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Civil Society Development 2006: Opportunities and Threats

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Opportunities in 3 USAID Close Out
Countries in Europe: Bulgaria,
Croatia and Romania

Threats to Civil Society generally,
and specifically in Eurasia



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Civil Society Opportunities



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Bulgaria

- Scored 2.75 for Civil Society on 2006 FH/NIT
- USAID's Civil Society Program in Bulgaria ended in September 2006
- Three main components: Social Enterprises, Community Funds/Foundations, Social Contracting



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USAID/Bulgaria's Legacy Mechanism Plan

- Main Objective: To establish a flexible mechanism to positively affect unfinished reform agendas in key areas of interest to the USG in Bulgaria
- Secondary Objective: To increase the likelihood of sustainability of organizations working in these areas
- Three Program Areas: (1) Good Governance, Transparency and Accountability; (2) Support to Vulnerable Groups; and (3) Employment, Education and Competitiveness
- 2007-2009; up to \$2 million; grants of \$25k and less



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Croatia

- Scored 2.75 for Civil Society on 2006 FH/NIT
- USAID's Civil Society Program in Croatia will end in September 2007
- Key areas of support:
 - (1) Advocacy, Organizational and Financial Sustainability, and
 - (2) Enabling Environment for NGOs



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Croatia's Nat'l Foundation for Civil Society Development

- Croatian Government established Foundation in 2003
- Croatian Government's Office for Cooperation with NGOs driving force
- Funded by the lottery
- Multi-donor support (DFID, EU, CS Mott, UNDP, USAID)
- 2005 Revenues – 27,142,298 kuna (\$4.745m), including 22.8 million kuna from the lottery
- 2005 Programs – 17,881,119 kuna (\$3.126m)



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Romania

- Scored 2.25 for Civil Society on 2006 FH/NIT
- USAID's Civil Society Program in Romania will end in December 2007
- Main components include:
 - strengthening organizational and financial sustainability of NGOs;
 - improving NGO advocacy and outreach;
 - establishing partnerships with the private sector and government; and
 - supporting intermediary support organizations for NGOs



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Romania Legacy Mechanisms

- Resource Center for Public Participation
- Romanian Association for Community Development
- Community Foundations?



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Regional Civil Society Program

- Balkan Trust for Democracy
- 10 year grant-making mechanism to support good governance in Southeastern Europe
- Grants for linking citizens with gov't and for fostering cooperation and collaboration
- Began in 2003; \$2 million/year in grants
- Founded with about \$11 m. from USAID, \$10 m. from GMF and \$5 m. from the CS Mott Foundation



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Regional Civil Society Program (continued)

- Other contributions from Dutch, Greek Gov'ts, SIDA, Rockefeller Brothers Fund, Tipping Point Foundation, Compagnia di San Paolo Foundation
- HQ in Belgrade; grants in Albania, BiH, Bulgaria, Croatia, Macedonia, Montenegro, Romania, Serbia and Kosovo



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Civil Society Threats



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General Threats to/Challenges for Civil Society

- Divided NGO sector; infighting between NGOs
- Lack of NGO ties to local constituencies
- Resurgence (continuation of?) nationalism/ethnic divisions
- Government clampdown on NGOs



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USAID Programmatic Response to Gov't Clampdown on NGOs

- NGO Law Rapid Response Mechanism
- New Central Asian program
- USAID Missions



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USAID is open to collaboration with other donors:

- In sharing lessons learned in close-out countries and in difficult environment countries;
- In providing information about and putting donors in touch with civil society legacy organizations, particularly in close-out countries; and
- In ensuring the continued development and strengthening of civil society in Southeastern Europe and the former Soviet Union



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Bulgaria: Social Enterprises

- Program included public awareness campaigns, training non-profit orgs., business consulting and TA, and small loan fund
- Resulted in 45 Social Enterprises in 17 communities
- Various models in Bulgaria: incorporated for-profit corporation separate from NGO; economic activity developed within the NGO, but separate; economic activity developed in NGO, but directly related to the org's non-profit activities
- Association of Social Enterprises of Bulgaria



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Bulgaria: Community Funds/Foundations

- Local philanthropic organizations that mobilize resources from civil society, business and gov't; participatory process
- Positive results: 10 CFs established; >700 people participated in decision-making; > 880k BGN raised locally; stimulated corporate social responsibility
- Absorptive capacity reached; no endowment for long-term sustainability; NGOs rarely benefited; focus mainly on economic development of the community (rather than difficult and/or social issues)



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Bulgaria: Social Contracting

- Started in 2004, but major thrust in 2005
- Program included TA, surveys, needs assessments and small grants program
- Focused on social service delivery
- Resulted in 13 USAID grants totaling almost \$64k; \$175k in matching funds
- Difficulties: mayoral decision; mindset that State should provide social services; need regulation/quality control; lack of NGO capacity; competing NGOs/divided civil society



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Croatia: CSO Legal Framework

- Law on Associations
- Law on the Croatian National Foundation for Civil Society Development
- Draft law on Volunteerism
- Draft Code of Good Practices in Grant Making
- Draft Law on Foundations



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Croatia: NGO Infrastructure

- Three NGO Support Centers
- Intensive Train the Trainers Program focused on NGOs
- Trainers Association
- Volunteer Centers



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Croatia: Corporate Social Responsibility and Cross-Sectoral Partnerships

- 2006 Report on Corporate Social Responsibility in Croatia
 - Larger companies reporting on CSR; members of the Croatian Business Council for Sustainable Development
 - Croatian Chamber of Economy adopted Code of Business Ethics in 2005; founded Community for Corporate Social Responsibility
 - NGOs active in fostering cross-sectoral partnerships include: Center for Civil Initiatives, Center for Peace, Non-Violence and Human Rights, and Odraz
- Donacije.Info Award



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Croatia: Corporate Social Responsibility and Cross-Sectoral Partnerships

- Training programs for NGOs and business representatives
- Conference on community investing



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Romania Civil Society Program Results

- More than 220 CS representatives trained
- 26 Romanian NGOs received almost \$2 million in grants to implement 36 projects
- Focus areas of projects: NGO sustainability, accountability of local and central gov't officials, citizen participation in local decision-making, accessing gov't funding, media responsibility, and mobilizing community resources