

- læring og metodeudvikling på tværs

Discussion paper:

April 2013

Multi donor pooled funds: What are we learning about effective Civil Society funding for better advocacy? Experiences from Ghana and Ghanaian CSOs¹

Esi Sey Johnson and Søren Asboe Jørgensen²

¹This paper has been prepared specially for *Fagligt Fokus* as an input for the learning process on how Danish CSOs and their partners can work to promote better southern based funding modalities. The views presented in the paper are not the position of 'Fagligt Fokus', but solely the positions of the authors.

² **Esi Sey Johnson** is a development practitioner. As Director of the Organization Capacity Building program of Ibis-West Africa, she provided OD support to G-RAP RAOs during a period of Ibis' OD support to G-RAP. As facilitator of ICCO's Sustainable Forest Management Program, she participated extensively in the design, review and evaluation of the Kasa Initiative. She also provided capacity building to Kasa grant partners. She carried out a review of past and present approaches to CSO support on behalf of STAR-Ghana. **Søren Asboe Jørgensen** is the CSO Adviser for *CISU – Civil Society in Development*. Before working for CISU he has worked for a number of Danish CSOs, including Ghana Friendship Association. At CISU he has worked with capacity building of CSO, and in recent years he has taken a special interest in the recent donor trend to promote southern based funding modalities. He visited Foundation for Civil Society/Tanzania in 2009 and STAR/Ghana in 2013.

Content

1. OVERVIEW OF POOLED DONOR FUND MECHANISMS IN GHANA	3
MULTI-DONOR BUDGET SUPPORT TO THE GOVERNMENT OF GHANA	3
MULTI-DONOR SUPPORT TO CSO ADVOCACY.....	3
2. DONORS’ INTENTIONS IN POOLING FUNDS TO SUPPORT CSO ADVOCACY	5
3. FACTORS THAT ENABLE CIVIL SOCIETY ADVOCACY TO BE EFFECTIVE.....	5
HOW TO ACHIEVE INCLUSIVITY WITHOUT LOSING COST EFFICIENCY AND EFFECTIVENESS	6
HOW TO MEET DONOR AND CSO PRIORITIES IN THE POOLED DONOR FUND.....	8
HOW TO ACHIEVE CSO OWNERSHIP OF POLICIES AND PROCEDURES WITHOUT COMPROMISING DONOR CONTROLS AND ADMINISTRATIVE REQUIREMENTS.....	10
HOW TO DESIGN CAPACITY BUILDING.....	11
HOW TO, (AND WHETHER TO), FACILITATE CSO NETWORKING	11
4. LESSONS WE ARE LEARNING ABOUT CIVIL SOCIETY FUNDING FOR EFFECTIVE ADVOCACY	13
GENERAL LESSONS.....	13
CSO OWNERSHIP	13
DESIGN OF KEY COMPONENTS OF A POOLED FUND.....	14
REFERENCE DOCUMENTS.....	16
PERSONS INTERVIEWED	17

Introduction: *Over the past decade, civil society advocacy in Ghana has benefited from three multi-donor support mechanisms; the Ghana Research and Advocacy Program, from 2005 to 2010, the KASA Initiative, from 2008 to date, and Strengthening Transparency, Accountability and Responsiveness in Ghana, from 2011 to date.*

While sharing the common logic of a pooling of donor funds to achieve efficiency in administration and effectiveness of impacts, each mechanism has applied a unique approach to civil society support. Administrative, management and governance features have differed with each pooled funding mechanism. Their impacts too have differed. The three above-mentioned periods of multi-donor pooled funds have been characterized by distinctive dynamics and outcomes in civil society – donor relations, civil society – government relations, and civil society inter-relations. These dynamics and outcomes seem to be linked to the design of the prevailing pooled fund of that period. They point to a relationship between the specific components of a civil society support fund and the peculiar successes and challenges experienced by civil society organizations over a given period. They offer lessons for the design of future CSO support funds.

What then are the lessons that past and present pooled donor fund mechanisms point to? How have CSOs responded to multi-donor pooled funding? What has been the effect of the particular features of different pooled funds on civil society advocacy? What has worked well and what has not quite worked?

This paper discusses these questions. It draws attention to the natural tension between the needs and interests of donors and CSOs in a funding relationship, couching the issues that emerge from this tension as dilemmas to be managed, rather than problems to be solved. It presents open discussion of these needs and interests as the way to addressing those issues.

1. Overview of pooled donor fund mechanisms in Ghana

Multi-donor budget support to the Government of Ghana

The concept of multi-donor funding came to the forefront in Ghana, in June 2003, when multi-donor budget support was offered to the Government of Ghana. Multi-donor budget support (MDBS) was the strategic response of ten donors, to the development cooperation paradigm at that time and to political and economic developments in Ghana. A major development was Ghana's successful transition from one democratically-elected government to another in 2000. This had positioned the country as a beacon of hope in the sub-region and given urgency to development partners' efforts at supporting the nation to stabilize economically and politically.

