

Evaluation of EEA and Norway Grants - NGO Funds

Executive Summary

For the Financial Mechanism Office



Ljubljana, September 2010

The views expressed are those of PITIJA, svetovanje d.o.o. and do not necessarily reflect those of the Financial Mechanism Office.

This report has been prepared as a result of an independent external review by PITIJA, svetovanje d.o.o. being contracted by the Financial Mechanism Office.

EXECUTIVE SUMMARY

1. INTRODUCTION

1.1 Overview of EEA and Norway Grants - NGO Funds

- **19 NGO Funds across 12 countries, with EEA and Norway Grants contributing € 85,3 million and € 7,9 million co-financing.¹**
- **45 calls for proposals resulting in 14,810 applications submitted, and 1919 sub-projects approved, ranging from 30 (Portugal) to 613 (Poland) sub-projects.**
- **37% of sub-projects were in the thematic areas of democracy, human rights, discrimination and inclusion of disadvantaged groups.²**

The EEA and Norway Grants – NGO Funds (hereafter referred to as NGO Funds), funded by Iceland, Liechtenstein and Norway, focus on supporting civil society development in the beneficiary states, with the strategic objective of reducing social and economic inequalities in the EEA. Nineteen NGO Funds were specifically established in twelve beneficiary states (Bulgaria, Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Portugal, Romania, Slovakia, and Slovenia).³

The NGO Funds support advocacy, awareness raising, and service provision by NGOs, as well as capacity-building of the sector itself. Activities are supported across a range of different areas, which have been defined under four main cluster areas by the FMO for statistical purposes. As of July 2010 these areas are:

- Protection of the environment, - 574 sub-projects (in 11 countries, not including Cyprus);
- Human resource development – 1083 sub-projects (in 11 countries, not including Cyprus);
 - Democracy, human rights, discrimination - 47%;
 - Capacity building - 22%;
 - Inclusion of disadvantaged groups - 18%;
 - Regional policy - 10%;
 - Mainstream gender equality - 1%;
 - Human resource development- general - 1%;⁴
- Health and childcare – 146 sub-projects (Bulgaria, Cyprus, Poland, Slovenia and Slovakia only);
- European cultural heritage – 116 sub-projects (Hungary, Poland, Romania, and Slovenia only).

In each beneficiary state, a national Focal Point was established as a coordinating authority for the overall EEA and Norway Grants, which is responsible for the collection and prioritisation of submissions from potential project promoters. The NGO Funds are managed by Intermediaries, contracted by the Focal Point or directly by the FMO (in the case of Bulgaria, Hungary, and Romania). Consortia of partner organisations act as the Intermediaries in Romania and Bulgaria, and for the Hungary NGO Fund. Private sector bodies were engaged as Intermediaries for three of the NGO Funds; six of the 19 NGO Funds were managed by governmental and publicly established bodies covering four

¹ As of July 2010.

² As of July 2010.

³ Full details of the funding streams and amounts awarded to each country are given in the main report, in Chapter 3 and in the Annexes.

⁴ Some sub-projects covered more than one thematic area.

beneficiary states; the rest of the Intermediaries were non-governmental (NGO) or not-for-profit organisations.

1.2 Evaluation

Scope and objective of the evaluation

The purpose of the evaluation was to provide an expert independent evaluation of the contribution of the NGO Funds to the NGO sector in the beneficiary states. The evaluation was intended to identify lessons learnt at strategic and operational level from the funding, including the results achieved from the funded sub-projects. Questions set for the evaluation are shown below in Section 3 of this Executive Summary. The evaluation was also to provide national, trans-national and overall recommendations on the sector's future needs, and suggest priorities for NGO support within the future EEA and Norway Grants 2009-2014, as well as suggestions for a programme approach for future Funds.

Methodology

All of the beneficiary states of NGO Funds were included in the research. The evaluation approach combined desk studies with fieldwork. Data on sub-projects and implementation processes was collected from a sample of end beneficiaries by means of a questionnaire, supplemented by telephone interviews and, where possible, Focus Groups for both end beneficiaries and key informants, such as representatives of other donors, State administrations, large NGOs, and Norwegian Embassies. In addition, Focal Points, Intermediaries managing the NGO Funds, donor representatives and Norwegian Embassy staff were interviewed. In total, 424 responses were received to the questionnaire (over 26% of all sub-projects) and over 100 people were interviewed or took part in Focus Groups. Overall the Focus Groups were effective, but where there was an insufficient response to the Focus Groups, individual interviews with end beneficiaries were conducted to ensure that a full range of views were collected. Local experts collected additional data on the status of civil society and the needs of the NGO sector in each beneficiary state, based on parameters used by CIVICUS,⁵ to allow potential comparison with previous studies.

2. CIVIL SOCIETY IN THE BENEFICIARY STATES

The NGO Funds have been a key source of funding for NGOs in the beneficiary states, particularly as other funding sources are now less readily available.

Chapter 2 of the report highlights some of the key issues facing civil society in the beneficiary states.

The significance of civil society, as an important building block for democracy in all of these countries, cannot be underestimated, particularly for those countries that started on a transition process from centralised non-democratic states towards democracy 20 years or less ago. Whilst Portugal and Cyprus have separate histories from the countries of Central and Eastern Europe, the Balkans and the Baltic states, they too face challenges. The legal position and definition of NGOs varies from country to country, as does the relationship between NGOs and government.

⁵ The CIVICUS methodology was originally developed by a team at Johns Hopkins University in the United States as a means of researching and collecting data on the state of civil society across the world and was promoted by CIVICUS, the world-wide network of NGOs. It is a standardised and complex methodology, which uses a series of indicators that have been drawn upon for this evaluation. Previous CIVICUS studies are available for many of the beneficiary states, but many of these are now some years out of date.

