Cash was chosen because of its strong track record in delivering on these goals.

See also [www.mamacash.org](http://www.mamacash.org).

## Hivos

Hivos is an INGO based in the Netherlands that supports civil society organisations in the global South and East, and gender equality is one of its core issues. Hivos is able to process applications for small grants – between EUR 50 000 and 200 000 – which meet the needs of many women's organisations. Hivos maintains close contact with grassroots organisations.

See also [www.hivos.nl/english](http://www.hivos.nl/english).

### *Channelling funds through INGOs with a focus on gender equality and women's empowerment*

INGOs with a strong commitment to gender equality can be effective channels for funds intended to strengthen gender equality and women's empowerment. In many cases INGOs share the features of women's funds, such as the ability to administer small amounts of funding.

### **Involving the private sector**

As part of corporate social responsibility initiatives, private companies are increasingly recognising the importance of taking responsibility for and contributing to sustainable development and poverty reduction. This is usually accomplished through large

corporate foundations formed specifically for these purposes. Some donors are working with corporate actors to leverage the skills and resources of non-traditional partners in efforts to enhance gender equality and women's empowerment.

#### **The One Woman Initiative**

The One Woman Initiative is a joint public-private "women's empowerment fund" of USD 100 million, with USD 67 million provided for activities by the United States government and the remainder from private corporations and foundations. The focus of the programme is on empowerment initiatives, including entrepreneurship, political leadership and the rule of law in Muslim majority countries and countries with large Muslim populations.

The One Woman Initiative is expected to have a great ability to reach out to individuals and small programmes through its private-sector arm. Funding from the US government will be supervised by USAID. The initiative was launched in May 2008.

### **Simplifying grants application, monitoring and reporting processes**

When funding small civil society organisations directly, it is important to keep the application, evaluation and reporting processes straightforward. The extent to which these processes can be adopted by individual bilateral donors is dependent to some degree on the donor country's own financial and auditing processes. Increasingly, however, donors have been working to harmonise application and reporting procedures.

*"Now we have to spend more time writing proposals and searching for funding instead of focusing on our activities and the impact of the work we do. It is surprising that there is a discussion on harmonisation but when it relates to CSOs nothing happens that way. We have many donors who are giving small funds with others who are giving considerable and we have to report separately and each of them has its own models and formats."*  
(Voice from Mozambique.)

Source: Collinson *et al.*, 2008

Key elements of simplified processes adopted by some funders include:

- applications are not expected to be written in perfect English
- applications can be in any language
- application forms are kept simple and straightforward
- evaluations are participative and meaningful, while being able to capture longer-term change
- extensive evaluations are not imposed – indicators and measuring systems are open for negotiation with recipient organisations
- reporting processes are flexible and not time intensive
- multi-donor funds and harmonised approaches are used (*see section 2 below*)

### Examples of innovative administrative processes

**NZAID's Partnership for International Community Development Programme (KOHA-PICD)** is a co-funding scheme for New Zealand CSOs that supports community development activities through in-country partners, with a strong focus on gender equality and women's rights. Flexibility, ownership and building trust are key features of the programme, and the evaluation of projects is left to the discretion of the funded CSOs. The minimum requirement is that they demonstrate that the funded activities took place. They are also encouraged to respond to questions about lessons learned and changes in the lives of the people they wish to reach.

**The Urgent Action Fund for Women's Human Rights** supports women's rights defenders. It funds urgent strategic interventions such as costs for campaigns garnering public support in rape cases. To accelerate this process it accepts applications in any language.

**Hivos** encourages its partners to submit proposals in their own format in order to ensure that they define their own needs, objectives and approaches rather than responding to donor priorities. Organisations receiving core funding are expected to submit an updated annual work plan and budget, audited financial statements and a narrative report. In order not to burden partners with too many reporting requirements, Hivos asks for a yearly institutional report that could, in principle, be used for reporting to all donors.

**Mama Cash** is developing innovative strategies for evaluating the work of the organisations it funds. Through the "Making the case" tool, organisations are encouraged to think about shifts in behaviour, shifts in attitude and shifts in policy that may be a direct or indirect result of their work, rather than reporting on the number of outputs. The tool is highly participative and provides valuable information on change processes.

### What to fund, where: some challenging issues

The research by AWID and the GAD Network has identified a set of challenges related to the types of organisations donors choose to fund, the scope and focus of these organisations and the regions in which they are active.