MDBS represented a shift from a sector and project-driven approach to development assistance. It aimed at providing additional and predictable financial resources to implement the Government's poverty reduction initiatives in a harmonized manner and using country systems. MDBS was expected to contribute to the strengthening of institutional capacity for designing and executing development policies, and to foster domestic accountability and transparency.

Multi-donor support to CSO advocacy

The first, prominent pooled donor fund for CSOs in Ghana was the **Ghana Research and Advocacy Program, G-RAP**, a five-year pooled funding mechanism, introduced in 2005. G-RAP was jointly financed by the United Kingdom, Canada, Denmark and the Netherlands; four donor countries who also contributed to the MDBS. G-RAP was designed to be complementary to the MDBS as follows.

With the greatly increased donor funds being channeled directly into central government treasury through multi-donor budget support, donor felt a need for commensurate and simultaneous attention to be paid to the government's management of public funds, so as to ensure alignment with development priorities outlined in the then national development strategy, the Ghana Poverty Reduction Strategy, (GPRS).

G-RAP, together with the Rights and Voice Initiative and the Business Advocacy Challenge Fund (BUSAC), was therefore introduced to provide a counterbalance to government in its management of MDBS funds, and to ensure pro-poor policy development. BUSAC, RAVI, KASA and GRAP were run almost concurrently, though RAVI was funded entirely by DFID and BUSAC by DFID. Together they signified a paradigm shift, providing significant funding for advocacy as opposed to service-delivery funding, during a time when rights based approaches were increasingly defining the citizen-government development discourse. They each targeted a particular type of CSO, in roughly complementary fashion. G-RAP funds totaled about US\$15million.

G-RAP was designed largely along the lines of the aid effectiveness principles underlying the MDDBS; notably harmonization of donor funds, missions, analytical works and technical support; alignment of donors with CSO agendas; and predictability of funding. By this, participating donors sought to provide research and advocacy organizations (RAOs) with the financial freedom and program flexibility that would allow them to focus on their core mandate of informing and influencing policy. To this end, the program provided significant volumes of multi-annual Core Grants, Institutional capacity building support, Technical Assistance and Institutional Development/establishment of an active community of RAO networks.

The KASA Initiative is a pooled funding mechanism to support civil society advocacy in the natural resource and environment sector in Ghana. KASA is the CSO component of the Natural Resource and Environment Governance Program, (NREG) a five-year, multi-donor framework to support the natural resource and environment sector of Ghana. NREG was designed by development partners in the Environment and Natural Resource Management Sector Working Group. NREG was their strategic response to Ghana's heavy dependence on natural resources for growth and development, and the unsustainable management of these natural resources. Through NREG, development partners aligned their priorities and support to the Government of Ghana. NREG comprised policy and program objectives, targets, triggers and benchmarks to address critical governance issues in the forestry, wildlife, mining and environment sectors of Ghana.

The KASA Initiative was introduced to enhance the capacity of civil society and media organizations to carry out concerted and evidence-based advocacy for equitable access, transparency and accountability in natural resource and environmental governance in Ghana. KASA ran for an inception period from August 2008 to October 2010 and a transition phase that has stretched from January 2011 to date.

The inception period of KASA was jointly funded by the Royal Netherlands Embassy, CARE Denmark, the Inter church Cooperation for Development and SNV/Netherlands Development Organization. The total budget for the inception period of KASA was €1.95million. KASA provided core funding, project funds, capacity-building and a platform for CSO networking, joint-agenda-setting and advocacy, during the inception phase. Ten CSOs received core grants and nineteen received project funding. KASA's information-sharing and joint advocacy platform reached out to all CSOs in NRE. The transition phase is being funded by CARE Denmark and ICCO. It was intended that the inception phase would lead to a long-term donor support mechanism for civil society in natural resource and environmental governance. This has not yet transpired.

Strengthening Transparency, Accountability and Responsiveness in Ghana, STAR-Ghana, is a five-year multi-donor pooled funding mechanism. STAR-Ghana was introduced in 2011. It built on G-RAP, KASA, and the RAVI Initiative³. STAR-Ghana is jointly funded by DFID, Danida, EU and USAID. The STAR-Ghana fund amounts to US\$34million, excluding management costs.

STAR-Ghana supports a broad range of CSOs, including large, established, national CSOs, smaller, remotely-based CSOs, networks, professional bodies and associations. Special application requirements have been designed to make funding accessible to smaller, less formal CSOs. STAR-

³ RAVI was a rights-based civil society funding mechanism, funded by DfID.