In all of the beneficiary states, to a greater or lesser extent, civil society organisations:

- Advocate on behalf of citizens and help to represent them and their interests;
- Act as watchdogs, evaluating and challenging government at all levels;
- Raise public awareness of issues and seek to inform citizens;
- Pilot and innovate in a wide range of social, economic and environmental activity areas;
- Provide services, particularly to marginalised and disadvantaged groups;
- Aim to increase levels of citizen activism and engagement.

These civil society and NGO activities were supported through the NGO Funds. However, overall the range of financial sources available to NGOs has decreased as international donor funding has been withdrawn, and replacement of this funding from local sources, be it governmental or private, has not necessarily filled the gaps, particularly in more contentious areas, such as advocacy. In common with every NGO sector globally, NGOs report inadequate resources to grow and develop their work. Key areas for the future development of civil society in the beneficiary states are highlighted in Chapter 4 of the report and outlined below in this Executive Summary. More detailed information about each beneficiary state is given in Annex 3 of the report.

3. PERFORMANCE OF NGO FUNDS 2004-2009

- **The average of grants was €45,474 with the highest average of grants (€105,460) in the Polish Fund for Environmental Protection and Sustainable Development, and the lowest average of grants in the Estonia NGO Fund (€12,710).**
- **101 bilateral partnerships, with significant numbers in Poland, Slovenia and Cyprus.**
- **38.5% of sub-projects completed at time of the evaluation.**
- **Whilst there is little evidence that these small sub-projects will significantly contribute to the reduction of social and economic disparities, new and innovative services and activities that meet specific local needs already appear to have significant impact.**
- **The funding has made visible the sector's role in supporting social justice, promoting democracy and encouraging a more sustainable approach to societal development.**
- **Evidence of increased public awareness and voluntarism.**
- **More than half of respondents to a questionnaire believed that the NGO Funds helped them in capacity building.**
- **As a result of the experience gained in the NGO Fund process, 2 out of 5 respondents to a questionnaire were able to obtain funding from other financial sources.⁶**

The detailed findings from the evaluation in relation to the performance of the NGO Funds are in Chapter 3 of the report. The following sections of this Executive Summary highlight the key findings against the evaluation questions.

⁶ As of February 2010.

3.1 Targeting of NGO Funds and achievement of objectives

To what extent and how have the NGO Funds responded to the EEA and Norway Grants overall objective of reducing economic and social disparities? To what extent and how have they contributed to responding to strategic priorities and needs as well as to the development of the NGO sector at national level?

The NGO Funds have contributed significantly to ongoing NGO sector development. Whilst the NGO Funds could not on their own contribute significantly towards the lessening of social and economic disparities in the beneficiary states, they have demonstrated innovation, new responses to need and problems, and assisted in addressing inequalities.

Overall, the evidence suggests that the objectives of all of the evaluated NGO Funds were relevant, even if not all were specifically focused on the overall objectives of the EEA and Norway Grants. The most appropriate needs of NGOs in that period were targeted, and this was confirmed by the views of the end beneficiaries and interviewees. One of the weaknesses in the overall programme development process was that consultations with NGOs on the priorities to be financed in each beneficiary state were not required or implemented in all countries. This suggests that even more effective targeting could have been achieved if such consultations had been held in all beneficiary states.

In relating the targeting of the NGO Funds to the achievement of the overall objectives of the EEA and Norway Grants, where the NGO Funds were aimed at the same objectives these may well have been too ambitious for small grants.

There is general recognition that whilst it is likely that none of these NGOs Funds *per se* can make a “major contribution” to reducing social and economic disparities in any country, appropriate sub-projects funded with regard to local circumstances can:

- Demonstrate innovation, particularly in services or initiatives where the state is weak or has withdrawn, and where NGOs are important in developing pilots to show new ways of dealing with old problems. Partnerships with EEA state NGOs and other bilateral partnerships can be an important means of thinking and learning about innovative practice.
- Provide sub-projects that can be complementary to state policy and strategic initiatives.
- Address inequalities, for instance between regions in a country or for specifically marginalised or disadvantaged groups.

It is particularly in relation to innovation that funds such as the NGO Funds can be valuable.

Whilst civil society remains fragile in all of the beneficiary states, the NGO Funds have clearly assisted with the support of the NGO sector in all beneficiary states. Through the NGO Funds, NGOs in some beneficiary states been encouraged to be innovative and develop new responses to existing issues and problems (particularly Hungary and Romania). The grants overall have therefore contributed to on-going NGO sector development, but there are still areas where a future grants programme in all beneficiary states could contribute towards further development and these areas are identified in Sections 4 and 5 of this summary.

3.2 Intermediary performance and practices

How efficient was the management set up and how could it be improved to increase efficiency of the grant system?

Management by the Intermediaries was variable and affected by a range of factors. In the main, however, application processes were well-conducted, assessment processes were transparent, and contracting of the sub-projects and monitoring and reporting procedures were carried out well. More detailed guidelines are needed from the FMO to increase efficiency and effectiveness.

The evidence suggests that the performance of the different Intermediaries varied in terms of their responsiveness to end beneficiaries, in administrative and reporting capabilities, and in their understanding of the NGO sector and its needs, both between countries and between Intermediaries in the same country. Achieving efficiency and effectiveness was sometimes inhibited due to (i) the national frameworks in which NGO Funds had to operate (e.g. national procurement laws or requirement for harmonisation of procedures with those applied under EU Structural Funds), (ii) misinterpretation of FMO rules and procedures between different implementation bodies (Intermediary, Focal Point, and Paying Authority), (iii) complex implementation systems set up before the Intermediaries were selected, or (iv) lack of direct communication with the FMO. The **FMO guidelines** relating to implementation systems are considered very general and there is scope for the provision of more detailed explanation of certain issues, such as reporting, auditing and monitoring.