There is a perception amongst NGOs that donors are focusing increasingly on supporting the advocacy role of CSOs as a way to strengthen government accountability on gender equality. There are indications that this has led to greater participation of civil society in shaping national government policy on gender equality, particularly in Africa and Asia. For some CSOs this raises concerns that their organisations are perceived as agencies supporting the state in implementing its donor-agreed policies, rather than as agents of democracy and change (Collinson *et al.*, 2008).

CSOs in Africa and Asia have also been concerned whether funds are decreasing for some organisations that provide direct services, such as health outreach programmes or HIV/AIDS counselling, or carry out other forms of direct, grassroots work with poor men and women (*ibid*). This may however be a region-specific phenomenon, as many organisations participating in the research by AWID and the GAD Network felt that increased funding was in fact available for service delivery – since poverty is often equated with lack of services (Clark *et al.*, 2006).

### UNIFEM Trust Fund in Support of Actions to Eliminate Violence Against Women

The UNIFEM Trust Fund in Support of Actions to Eliminate Violence Against Women is the only multilateral grant-making mechanism that supports initiatives at local, regional and national levels. Grants range from US USD 100 000 to USD 300 000.

The fund supports different types of mutually reinforcing activities that include training for healthcare and police officials, services for victims of violence, public awareness campaigns, coalition building and policy dialogue. Many projects strive to alter community attitudes and involve men as allies. Since it began operations in 1997, the Trust Fund has awarded more than USD 19 million to 263 initiatives to address violence against women in 115 countries.

Organisations with agendas that could be considered “radical” in some countries, such as those promoting lesbian, gay, bisexual and transgender (LGBT) rights or rights to abortion, report increased difficulties in accessing funds (Clark *et al.*, 2006; Espinoza, 2007). Ensuring that clearly defined human rights principles are central to aid policy and implementation may be one way to avoid the further marginalisation of these issues.

*“I am aware that strategies for international aid have changed and funds have been redirected to other countries which are now flavour of the month.”* (Voice from Nicaragua.)

Source: Collinson *et al.* (2008).

The commitment to developing certain chronically poor regions has benefited many organisations – particularly in Africa, Asia and the Pacific. There seem to have been, however, significant negative impacts on women’s organisations based in ‘middle income’ regions where problems of gender inequality and relative poverty persist. Particularly hard hit are women’s organisations in Latin America, the Caribbean, Eastern Europe and the Middle East and North Africa where, as indicators reflect reductions in overall poverty levels, donors are withdrawing their funding (Kerr, 2007; Clark, 2006; Collinson *et al.*, 2008).

## 2) ENSURING THAT MULTI-DONOR FUNDS BENEFIT WOMEN’S ORGANISATIONS

Harmonised funds can be instrumental in achieving country-wide and regional shifts in gender equality and women’s empowerment.

Official Development Assistance is, however, often harmonised around the MDG3 indicators of parity in education, literacy, women’s employment and political representation as well as ‘hot’ issues such as violence against women and HIV/AIDS. Organisations report that it is becoming increasingly difficult to raise funds for activities related to women’s rights that focus on awareness-raising, participation and confidence-building (Collinson *et al.*, 2008, Adeleye-Fayemi 2007).

There are various models of multi-donor funding, ranging from basket funds for particular projects or issues to large-scale multi-donor agreements. The benefits of multi-donor models for gender equality include:

- multi-donor funds can provide a means for sharing responsibility for funding a programme that may be considered sensitive by the partner country government or one of the donors;
- small organisations, which donors might not normally be able to reach, can be funded as multi-donor funds are managed at a local level; and
- administration time and costs are cut and efficiency improved, as funds are managed centrally and often by teams.

Whilst pooling funding can lead to greater harmonisation amongst donor programmes, there is a danger that the essential and very specific roles played by some individual organisations (both donor and CSO) is being lost in the bigger picture (Scanteam, 2007). From this experience, CSOs and INGOs suggest that donors bear the following in mind when developing funds focused on achieving gender equality or identifying which existing multi-donor funding initiatives to join:

- ensure there is clear accountability from intermediaries to their constituencies and democratic, participatory decision-making over distribution and use of funds;
- develop funds that can ensure long-term commitments and cover core costs of CSOs;
- look for pooled funding opportunities with a clear gender equality remit; and
- check that the funds are designed to increase funding availability and that there are mechanisms in place for reaching local CSOs and women’s organisations.