Ghana provides funds through an open window, a thematic window and a sustainability window. It also provides support to Parliament, media organisations, STAR-Ghana's governance structure comprises a Steering Committee, a Funders' Committee and a Program Management Team.

2. Donors' intentions in pooling funds to support CSO advocacy

As portrayed above, donors for G-RAP, KASA, and by extension STAR-Ghana, pooled their support to CSO in the context of the MDDBS approach they had recently adopted. Their adoption of the MDDBS approach created for them, a heightened need for government accountability in the management of public funds. Their support to CSOs through the above funding mechanisms was intended to enable CSOs play an effective, watchdog role in relation to government accountability. They adopted the pooled fund approach to CSO support to achieve the following intentions:

- To enable large quantities of funds to be accumulated and dedicated to CSO advocacy;
- To achieve cost-efficiencies and cost-effectiveness through coordinated fund administration;
- To achieve high impact and significant results, through a huge injection of funds in a single intervention with a relatively short duration;
- To reduce financial misappropriation to zero; to catalyze CSO coordination and reduce parallel funding; and
- To achieve professional management of CSO funds.

During G-RAP and KASA, the interplay of these intentions with the factors that promote effective CSO advocacy, created interesting dynamics in relationships across CSOs, donors, and pooled fund managers, and pointed to key issues to manage in pooling donor funds. These dynamics related essentially to the natural tensions between donors' and CSOs' interests and needs. More importantly, these dynamics have played out the dilemma of how to support advocacy (which itself thrives through specific enabling factors) in pooled fund mechanisms, which also come with particular characteristics. These dynamics have surfaced with the STAR-Ghana fund as well, pointing to a common set of issues that must be addressed in managing CSO funding mechanisms.

What then are the enabling factors that promote effective civil society advocacy? How did these factors harmonize or conflict with donors' intentions under G-RAP and KASA? What key issues emerged for G-RAP and KASA from this interplay, and how were those issues addressed? How are these issues playing out under STAR-Ghana and how is STAR addressing them?

3. Factors that enable civil society advocacy to be effective

Effective civil society advocacy is described, for the purpose of this discussion, as a CSO-led campaign that advances the interests of identifiable sections of the society, exerts and sustains pressure at multi-levels of power and influence, and progressively achieves significant (even if small) shifts towards the desired outcome. Effective CSO advocacy ultimately achieves the desired outcome, and leaves ordinary citizens with a sense of influence in governance at local and national levels, and in traditional governance systems.

Multiple levels of actors: Well-coordinated efforts of a range of actors at national, district and grass root levels, and even at international levels; Sustained and consistent pressure: CSO commitment and capacity to follow the issue through to a successful policy outcome; Adoption of a long-term perspective: Provision made for the slow pace of advocacy results when designing and budgeting for an advocacy process; Provision for invisible costs: Recognition of, and provision for, lobbying and relationship-building as important, invisible and costly components of advocacy; CSO leadership of advocacy agenda: A fully CSO-owned advocacy agenda; Technical and institutional capacities: Technical capacity in advocacy processes and internal organizational processes; A sense of partnership with funding institutions: Balanced power relations with funding institutions; Significant CSO influence in the design of the funding mechanisms and low power distance from funding institution; Minimal distractions from donor missions and administrative requirements: Avoidance of multiple donor monitoring and reporting processes.

Effective advocacy is achieved through factors, including the following.

Key Issues encountered within pooled donor pooled fund mechanism in support of CSO advocacy

In the following section we will look at key issues that G-RAP, KASA and now STAR-Ghana, have encountered as they have sought to meet donors' and CSO needs and interests within the context of a pooled funding mechanism.

How to achieve inclusivity without losing cost efficiency and effectiveness

For purposes of cost-efficiency and effectiveness, G-RAP focused its support primarily on a single level of CSOs – established, national research and advocacy organizations. This however meant that the fund could not embrace multiple *sizes* of CSO actors. Although G-RAP RAOs' advocacy involved their interacting with CSOs and interest groups at grass root levels, these smaller groups were positioned more as the subject of RAOs' advocacy, rather than as vibrant actors in policy advocacy.

The fact that G-RAP support did not target multiple actors created a missed opportunity for developing within G-RAP, a strong grass-root base and mobilization around the issues advocated by RAOs. And yet, to have opened up its target group to include multiple levels of CSOs would have caused a thin-spread of G-RAP funds, the risk of dissipating impact, and administrative hurdles that would have affected cost-efficiency and value for money⁴.