Overall, **application processes** were well-conducted, with good application packs and wide access to information about the grants, which resulted in a high number of applications. The guidelines provided clear instructions to the potential applicants on the preparation of applications and sufficient information was requested in application forms and in required documentation, which enabled objective assessment, as well as efficient monitoring of the sub-projects during their implementation.

Assessment processes were seen as transparent and despite problems in one country, were found to be efficient and well-conducted. Quality assessment and selection criteria in general were appropriately set and applied, but differed in the complexity or development of scoring systems and the scope and clarity of the assessment criteria. Decision making and the selection of sub-projects were carried out transparently and within the planned time frames (with the exception of Lithuania NGO Fund and the Hungarian Environmental Fund, where there were problems relating to assessment procedures in both countries). All applicants were appropriately informed about the results of the assessment and selection process. In many cases, applicants were provided with detailed information on the assessment of their sub-project proposals, which was considered as a part of a learning process.

In the main, **contractual negotiations and monitoring and reporting** on the sub-projects was conducted well. However, there were issues in some beneficiary states in relation to payments to sub-projects. The **speed of processing payments** to end beneficiaries greatly depended on the complexity of the implementation system established.

The evidence suggests that the **capacity building support** given to applicants, both through workshops and consultations, contributed to the skills of applicant NGOs in relation to sub-project development, and that applying for and implementing a sub-project has also contributed to NGOs being able to access funds from other donor sources.

Capacity building was also enabled through other workshops, for end beneficiaries and within and by sub-projects themselves.

The evidence points to **the need for Intermediaries to be trusted by, and knowledgeable about, the NGO sector, and be experienced grant makers.** The evaluation evidence suggests this role should be with an organisation independent of the government.

What is the visibility of the contributions at different levels?

The NGO Funds are visible in all beneficiary states and widely respected.

Although the visibility of the contributions was not an explicit NGO Fund objective, it can be evidenced that the donors achieved a high level of visibility through the activities of the Intermediaries, Focal Points and Embassies. By supporting NGOs at local (and sometimes national) levels, the NGO Funds are visible across the beneficiary states.

To what extent have cross-cutting priorities of gender, bilateral relations and sustainable development been addressed?

Further attention needs to be paid to cross-cutting issues and to bilateral partnership development.

The cross-cutting issues, which focus on good practice processes and understanding, were not well-incorporated into sub-projects. As these issues are important in relation to good practice development, further attention needs to be paid to developing more understanding of why and how they should be included as part of sub-project delivery processes.

Overall, bilateral partnerships have not been taken up extensively in the beneficiary states. The reasons for this have been identified and recommendations made to improve the effectiveness of this component of the NGO Funds.

3.3 NGO Fund results

To what extent have the NGO Funds' overall objectives been met at Fund and sub-project level?

NGO Funds have resulted in strengthening the capacities of the NGO sector and in addressing the needs of local communities. Some significant sub-project results can be identified at local and sometimes national levels.

There are a huge range of sub-projects, supported under 36 thematic areas over 12 beneficiary states. Despite the fact that a majority of sub-projects (60%) were still being implemented at the time of the evaluation, there was good evidence of some significant results from the sub-projects. NGO Funds effectively tackled areas of strengthening the capacity of the NGO sector, advocacy and awareness raising activities, good governance and legislative initiatives, as well as service provision (especially in areas such as social and health care) and environmental initiatives. The NGO Funds were effective in addressing needs of local communities by supporting local grass-root organisations in addressing local problems. This suggests that in the main, the application and assessment processes had successfully identified sub-projects that would produce results, and thereby broadly meet the NGO Funds' overall objectives at Fund and sub-

project level. More information on results is contained in the main report, but some significant highlights include:

- NGOs skills in advocacy work reported as being significantly strengthened in Estonia.
- Increased co-operation between NGOs, and NGOs and state authorities, noted in Latvia and Poland.
- The model of grant-making used by the consortium of NGOs working as the Intermediary in Hungary is being used in discussions with the National Development Agency for the reform of the various EU funding streams currently implemented through government agencies.
- The newly created NGO association of Gniezno region (Poland) strengthened its capacity using a sub-project grant to convince the municipality to open its previously closed tenders to NGOs, and then to win two tenders to implement public tasks.
- Environmental NGOs in Romania are particularly involved in attitude change sub-projects, e.g. achieving community agreement to give up agricultural practices that would have a harmful environment impact, and getting the community to take ownership of the sub-project results. The organisation of public debates on environmental issues in Romania has resulted in improvements in public consultation processes.
- In the human rights field in Slovakia, an anti-discrimination awareness sub-project achieved a high level of interest in information materials aimed at the longer-term impact of decreasing discriminatory practices against their target groups.
- A sub-project in Slovenia took a census of 300 households, and implemented energy saving solutions, and used the participating households to promote energy saving further in the community.
- In the Czech Republic, a sub-project focused on strengthening ties between convicted parents and their children. The sub-project recognised that to work with the children alone would not be sufficient so the sub-project was also focused on the parents in prison, the prison staff, and providing alternative care as well as supporting the visits.
- In Bulgaria, the establishment of a new model for social services to patients with oncological diseases, filling a gap that the state does not meet, with the overall aim of this being seen as a model for a social service funded through the state budget. Involvement of students in clinical psychology and patients in remission as volunteers.