### Sida support to lesbian, gay, bisexual and transgender rights

The Swedish International Development Cooperation Agency (Sida) is committed to increasing support for lesbian, gay, bisexual and transgender rights and has developed an action plan for ensuring this commitment is incorporated into Swedish development co-operation.

While ensuring that each partner country takes ownership of its development policy, Sweden maintains a strong human and women’s rights approach and is finding effective, sensitive ways to include civil society in discussions of reform that can be controversial in certain countries.

The action plan aims to: provide appropriate and targeted guidance on how Sida can give attention to LGBT issues in development co-operation strategies; provide support for LGBT organisations and LGBT-relevant measures bilaterally or through Swedish NGOs and organisations in partner countries, at national, regional and global levels; raise and incorporate LGBT issues in dialogue, lobbying and advocacy activities; implement international training programmes on LGBT persons’ and human rights; introduce Sida’s Management Group, all heads of divisions and development co-operation counsellors to LGBT issues, human rights and LGBT measures; and explicitly include LGBT issues in existing training sessions for Sida’s staff and co-operation partners on human rights, gender equality and HIV/AIDS, and in other relevant training.



### **The Donor Gender Platform in Burkina Faso**

The Donor Gender Platform in Burkina Faso is co-ordinated by the Dutch Foreign Ministry and brings together donors from the Netherlands, Canada, Switzerland, Denmark and UNFPA. Each donor contributes at least EUR 15 000 and funds are pooled for activities that promote gender equality and support the development of a national gender equality policy in Burkina.

The fund is innovative in its commitment to providing support for organisations focused on gender equality, responding to their need for access to increased financial resources.

### **Gender and Governance Programme Joint Action Fund in Kenya**

The Gender and Governance Programme Joint Action Fund in Kenya was developed by a group of Kenyan stakeholders, including women leaders and gender equality-focused CSOs. It follows a basket fund model, receiving management support from UNIFEM and funds from CIDA, Finland, Denmark, Spain, Germany, Sida, the Dutch and Norwegian Embassies and DFID.

The programme is based on the principle of ownership, with the 29 member organisations being viewed as implementing partners rather than as funding recipients. In 2005 and 2006, over USD 2.5 million funds went to these organisations. The programme aims to ensure that gender equality is addressed at national level and to strengthen women's leadership..

## **3) ENSURING THAT GENDER EQUALITY PROCESSES ARE DEMOCRATICALLY OWNED**

### **Fostering partnerships for effective gender equality programming**

Democratic ownership requires the involvement of women's organisations in decisions about aid distribution and management. Programmes based on partnerships can provide an effective framework for reaching small organisations and enable donors to more effectively address gender inequalities. Even though civil society organisations have in some cases played an effective and important advocacy and oversight role through the Poverty Reduction Strategy (PRS) process, carrying this influence through into policy implementation and monitoring seems to be more challenging.<sup>11</sup>

*“Our experience has been that most donors do not open channels for influencing their own policy and practice. They put out their policy and CSOs either fit within that or don't.”* (Voice from Uganda.)

Source: Collinson *et al.* (2008).

### **Irish Aid's Multi Annual Programme Scheme**

Irish Aid's Multi Annual Programme Scheme (MAPS) provides funding for five INGOs. The aim of the scheme is to provide a supportive framework of funding that enables organisations and their partners to work towards poverty-focused development outcomes and impacts.

Through MAPS, Irish Aid promotes a gender equality focus amongst Irish CSOs and encourages them to monitor the impacts of their gender equality policies. A key aim of this mechanism is to strengthen civil society in developing countries. The INGOs are encouraged to form partnerships with organisations in the countries where they are working. The partnerships are grounded in the principles of accountability to grassroots organisations, participation in decision-making and capacity building.

### **NZAID's Partnership for International Community Development Programme (KOHA-PICD)**

The KOHA-PICD Programme is the largest NZAID fund available to New Zealand's international development CSOs. The scheme funds CSOs by forming partnerships with local, community-based initiatives. Gender equality is one of KOHA-PICD's core themes and is a key condition in the application and reporting processes. Organisations with a good track record are eligible to apply for a block grant for a year's funding, which is then distributed to their partner organisations.

A significant number of the funded projects focus on women's rights and gender equality. For example, the Women's Development Resource Centre in India works with Dalit and tribal communities in Tamil Nadu with the goal of empowering marginalised women at the grassroots level through leadership training. One key impact of this has been that women are now more involved in decision-making processes than earlier and that assets, such as property, are more often jointly owned.