It is significant to note, in the midst of this dilemma, the effect that the concurrent operation of the DfiD-funded program, RAVI, had on CSO advocacy during G-RAP. RAVI provided support to a second tier of CSOs; i.e. CSOs at district and grass root levels. ***The overall effect of this concurrent running of the two funds was that multiple levels of CSO actors did in fact participate in policy advocacy, at no obvious cost to G-RAP.*** With

⁴ Indeed, a later opening up of the fund to smaller, non-national CSOs, while achieving broader-based participation in policy advocacy seemed to also have watered down the sheer presence that G-RAP had initially brought to policy advocacy.

some RAOs acting as intermediary organizations under RAVI that provided mentorship to smaller CSOs, synergies developed across the national GRAP RAOs and the grass root RAVI CSOs. Small, grass root organizations benefiting from RAVI's support, picked up some of the issues advocated by RAOs, and empowered by the momentum from RAOs' advocacy at the national level, made bold, rights-based demands on duty-bearers at the district levels.

The KASA Initiative, on its part, solved the issue of [how to ensure support to multiple levels of CSOs](#) by its focus on natural resource & environment and governance. This combination of a sector and thematic focus (NRE sector and governance theme) embraced the multiple levels of CSO actors required for effective CSO advocacy. Indeed, KASA's portfolio of grant partners combined some of the most prominent national policy think tanks and some of the least-known, grass root CSOs. In addition, KASA's thematic working groups and annual advocacy platform have brought together a heart-warming representation of very small and very large CSOs.

KASA has been successful at achieving inclusivity with a relatively small pool of funds. ***The question that remains un-answered however is how an increased pool of funds would affect KASA's effectiveness and efficiency in pursuing inclusivity.*** Would a scaling-up of KASA's funding, as had been envisaged in the plans for a longer-term funding mechanism, have maintained KASA's effectiveness in achieving inclusiveness? STAR-Ghana's experience in this area offers interesting lessons.

STAR-Ghana was introduced on the heels of G-RAP and RAVI and was designed with lessons from these funding mechanisms. STAR-Ghana [aimed at embracing](#) the multiple levels of CSOs that the preceding mechanisms had supported. To achieve this, STAR-Ghana focused on selected thematic areas, but opened up to a wide variety of CSOs through a large number of funding windows and options. STAR-Ghana's application procedures [have recently](#) been reviewed to provide easier access to smaller CSOs. STAR-Ghana is exploring ways of reaching out to Ghana's more established professional bodies and associations.

And yet despite STAR-Ghana's intention of building upon past CSO funding mechanisms, the strategy it has adopted to supporting multiple levels of actors; ***i.e. administering a wide range of funding packages within a single fund, seems to have had the effect of dissipating, rather than consolidating the momentum developed by the preceding CSO funding mechanisms.*** In its bid to reach out to multiple actors, STAR-Ghana seems to have paid greater attention to widening rather than deepening donor support to CSO advocacy. This seems evidenced in the return to project as against program funding, and in the non uptake of the funding strategies adopted by the preceding CSO funding mechanisms. There seems to have been a considered choice not to pursue opportunities for deepening the G-RAP, KASA and RAVI approaches that emerged from their final evaluations. The reasoning for this might have been that the three funds had different strategies, which could not be harmonized into a single fund. ***And yet, rather than attempting to harmonize different CSO approaches in one fund, and thus merging them into a somewhat indeterminate conglomeration, the different approaches could perhaps rather be coordinated in the single fund; each approach maintaining its unique features.***

Pursuing greater inclusiveness through a single mechanism, which largely, is not differentiated by CSO characteristics⁵, means that STAR-Ghana has consciously or unconsciously turned a blind eye to the dynamics specific to RAOs' advocacy processes, the dynamics specific to district and grass root CSOs' advocacy and the dynamics that surface in the interactions between national and grass root CSOs. It is important however that these dynamics are deliberately and strategically managed in engaging varied levels of CSOs in order to achieve ownership and interest across all levels of CSOs involved in advocacy. **The value of differentiation is already evident within STAR. By differentiating its application processes, a larger numbers of smaller, more remote CSOs into STAR-Ghana's portfolio have gained access to STAR-Ghana, and have developed a strong sense of connection with the program. What level of differentiation would be required to develop a similar dynamic across other CSO levels?**

The "upscale" approach has also created administrative burdens, which seem to lengthen application and selection processes. RAVI, which also targeted a wide range of district and grass root CSOs, resolved this issue with an intermediary approach. RAVI used larger CSOs to administer application and selection processes at district and community levels. A comparative study of the cost efficiencies of the RAVI approach as against that of STAR-Ghana's central administration approach, would offer useful input. For now, however, there remains a rather lengthy waiting period between STAR's application and selection processes, much to the dissatisfaction of successful and un-successful applicants.

The central message here is that inclusivity should be pursued with an eye on the different capacity and logistical needs at different CSO levels, but also with a strategy for managing the power dynamics within and across these levels. This might compromise cost-efficiency but will likely achieve longer term value for money.