3.4 Impact and sustainability

What has been the planned and unplanned impact, including on the institutional capacity of the sector, and on the targeted areas/groups at sub-project level?

To what extent has ownership by stakeholders and the institutionalisation of supported activities been sustained after funding has ceased?

Further evaluation is needed to assess both impact and sustainability.

Since the evaluation was conducted with many sub-projects still being implemented or only just completed, it is not possible to provide conclusive evidence about impact or sustainability. However, there are some examples of impact already being apparent from some sub-projects, for instance in the environmental field, with the engagement of communities in improved environmental understanding and practice, and in projects which have given voice to previously marginalised groups, such as minority ethnic and gay and lesbian communities. As yet, the potential for impact cannot be identified, either at an individual country level, or aggregated across the entire programme. Impact at a more strategic level may be limited, as most sub-projects are meeting local needs, and the wide range of thematic areas across the beneficiary states makes aggregation of these local impacts difficult. In addition to this local impact, there is some evidence of advocacy work and public awareness in terms of developing new legislation and national media awareness campaigns, though this will take longer to evidence.

Similarly sustainability cannot yet be assessed, and much depends on the definition of sustainability against the kinds of funded activities and what of these funded activities can therefore be regarded as sustainable. It will be important for Intermediaries to undertake in-country evaluations, to identify learning from the sub-projects that could be more widely disseminated, thereby contributing to both the sustainability of new processes and innovative practices, and also to the impact of the work of the sub-projects and the overall NGO Funds in each beneficiary state, by encouraging and enabling the spread of the learning from the sub-projects.

3.5 Complementarity with other funding

Co-ordination is needed to ensure complementarity with other funding.

NGO Funds were practically the only funding available specifically for NGOs in the evaluation period, so complementarity has not been a significant issue. However, in most beneficiary states there was no mechanism for coordination between donors, different government departments responsible for the NGO sector, and the NGOs themselves. Without co-ordination, it will difficult to ensure complementarity in the future, as other funding becomes available (e.g. Swiss contribution).

3.6 Perceptions of the role of the NGO Fund in the beneficiary states and what the NGO Funds have achieved

The NGO Funds are perceived positively and have addressed both gaps in funding and also challenges in the local environments of the beneficiary states.

The most significant impact of the NGO Funds has been their contribution to the growth and development of the NGO sector in all beneficiary states. It is not only the financial support which has benefited the sector, but also the recognition through the NGO Funds of the sector's role in supporting social justice, promoting democracy and encouraging a more sustainable approach to societal development, which are also key values framing the EEA and Norway Grants overall. The NGO Funds have addressed **gaps** in funding, particularly for more "challenging" issues, such as groups working with gay and lesbian communities or with specific minority groups, in advocacy work and in the human rights field; and also for capacity building, particularly to meet new **challenges** in the current environment, such as environmental sustainability, contracting out of public services, and diversification of financial resources.

4. LEARNING AND CHALLENGES LEADING TO NEW APPROACHES

A wide range of learning was derived from the evaluation and this is discussed in detail in Chapter 4 of the report. This section of the Executive Summary highlights the learning.

4.1 Using appropriate processes

Appropriate funding processes are needed, if the NGO Funds are to achieve wide reach across NGO sectors. Over-burdensome procedures can make the NGO Funds hard to access and impede the effective delivery of sub-projects. The size of grants need to reflect local conditions and needs. Flexibility is needed, and a "one size fits all" approach is not appropriate. Further and more detailed guidance from the FMO is needed.

Processes for funding

In terms of the mechanisms for the NGO Funds, much depends on what the Funds are intended to achieve. There is a distinction between Funds that are intended to support the activities of the NGO sector, and through these activities to support the development of its capacities; and Funds which are intended to tackle social, economic and environmental issues, which may have NGOs as primary end beneficiaries, or as only one of a wider range of end beneficiaries. This distinction will affect the appropriateness of mechanisms that are deployed for applications, assessment and implementation of sub-projects.

The evidence from the evaluation shows that there are significant differences in each beneficiary state, with no single model of NGO Fund delivery. Whilst some processes are governed under specific regulations enacted to enable the NGO Funds to be implemented in the country, and follow the procedures of the main EEA and Norway Grants or EU Structural Funds, in other cases (in particular in three countries, Bulgaria, Hungary and Romania, where the Intermediary is directly contracted to the FMO) there has been considerably more flexibility, and the NGO Funds have been regarded by the NGO sectors there as easy to access, responsive and flexible. With this flexibility there has been an awareness of the need for rigorous assessment and monitoring during implementation, to ensure that risks are appropriately managed. However these NGO Funds have also been able to break down more of the barriers of access to grants for smaller and less experienced NGOs and to encourage innovation.

A key lesson was therefore the importance of developing appropriate processes and reducing the administrative burden of NGO Fund procedures, which appeared excessive in some countries. Where State Aid rules and procurement legislation were applied, this was difficult for NGOs, but many countries obtained exemptions. There was a lack of clarity about application of '*De Minimis*' rules, which could have a significant effect where NGOs are developing activities which could be seen as social enterprises, and thereby 'trading', but for wholly public (rather than private) benefit.

A key challenge is how assurance in relation to risks – sub-project failures, corrupt practice etc. – can be built in if state funding mechanisms, such as standardised application and assessment procedures, procurement requirements, and procedures for financial reporting and disbursements, are not followed by the NGO Funds.