11. OPM, Social Development Direct and Working Together, *Making Aid More Effective through Gender, Rights and Inclusion: Evidence from Implementing the Paris Declaration*. Analytical Summary, June 2008. Report funded by DFID, Irish Aid, the Netherlands and Norway.

### **The Sida - FEMNET partnership**

Sida has a long-term core institutional support agreement with FEMNET, in return for which the African network acts as a helpdesk – providing Swedish Embassies and offices with advisory services on issues concerning gender equality and women's empowerment in the region. This arrangement has been in place for five years.

FEMNET, with its member organisations present in most African countries, offers Sida direct access to country specific knowledge and contacts – valuable for developing training programmes as well as for advice on specific documents and processes.

### **Strengthening partner government capacity on gender equality**

Without a clear understanding of, or commitment to, the importance of gender equality to all aspects of development and governance, gender equality may easily evaporate from partner governments' policy and practice. It is therefore important to support partner country ownership in ways that allow for full integration of gender equality and women's empowerment into the development process.

Donors can support capacity development of agencies and organisations with a mandate for the advancement of women – including at sectoral level. Drawing on the expertise of national and local gender equality specialists is fundamental to the development of relevant, sustainable policies and processes that will have real impacts.

#### **The Swiss Agency for Development and Cooperation (SDC)**

is playing an important role in facilitating public sector reform in Laos. SDC is working closely with the Lao government to build capacity on gender equality and ensure it is mainstreamed throughout its work. This integrated approach is critical as SDC favours sectoral budget support through SWAs over direct funding for gender equality activities. A gender equality specialist has been assigned to this task.

Many donors are convinced that increasing investments in women's organisations is essential for achieving gender equality, women's empowerment and improvements to people's lives. Research by NGOs themselves has, however, shown that changes to the aid and policy environments have created challenges both in securing access to resources and in engaging effectively in the development process.

While many of the funding challenges can be addressed through the strategies and approaches outlined, a number of other challenges and issues remain for donors, governments and NGOs alike. Several of these have been identified in the recommendations of a recent research project, based on country case studies, of the implementation of the Paris Declaration<sup>12</sup>:

### ***Some issues and challenges ahead for donor and partner country governments***

- The principle of country ownership should translate into a participatory dialogue on aid and development effectiveness that recognises the legitimacy of civil society engagement in the democratic ownership of the policy process.
- The role of civil society, Parliaments and local government has received relatively little attention as part of the aid effectiveness agenda. This agenda has tended to focus on interaction between the central policy implementation apparatus of the executive (for instance finance ministries) and donors.
- Donors have focused on building capacity in procurement and financial management in pursuit of the objective of alignment through the use of government systems. Now there needs to be a greater focus on building capacity for the analysis and use of evidence to strengthen results and measure impact in order to hold government and donors to account for improvements in poor people's lives.
- While donors have made some progress in developing more strategic or programmatic approaches to civil society participation for democratic ownership, in none of the research project's case study countries is there a harmonised and coherent approach from major donors designed to enhance the overall role and capacity of civil society to engage more effectively in the policy process.
- In some of the case study countries, the legal status of NGOs is unsatisfactory or under threat.
- Civil society organisations in the case study countries have in some instances played an effective and important advocacy and oversight role and have achieved some influence over policy making, for instance through the PRS process. However, carrying this influence through into policy implementation and monitoring has been more difficult.

### ***Some issues and challenges ahead for civil society organisations***

- Civil society organisations that advocate on behalf of poor and excluded groups need to build their capacity to engage effectively in policy dialogue, implementation and monitoring, understand the changing aid and policy making environment, seek opportunities for collaboration regionally and internationally, and find ways to fund their activities that ensure they remain responsive and accountable to the constituencies they seek to represent.
- Civil society organisations need to find ways to work collaboratively (nationally, regionally and internationally) to share and build experience.

The effectiveness and credibility of civil society voices will only be enhanced to the extent that these organisations are clearly answerable to their constituencies and their overall goals, and hence are able to attain some independence from donor or government funding sources.

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12. OPM, Social Development Direct and Working Together, Making Aid More Effective through Gender, Rights and Inclusion: Evidence from Implementing the Paris Declaration Analytical Summary, June 2008. Report funded by DFID, Irish Aid, the Netherlands and Norway.

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