A question this raises is whether, rather than attempting to harmonize different CSO approaches in one fund, and thus merging them into an indeterminate conglomeration, the different CSO approaches could not rather be coordinated in the single fund; each approach maintaining its unique features?

How to meet donor and CSO priorities in the pooled donor fund

The earlier overview of pooled donor mechanisms established that donors pooled their funds to CSOs in the context of their multi-donor budget support to the Government of Ghana. Pooling their support to CSO advocacy met donors' need to ensure accountable-management of their pooled budgetary support to the government. Pooled support to CSOs also meets CSOs' overall interest in accountable-management of government resources. However finding a balance in donor and CSO priorities regarding the focus of the fund can raise dilemmas of ownership. This dilemma has played out more significantly under STAR-Ghana than G-RAP and Kasa.

With G-RAP and Kasa, the direct link with donors' MDBS support already established the priorities these funds would address. G-RAP priorities were situated within Ghana's Poverty Reduction Strategy, with the core

⁵ STAR-Ghana's effort at differentiating application procedures for small and large CSOs is a positive step in this regard. Other elements of differentiation need to be explored.

funding approach allowing RAOs a free hand in selecting specific issues to advocate. KASA's priorities were situated within the NREG program, again settling relatively easily the question of priority issues to be advocated by CSOs.

With STAR-Ghana, however, the priorities of the fund were not so obviously situated within a national or sector development framework. They were arrived at through a consultative political economy analysis. Through this process a number of sectors were selected as priority. The reasoning was that support to those sectors would have catalytic effects on other equally important sectors of the economy. Again, the central focus of STAR-Ghana on governance was expected to harmonize with CSOs' overall interest in good governance. It was expected that CSOs, notwithstanding their specific sector focus, would find common ground with STAR's governance priority. The consultative process of selecting a specific sectors and the central issue of governance were supposed to instill CSO ownership of STAR-Ghana's priorities. However, this has not quite been the case.

CSOs have raised questions about the specific sectors that were prioritized by STAR-Ghana, drawing attention to the close link between the selected sectors and donors' sector focus. They have also questioned the very adoption of a sector prioritization approach with a fund of the size and significance of STAR-Ghana. And yet, it is to be expected that donors' support to CSO advocacy will reflect their sector-interest. On the other hand however, CSOs' work spreads across many sectors, some of which will not fall within donors' sector-interest. This seems to be the dilemma confronting STAR-Ghana.

The thematic focus of STAR-Ghana have indeed raised CSO concerns. ***Their concerns are justified in the sense that STAR-Ghana's funds are project funds, which tend to have a limited capacity for cross-sector ripple effects.*** A critical example has been cited regarding current developments in Ghana's electoral process, which demand a concerted CSO advocacy position and intervention. The CSO body has however not yet presented a united position regarding the governance issues at play in the current court case regarding Ghana's 2012 Presidential Elections. It is key to note that STAR-Ghana's funding through its Election Call did not result in CSO co-ordination and collaboration on issues emerging from the elections, as might have been the case had grantees received program funds for election interventions. While waiting for ripple effects on other sectors of the economy, critical sector issues requiring CSO advocacy and intervention, remain un-addressed as CSOs find difficulty in attracting donor funds to those issues.

Counter to these arguments, however, is the fact that STAR-Ghana offers other funding packages that are not sector-focused. Again, there is the cross-cutting theme of governance, which embraces a very broad spectrum of CSO advocacy.

These arguments notwithstanding, the question of ownership of STAR-Ghana's priorities seems to need discussion if CSO leadership is to be established in STAR-Ghana.

The position of the authors on this particular dilemma is that CSOs must necessarily feel a sense of leadership in the process of determining the priorities of a pooled CSO fund requires. The sub-issue regarding the catalytic effect of project-funding across other sectors needs further discussion.

How to achieve CSO ownership of policies and procedures without compromising donor controls and administrative requirements

G-RAP's initial selection criteria and its early governance structure were met with a barrage of critique from CSOs. This was in response to criterion that effectively excluded women's rights organizations and organizations that engaged in lobbying and advocacy, but not in major research. Gender organizations raised issue with the gender-blind nature of the G-RAP program document. RAOs also criticized the governance structure, which in their opinion was donor-heavy. They were dissatisfied also, with the level of monitoring, which seemed to them to be inconsistent with the concept of core funding.