Key Capacity Challenges

Key challenges and considerations have therefore been identified, which include:

- How far procedures that apply to both other state funds and the NGO Funds rely on NGOs having well-developed skills in proposal writing and reporting, and whether good sub-project ideas are being rejected as a result of some types of NGOs lacking these skills – and therefore how far processes that diverge from those used for other state funding are needed and what the implications are for the reach of the funds if there is no divergence; and what support would be needed in these circumstances to build the capacities of NGOs to ensure Fund access.
- What appropriate alternative processes could be adopted, and how far alternative mechanisms (for applications and for implementation support) can be used to build skills and capacities within NGOs, whereby the processes of the NGO Funds themselves contribute to overall capacity building within the NGO sector within a country.
- What the management, and therefore the resource implications, are of providing a flexible and supportive sub-project application and implementation process.

Core or Management Costs

The issue of contribution to core or sub-project management costs has been raised in most beneficiary states and the limit of 10% which was set by the FMO has been considered to be too low. Co-financing through in-kind contributions also caused problems in some beneficiary states, particularly in relation to evidencing the value of such contributions, in terms of eligibility and proof of the contributions, and more clarity and guidance is required.

Grant size

In terms of size of grants, minima and maxima for any individual country need to be determined by knowledge of the absorptive capacity of the NGO sector, how far the grants should reach (for instance, to smaller NGOs with less capacity to manage large grants), and the criteria set for the NGO Funds in each beneficiary state (e.g. partnership working, innovative practice etc.).

Clarity of FMO Rules and guidance

The FMO rules and procedures were quite general and not detailed, and in some beneficiary states this led to difficulties of interpretation. There is a need for more detailed guidance and rules to be developed for future funding streams, which operate within a framework that takes on board the issues raised above, and at the same time allows flexibility.

Further, clarification as to what an NGO Fund is and what it is meant to achieve is also sought.

4.2 Intermediaries

The key criteria for successful Intermediaries have been identified. NGO consortia can be particularly effective in delivering results. Direct contracting of Intermediaries by the FMO has been successful, but it is recognised that this may not be possible in all beneficiary states.

Access to Information

A wide range of approaches were used, both to encourage applications and also to communicate more widely about the NGO Funds. There is good practice to be shared.

Support for applications and implementation

Estonia provided a good example of disseminating experience from previous end beneficiaries. Another good practice was the organisation of workshops to provide training to NGOs. The processes of application and implementation of sub-projects can contribute significantly to NGO capacity building, but this will only occur where resources are deployed to assist the NGOs. This would suggest increasing the resources available to Intermediaries specifically for this type of support.

Types of Intermediaries

There was a diversity of Intermediaries, including NGOs, not-for-profit organisations, commercial companies and governmental or quasi-governmental agencies. However, where NGOs and not-for-profit organisations, rather than government departments, were contracted to manage the Funds, this was seen by end beneficiaries as more successful

The evaluation has identified that Intermediaries need to be able to:

- work flexibly to take account of the sub-project idea (including in the training of assessors), rather than the skill of an NGO in submitting a well-worded proposal;

- fully understand the needs of the sector, and to respond to these needs with active and trusting relationships with, and detailed knowledge of, all parts of the NGO sector, including grass roots and regional groups;
- seek clear evidence of need in developing an NGO Fund proposal, engaging the NGO sector in the process;
- demonstrate independence from excessive state bureaucracy, to ensure that grants are allocated according to the priorities of the NGO Fund itself rather than any direct or indirect 'political' considerations;
- ensure that smaller NGOs without access to additional resources are not disadvantaged by slow payment mechanisms;
- be 'trusted' by the NGOs as not being seen as an instrument of state funding, have experience/understanding in running grant programmes that involve detailed proposals with targets and outcomes, and understanding of national laws, rules and procedures that apply to the management of public money;
- have experience of developing manuals and accounting systems that reflect size of the NGO Funds and yet protect small NGOs from unreasonable demands;
- have systems for good publicity and experience of running information events etc.;
- be able to provide support to end beneficiaries during application and implementation processes;
- ensure clear transparent assessment process for grants;
- ensure efficient payment and financial monitoring systems;
- ensure monitoring and evaluation procedures that focus on outcomes not just targets and outputs, and encourage self evaluation in end beneficiaries;
- have a partnership approach to working with NGOs and government.

The evaluation suggests that these points need to be taken account of in the contracting of Intermediaries in the future. It also suggests that the most successful types of Intermediaries are likely to be NGOs or not-for-profit organisations. In three beneficiary states where NGO consortia were the Intermediaries, these were seen as particularly successful, as bringing together a wide range of experience of NGO issues and interests as well as demonstrating to the NGO sector in general the benefits of consortia or coalition working.

Contractual arrangements with Intermediaries

Direct contracting of Intermediaries by the FMO was implemented in three beneficiary states, and worked well in these, but there is a potential downside that by-passing the Focal Point could reduce government "ownership" of a civil society programme and impede the donor's objective of building strong relationships with beneficiary governments and between governments and NGOs. Where possible, direct contracting clearly has advantages; however where this is not possible, it is essential that Intermediaries have direct contact with the FMO. Where the Intermediaries have worked directly with the FMO, the experience is seen as positive. Where such communication has been through a Focal Point, there was scope for misinterpretation.

The existence of more than one NGO Fund, and more than one Intermediary in a single country may be administratively costly, and has in one case led to some confusion.

4.3 Knowing and understanding the NGO sector

Civil society is diverse across the beneficiary states, but there are common issues that need to be taken into account in the design and implementation of any new programme.

Understanding of the civil society sector and the potential range of sub-project interventions is essential to achieve successful investment outcomes. Understanding the sector includes the diversity and typology of the sector in each beneficiary state and its regions and the legal definitions of an NGO determining eligibility for funding; the absorptive capacity in the sector in relation to the size of grants on offer; the support required from application to implementation, and the flexibility to respond to changes in the circumstances of the end beneficiary.