The response of the PMT of G-RAP was to revise the selection criteria. They invited gender organizations to form a small working group, which worked with the PMT to incorporate gender issues into the program document. The governance issues were addressed following a midterm review of the program, with a restructuring of the governance set up. ***The immediate responsiveness and response of the PMT to CSOs' feedback created a remarkable sense of ownership by RAOs, of the program and its policies and procedures. It resulted in the development of a culture of RAO influence in G-RAP processes, which distinguished G-RAP. And yet the question does arise of what the effect was on donors' legitimate control and administrative requirements. Were there any effects that would need to be considered in situations where CSO raise concerns regarding management and governance policies and procedures?***

KASA too received its fair share of critique regarding its policies and procedures. NRE CSOs felt that the KASA governance structure was non-transparent. This structure comprised a Steering Committee made up of government and donor representatives and the funding organizations, a Consortium of the funding organizations, and a PMT.

CSOs questioned why, if KASA was a CSO platform, it was not being managed by CSOs. They were concerned also that they had no representation in KASA's grant-approval processes, although they also felt that CSO representation here could create conflicts of interest. Fierce critique arose regarding non-clarity on what KASA actually was (a mechanism, a platform, or a concept), and regarding an apparently competitive relationship between KASA and existing CSO networks. There was also discomfort with the dual role that the PMT was playing, of capacity building and monitoring/financial control. These questions boil down to an issue of ownership.

KASA's PMT responded by re-structuring the PMT and the Steering Committee in designing the proposed second phase of the Initiative. ***The possibility of having CSO representation on the PMT was discussed but not fully concluded.*** Nonetheless, the structure for the second phase of Kasa comprised a CSO and Media Representatives Committee responsible for leading the setting of the agenda and political direction of KASA; a Program Board made up of representatives from CSOs, government, donors, MPs and the management agency, with responsibility for resource allocation; a Grants Sub-committee made up of representative from the Program Board; and an Independent Technical Assessor. This structure has yet to be experimented, and so it cannot be said if it would adequately address CSO concerns and resolve the ownership question.

The central message here is that the policies and procedures of a fund mechanism are not likely to meet CSOs' satisfaction at the first instance. In fact they should be expected not to. CSOs' need for a sense of influence will most likely result in some critique and negative feedback. PMTs capacity to recognize this and to respond with concrete efforts at addressing the issues raised will go a long way to embed CSO ownership at the heart of the fund.

How to design capacity building

As stated by a CSO representative, “*weak organizations don't do good advocacy*”. CSOs need strong financial, administrative, governance systems to assure them the legitimacy, accountability and credibility with which to hold government up to its own good governance obligations. Technical and organizational capacities are therefore critical for CSO advocacy.

Collectively, the experiences of G-RAP, KASA and STAR-Ghana, (as well as RAVI), signal that this capacity can be built through dedicated capacity building events, but also through routine fund management processes and through networking moments.

CSOs indicate that their organizational and advocacy capacities were built through grant application processes, through interaction with other CSOs in information-sharing and joint advocacy processes, through PMT monitoring visits, as well as through specific capacity-building events. Particularly with RAVI and STAR-Ghana, even unsuccessful applicants have felt that their capacity has been developed through the application process. Some un-successful applicants for STAR-Ghana's sustainability grants have even gone ahead to implement the step change plans they developed during the application process. ***The message here is that capacity building should be approached not only as a specific activity but as an integral feature of management, monitoring and networking processes.***

How to, (and whether to), facilitate CSO networking

CSO networking has been a remarkable feature of G-RAP and the KASA Initiative. And yet, with G-RAP, the remarkable, vibrant networking that characterized the program seemed to come to a sudden end with the close of the program. Will this be a feature too of Kasa, which also has a vibrant networking culture? Does external facilitation of CSO networking have an inherent characteristic of non-sustainability?

With G-RAP, CSO networking was facilitated by the combined effect of the elements of the fund. Core funding allowed RAOs to allocate funds for regular meetings with each other, where they could discuss policy issues. The governance structure, which gave RAOs rotating lead roles on the G-RAP Steering Committee, was a facilitating factor as well. In order to play their lead roles, RAOs would meet regularly in each others' offices to agree key issues.

G-RAP's funding of the Annual RAO Convention was yet another facilitating factor. This Convention, which was self-managed by RAOs, created momentum around advocacy issues that RAOs had previously addressed individually. It catalyzed joint-advocacy on those issues by sub-groups of RAOs. The participation of key government officials and development partners gave a high profile to the Conventions and brought visibility to RAOs; an element which also energized joint work by RAOs. The joint identification of issues and advocacy

positions unified RAOs in their programs post-Conventions. This created the impetus for further interaction with each other.

RAOs' individual leadership on specific policy issues, coupled with their interdependence on each other for attracting national attention to those issues also fuelled the drive to network. Networking did not remove competitiveness from their interactions. However, the competition was constructive. RAOs felt compelled to exhibit a high level of competence in their thematic fields, bringing high quality to their work. ***Thus the core elements of the G-RAP fund; the governance structure, the core funding approach, and the aspect of institutional development were the factors that facilitated networking in G-RAP. These features organically created a culture of networking and interdependence among RAOs.***

Networking among RAOs dissipated with the end of G-RAP, raising the question of the sustainability of external facilitation of CSO networking. It would appear that CSO networking will best sustain itself when CSOs are strong enough, financially and institutionally, to self-organize.

With KASA, a deliberate effort was made at catalyzing networking. A number of sub-sector working groups were either set up or strengthened by KASA. These working groups have been the platforms where a wide cross section of CSOs meets to prepare for the annual CSO parallel review of the NRE sector. The participation of government and donor representatives in the CSO review, and its feeding into the government's own review of the sector, gives a high profile to the process, which gingers CSO networking ahead of the event. The information-sharing forums and joint capacity-building sessions, regularly organized by KASA, have also been consciously designed to catalyze CSO networking. This has been successful because even without core funding or project grants, the information forums and the annual CSO review platforms have remained vibrant and drawn together wide cross sections of CSOs. CSOs who have never benefited from KASA's funds have continued to participate actively in these forums. ***Under KASA, therefore, networking has been actively catalyzed by the PMT. Here again the question of the sustainability of CSO networking within KASA arises. Would this networking continue without the funding provided by KASA?***

STAR-Ghana's strategy for catalyzing networking seems to combine thematic conventions, and the use of the value chain approach, through which CSO grant applicants are prodded to design their projects to synergize with the proposals of other applicants. This approach holds promise, though for now, it does not seem to show obvious results. ***Combined with a strategic approach to the dynamics across CSOs, and with attention to the challenges inherent in short-term, project funding, it could develop into a land-mark approach.***

Power dynamics in pooled funds

Subtle power dynamics will always feature in relationships between people and institutions. The introduction of money into a relationship almost always produces a de-stabilizing effect, which can be managed to place power back in balance. This phenomenon has played out in G-RAP, KASA and STAR-Ghana.

With G-RAP, the balance of power was maintained through the responsiveness of the PMT to CSO feedback, and also by maintaining a direct relationship between RAOs and donors. G-RAP annual conventions had a

strong, yet empowering, presence of donors, who would often provide opening remarks at the Convention, communicate their support to the RAOs' agendas, and then depart after the opening session, allowing CSOs independent discussions and agenda-setting.

KASA CSOs protested against an imbalance of power they experienced in their relationship with the PMT and donors. The re-structuring of the governance set-up is yet to be tested.

With STAR-Ghana, a rather strong power distance seems to have been experienced by CSOs. It appears that this is a result of a marked distance between the CSO community and donors that has characterized STAR-Ghana. Although donor coordination is the essence of a pooled donor fund, it seems that with STAR-Ghana, donors have taken a step further back from CSOs than they did with G-RAP. The distanced relationship risks embedding a sense of donors as a shadowy, string-pulling presence out of CSOs' reach. This would be a retrogression from the balanced power dynamic that developed between donors and CSOs during G-RAP.

4. Lessons we are learning about civil society funding for effective advocacy

General Lessons

It takes time to get it right. G-RAP and KASA went through turbulent periods before settling into a relatively smooth implementation. The lesson of G-RAP, and to an extent KASA, is that with acknowledgement of the value in feedback and negative criticism, donors and PMT do eventually get it right.

PMTs and donors need to acknowledge that the design process continues even after implementation begins. It could take as long as the first couple of years to settle on the focus, structure and processes that will work for a particular fund. Donors need to factor this in, in pitching their expectations regarding the pace of fund disbursement, outcomes and results.

It really is all about relationship. A funding mechanism thrives on relationship; not simply between the sub-contracted PMT and CSOs, but between donors and the body of CSOs. A mechanism for meaningful interaction between donors and CSOs can be designed.

Situating the fund as a support to a specific national/sector development framework seems to work. This helped KASA and G-RAP in the definition and monitoring of objectives and targets.

CSO Ownership

PMT/donor responsiveness creates CSO ownership. Donors' own administrative requirements make it unlikely that the policies and procedures of a pooled fund mechanism will immediately be met with CSOs' satisfaction. Again, CSOs' need for a sense of influence over a fund designed for their benefit will elicit some critique from them as they attempt to establish a foothold within the fund. A PMT's capacity to recognize this and to respond with concrete efforts at addressing the issues raised will go a long way to embed CSO ownership at the heart of the pooled fund.

Identification of themes and focal issues must reflect civil society priorities and leadership. Cosmetic consultative processes are easily recognizable to CSOs, and create distrust of donors. CSOs must necessarily lead the process of determining the priorities of a pooled CSO fund requires. This will be a facilitation challenge, considering the diversity of CSO interests and focal issues; however the effect on CSO ownership will be worth the effort. The sub-issue specific to STAR-Ghana, regarding the poor catalytic effect of project-funding across other sectors needs further exploration.