The definitions of NGOs and civil society differed from country to country. There was inadequate legislation covering the definition of NGOs in some beneficiary states, and organisations were sometimes barred or accepted as applicants based on local definitions.

Diversity, but common issues

However, a range of issues was identified that affect the NGO sector across all of the beneficiary states and whilst the effect of these may differ from country to country, they can both inform and impact on the effective investment of the NGO Funds to the NGO sector. They include:

- the current political environment and the relationships between NGOs and governments;
- the perceived fragility of civil society and in particular its connectivity to local communities and citizens, and the way in which this affects the awareness raising role of NGOs and how far NGOs are able to increase volunteering;
- the importance of NGOs in reinforcing democracy, good governance and in advocacy and watchdog roles, as well as promoting new thinking about issues and encouraging and ensuring compliance with European norms;
- the opportunities for, and resistance to, networking and building common platforms and coalition and partnership working in some beneficiary states, where a reluctance of NGOs to work together is in part a result of their competition for scarce financial resources;
- regional disparities, which point up the divergence between capital cities and regions, and which can be exacerbated by perceived allocations of funding favouring larger NGOs based in capital cities. Achieving a broadly-based civil society is essential to prevent polarisation within the sector and meet a wide range of needs.

4.4 Bilateral partnerships

Further work is needed on the framework for bilateral partnerships.

Because most sub-projects are not completed, it is too early to identify the benefits of bilateral partners (partners from the donor states Iceland, Liechtenstein and Norway), and so most of the feedback concerned the ease or difficulty of setting up partnerships. There are some clear barriers, some of which require attention in order for the bilateral partnerships to develop. These include:

- Lack of funds to allow workshops to bring carefully selected NGOs together to build relationships that are real.
- Limited awareness of donor state NGOs of the scheme, and limited information in English on their websites.

- Legal barriers to partnerships - for example in the Czech Republic there were difficulties in allowing partnerships with not-for-profit, non-NGO entities, like research centres.⁷
- The lack of standardised application procedures.
- Staff members of small NGOs do not speak English; they find it difficult to develop applications – these must be jointly agreed, without a donor state NGO taking over.
- Norway is an expensive partner. There is a view that donor state NGOs should give their time for free - but they need seed money, as with the EU Leonardo programme.
- Fatigue and over demand on the part of donor state NGOs.

There is interest in the extension of cross-country working to other countries in the EU, and in particular to other beneficiary states.

The views of the Norwegian Helsinki Committee on the key attributes of a successful partnership are critical: common understanding of content and strategy; good sub-project planning; building good sustainable relations; common understanding re culture - similarities and differences; agreement on financial framework; and a longer term perspective and funding of 2-3 to 5 years.

The key focus of learning transfer through partnerships needs to be on good practice and process, which can be two-way, where NGOs from the “contributing” country also use the experience to reflect on their own practice and process. Further evaluation is needed to explore in-depth the learning achieved through the bilateral partnerships.

4.5 Enabling innovation, sharing learning

Innovative practice has been enabled in many beneficiary states and this should be encouraged. Dissemination workshops, to showcase new thinking and approaches, would be very useful.

Whilst not a specific aim of the NGO Funds, it is clear that in a number of beneficiary states, either specifically or incidentally, innovation in practice has been developed in the sub-projects. In some beneficiary states, sub-projects have been funded that break into new areas, such as gay rights, whilst in others, such as Hungary and Romania, innovation and creativity, “encouraging new ways of dealing with old problems” have been actively encouraged in the grant programmes. Whilst not suggesting that a key focus of the Funds in future programmes should be on innovation, encouraging new ways of thinking on the part of NGOs and supporting this through capacity building initiatives should be considered. Where innovation is occurring, it is also important that the learning from this is captured and disseminated. Dissemination workshops should be supported, to showcase new thinking and to enable the spread of new ideas. Showcasing could add significant value to the NGO Funds, and also enable a changed environment in the NGO sectors in the beneficiary states, contributing to capacity development and also to the encouragement of new thinking and innovation.

4.6 Evaluation – learning and disseminating

Further work on evaluation and in disseminating the learning from the sub-projects is needed at the country level.

⁷ These kinds of difficulties might be avoided if the Norwegian Helsinki Committee was involved in early MoU discussions with the beneficiary governments which is not the current situation.

Country-level evaluation has not to date been undertaken by most of the Intermediaries (with the exception of Poland), although evaluations are planned in the Czech Republic and Latvia. Country-level evaluation would be valuable in identifying the key learning from the sub-projects and to enable wider dissemination of this learning, where appropriate, and should be undertaken in all beneficiary states towards the end of the NGO Funds.

It is also valuable for end beneficiaries themselves to engage in reflective and evaluative processes, and to include in these participatory approaches, particularly where they have been working with groups of end beneficiaries. Capacity building in evaluation methodologies would be valuable, as would specific budgets for the end beneficiaries to undertake evaluations.

There is clearly some important learning that has been gained in each beneficiary state and it would undermine the investment of these NGO Funds if the detail of this learning is not appropriately captured. If there are changes in Intermediaries within a new programme, there is a risk that such learning could be lost. Some Focal Points have already gathered learning, including from the NGO Funds, and this, added to learning from the Intermediaries, is important. This current evaluation also provides an opportunity for wider experience sharing and learning.

Workshops and networking activities can be used to disseminate the learning, involving both end beneficiaries and wider groups of stakeholders. As well as printed reports, the use of the internet should be considered.