Design of key components of a pooled fund

Centralization of individual CSO support processes becomes a major and probably un-necessary challenge, with a large fund. It is in addition a threat to cost effectiveness.

CSOs should not be approached as a homogenous group. Attempting to meet the diversity of CSO needs in one funding mechanism creates a huge programmatic and logistical challenge.

A fund such as STAR, rather than coordinating individual CSO advocacy, could instead coordinate smaller CSO pooled fund mechanisms that target the different CSO levels. Could the landscape of pooled donor funds be re-organized to maintain the multiple CSO support approaches that pertained during G-RAP, KASA and RAVI? Could STAR-Ghana conceivably take on a role of coordinating sub-pooled funds such as these, rather than seeking to coordinate at the individual CSO level? This could be an issue for further exploration.

This notwithstanding, inclusivity should be pursued with an eye on the different capacity and logistical needs at different CSO levels, and also with a strategy for managing the power dynamics within and across these levels. This might compromise cost-efficiency but will likely achieve longer term value for money.

Capacity-building for advocacy

Advocacy CSOs need strong financial, administrative, governance systems to ensure their own legitimacy and credibility when holding government accountable. In addressing their capacity needs in this regard, capacity building should be approached not only as a specific activity but as an integral feature of management, monitoring and networking processes.

How to catalyze CSO networking

The development of a culture of networking can develop organically through the components of the fund, as depicted by G-RAP's model. It can also be deliberately catalyzed as depicted in KASA (and RAVI). Nonetheless, CSO networking will best be sustained when CSOs are strong enough to self-organize.

Conclusion

This discussion paper has sought to highlight common issues that have been encountered in the management of pooled donor funds that support CSO advocacy. These issues contain a common theme, which is the natural tension between the needs and interests of donors and CSOs in a funding

relationship. The paper has sought to highlight this tension as an on-going dilemma to be managed in the relationship between donors and CSOs, and not as a problem that can be fully solved.

The paper has not concluded fully on any of the issues raised; only opening them up for further discussion. Open discussion of the sometimes conflicting needs and interests across donors and CSOs could indeed be the way forward in designing future donor CSO support mechanisms.

Reference documents

Consultative Process Report on the re-design of KASA II, PDA Associates Ltd, February 2011

Final Evaluation of KASA, Frank Runchel and Cherub Antwi-Nsiah, November 2010

G-RAP Final Evaluation, Frank Runchel, Marina Buch Kristensen & Cherub Antwi-Nsiah, 2010

G-RAP Project Completion Report, Esi Sey Johnson, April 2011

Analysis of Approaches to Reaching and Supporting Small Remotely Located Civil Society Organisations (CSOs) and Diversifying the Range of CSOs Supported By STAR-Ghana, Esi Sey Johnson, Sept 2012

Mid-term Review of KASA

Rights & Voice Initiative End of Project Review Draft; Philippa Haden & Willian Ahadzie, Sept 2008

Persons interviewed

Person	Institution	Role
Tanko Amidu	STAR-Ghana	PMT
Dorcas Ansah	STAR-Ghana & G-RAP	STAR PMT, G-RAP PMT
Wendy	STAR-Ghana	PMT
Elvis Otoo	G-RAP	PMT
Joseph Bogrebon	EU	STAR-Ghana Steering Committee
Graham Gass (brief input only)	DFID	Former member of STAR Funders Committee
Celia Marshall	Participatory Development Associates	<ul style="list-style-type: none"> • Member of STAR-Ghana Consortium • Former member of RAVI consortium
Ms. Taaka Awori	Consultant	Member of STAR Ghana annual review team
Angela Dwamena-Aboagye	The ARK Foundation (national women's rights organization)	<ul style="list-style-type: none"> • STAR-Ghana grant partner • G-RAP grant partner • RAVI grant partner and intermediary organization
Jean Mensa	The Institute of Economic Affairs-Ghana (national policy and advocacy think tank)	<ul style="list-style-type: none"> • STAR-Ghana grant partner • G-RAP grant partner
William Quaiku	United Civil Society Organizations of the Nzema East District (district level umbrella organization)	<ul style="list-style-type: none"> • STAR-Ghana grant partner
Mr. Aziisu	SODIA (district level CSO)	<ul style="list-style-type: none"> • STAR-Ghana grant partner • Unsuccessful applicant for STAR-Ghana sustainability grant • Beneficiary of STAR M&E capacity-building
Hannah Owusu-Koranteng	Wassa Association of Communities Affected by Mining	<ul style="list-style-type: none"> • STAR grant-partner • RAVI grant-partner • G-RAP grant partner • KASA grant-partner

mmmm