5. IMPLICATIONS FOR THE FUTURE

Chapter 5 of the report looks at the learning from the evaluation in relation to the possible design of a future programme.

5.1 Future Needs

In terms of future needs identified by interviewed stakeholders, there were long “shopping lists” in all beneficiary states, but there were also some underlying trends. The general picture of needs shows that the beneficiary states share the same challenges as elsewhere in the world: human rights, democracy, developing active citizens, environmental concerns, and underlying these, the need to develop a strong civil society, with capacity building being seen as a priority.

5.2 Evidencing outcomes, impact and indicators

The development of indicators is critical for any new NGO Funds. It has proved difficult during this evaluation to evidence outcomes and longer-term sustainable impact from the NGO Funds at country level, not least because of the paucity of indicators against which the results of individual projects could be measured, as well as the fact that in many beneficiary states, sub-projects are still being implemented. The status of civil society has been assessed as part of the evaluation and provides a base-line for each beneficiary state, as the lack of a baseline has made assessment of change as a result of the Funds difficult to measure.

Views from some beneficiary states suggest that indicators should only be **goals** for the overall programme, as indicators themselves need to be country specific. It is clear that any country-based indicators should be set against a baseline,⁸ and an understanding of

⁸ Such as the CIVICUS Civil Society Index.

the country, as well as against overall strategic goals for the NGO Fund. The question of results-based systems is relevant here, as this approach would not necessarily increase the effectiveness of sub-projects, nor enable a reflection of the effect and outcomes of many of the types of sub-projects that could be supported through these Funds - Intermediaries from both Hungary and Romania noted that most NGO sub-projects are at base very qualitative and about attitude change through sub-project activities. Achieving attitude change is a key issue not only in these two beneficiary states, but across all the beneficiary states.

5.3 Suggested approach to setting goals, aims and indicators

It is clear that the NGO Funds are missing a strong reporting system from Intermediaries to the FMO that can evidence what is achieved by the NGO Funds. This is because the current Funds lack a clear strategic focus.

Building on the donors' apparent current thinking about the next programme as focusing on participation and giving priority to vulnerable groups, we have identified the following strategic framework:

SUPER GOAL:⁹ To enhance and strengthen the role of civil society

GOAL:¹⁰ To strengthen the contribution that civil society makes to governance, democratic processes, the protection of human rights and environmental sustainability, through support for projects that involve citizens, increase social cohesion and social capital development, address economic disparities, and increase environmental awareness.

AIMS:¹¹ The **development of Funds** that enable innovative, creative and effective NGO interventions in:

- **Institutional strengthening;** including partnership working, networking and building stronger relationships with public institutions and creating an enabling environment for NGOs;
- **Social cohesion development;** including provision of effective local services which are responsive to local needs;
- **Promotion of democratic values;** including human rights;
- **Environmental protection and improvement;** including responses to climate change and food security;
- **Policy and strategy development;** including advocacy and watch dog activities.

5.4 Criteria/ issue focus

Based on the identified needs and the findings of the evaluation, the requirement from the donors' perspective to be able to assess results and impact and ensure efficient use of Funds, and taking into account the disadvantages of spreading objectives across a wide range of sectors and sub-sectors, it is recommended to base future Funds on a series of themes or values that characterise a healthy civil society, that will enable achievement of the aims noted above. Thus sub-projects would be allowed in any sector or sub-sector, and might be assessed against defined local sectoral objectives, but from the point of view of the donors, the FMO, and the Intermediary, assessment of achievement of objectives would be on the basis of the contribution to strengthening civil

⁹ Super goals are sometimes called strategic objectives.

¹⁰ Goals relate to the longer-term impact that is sought.

¹¹ Aims relate to the outcome or difference that is sought.

society. Sub-projects in any country would be expected to demonstrate activities and potential outcomes in one or more of the following areas, as appropriate:

- Community and citizen empowerment - including end beneficiary involvement in the design and delivery of sub-projects and their activities;
- Promotion of human rights;
- Advocacy and watch-dog role of NGOs, including the promotion of good governance and more active participation of citizens in decision-making;
- Development of cross-sectoral partnerships, particularly with governmental organisations at both local and national levels;
- Moves towards sustainability (e.g. resource diversification, philanthropy, income generation, social enterprise etc);
- Developing networks and coalitions of NGOs/NGOs working in partnership;
- Institutional strengthening within NGOs and the sector, including the creation of a more effective enabling environment for civil society;
- Cross-community initiatives;
- Engaging citizens in civil society activities (citizen activism, volunteering, awareness raising of civil society, work with the media etc.);
- Capacity building with smaller/grassroots organisations;
- Sustainable development (at community level).

Other criteria could be added, such as innovation, developing new ways of solving old problems, pilots of strategic importance, replication and dissemination of previously successful sub-projects, and quotas for sub-projects outside capital cities. Indicators of achievement of the objectives need to be set by stakeholders, and would only be defined for the overall NGO Fund, as they need to be country specific and set against a baseline. A detailed list of possible indicators is given in the main report.

6. CONCLUSIONS AND RECOMMENDATIONS

The conclusions suggest that the NGO Funds overall have been efficiently disbursed through the Intermediaries, and that there are results from the sub-projects; thus the immediate objectives of the Funds are likely to be at least partially or substantially achieved, even though impact cannot yet be fully identified.

The report provides the main conclusions in relation to the evaluation questions, discusses the learning from these questions and findings, and builds on the learning to propose a possible strategic framework for the future, together with indicators against which the performance of sub-projects, country-level Funds and the EEA and Norway Grants allocated for NGO support can be measured in the future.

The following recommendations are therefore the result of the evaluation findings:

Recommendation 1: Learning from evaluation

There is a need to **draw from the learning** and experience of the current experience of the NGO Funds, for the future set-up of Funds. **Appropriate stakeholder consultations** at a national level, as well as consultations at a European level should be held. These consultations should be informed by the findings and conclusions of this evaluation, as well as the in-country evaluations.

Recommendation 2 – Future targeting of NGO Funds

Within the donor's overall priorities, the country needs and priorities should be agreed in **consultation with the NGO sector**, both before drawing up the tender documents for the appointment of the Intermediary, and after the appointment in developing the detailed funding programmes, taking into account complementarity with other donors and national funds.

Building on the need to target funding so that it can have clear impact, and taking into account our understanding of the donors' current thinking about the next programme as focusing on participation and democratisation and giving priority to vulnerable groups, we recommend **consideration of the framework outlined in Sections 5.3 and 5.4** of this Executive Summary, focussing on strengthening the contribution that civil society makes to governance, democratic processes, the protection of human rights and environmental sustainability, through support for projects that involve citizens, increase social cohesion and social capital development, address economic disparities, and increase environmental awareness; and introducing themes and issues as criteria that would be common across all beneficiary states.

It is also recommended that support is in future given to Intermediaries to **update the country baseline information**, as this would provide evaluative information against the indicators, as well as continuing to provide an ongoing understanding of changes taking place in the NGO sector in each beneficiary state.

Recommendation 3 – Appropriate implementation systems for the NGO Funds

The wide diversity of beneficiary states and their NGO sectors suggests that a “one size fits all” approach for any future NGO Fund would not be successful. The FMO should discuss with beneficiary states the **establishment of implementation systems that would allow flexibility and efficiency**. MoU negotiations should aim to achieve less bureaucratic mechanisms for NGO Funds in all beneficiary states, using the experiences of those countries where exemption has been achieved from the more exacting requirements, including procurement rules and state aid regulations. This could enable wider access to NGO Funds, and encourage sub-projects that would deliver significant outcomes. Direct communication of Intermediaries with FMO should be made possible. However, the system should be flexible to take into account the specifics in each beneficiary state.

Implementation systems should **avoid the complex administration of the EU Structural Funds and main EEA and Norway Grants**, and should include:

- provision of advance payments, and easy systems to evidence 'in-kind' co-financing;
- simplified reporting for small sub-projects;
- clearly defined responsibilities regarding checking of sub-project reports to maintain a reasonable level of control.

Recommendation 4 - Types of Intermediaries

Intermediaries should be trusted by, and knowledgeable about, the NGO sector, and be experienced grant makers. The evaluation evidence suggests this role should be with an organisation independent of the government.

It appears that, with FMO support and the engagement of other key country and donor stakeholders through local steering committees, all the open Intermediary tender processes were undertaken in a transparent and professional manner. However, in some beneficiary states, the Intermediary tender process was closed. **Tender processes for Intermediaries need to be open**, using each country's public

procurement procedures and respecting relevant national laws. The selection body needs to be a FMO-appointed Steering Committee.

Coalitions of NGOs as Intermediaries, as in Bulgaria, Hungary and Romania, were seen to be very successful, as they combined wide and different experience and knowledge. This, and a single NGO Fund for each beneficiary state, should be strongly encouraged for future NGO Funds.

Recommendation 5 - Clarifying NGO eligibility

The FMO should consider developing **tighter definitions of the eligibility of different types of organisations** for NGO Funds, to avoid both the inclusion of quasi-NGOs, and the unjustified rejection of appropriate NGOs. This needs to be considered in line with the recommendations on the framework for a new programme.

Recommendation 6 - Clarity and consistency in rules and procedures

The FMO should produce **clear and detailed rules for future funding streams**, within a framework which allows for flexibility for each country NGO Fund, harmonising existing good practice. The rules need to cover all aspects of programme implementation - publicity, applications, assessment, contracting, capacity building support, and monitoring and evaluation, whilst allowing for country flexibility. There needs to be clarity about the definition of management, administration or core costs, advance payments to Intermediaries and end beneficiaries, the evidencing of 'in-kind' co-financing contributions, and the use of the State aid rules etc.

The annual meetings of Intermediaries organised by the FMO and the Norwegian Helsinki Committee should be continued, with more opportunities for Intermediaries to meet and exchange information and identify topics of common interest and good practice. It would also be useful to create opportunities for National Focal Points to meet and exchange information.

Recommendation 7 - Application processes

Application, assessment and implementation processes are very important, and **good practice from a number of beneficiary states should to be included in the guidelines** from the FMO for future NGO Funds. Specific recommendations are:

- The number of calls for proposals should be appropriately planned. Countries that have so far carried out more than one call per year should consider reducing that number in favour of preserving more time for pro-active development support for sub-projects. A good practice would be to make pre-announcement of the calls, to stimulate applicants to prepare themselves more thoroughly for the coming call for proposals.
- Appropriate application forms that can guide a less experienced applicant through the requirements of a sub-project proposal, with guidelines for applicants that are clear and indicate clearly what is required in each section of an application form.
- For small sub-projects, the application forms should be simplified, so that the process can be carried out in one phase.
- A two-stage application process for larger sub-projects should be introduced if time allows. In the first stage, the sub-project concept would be evaluated and only those approved would continue developing full proposals, possibly being offered further support to develop them. In the second phase, full proposals would be assessed according to the selection criteria.

- Definitions of “large” and “small” grants need to be negotiated with each beneficiary state, taking account of the scale and diversity of the NGO sector.
- Workshops or other kinds of support at the pre-application stage, to provide detailed guidance on what will be looked for in the proposal for funding;
- To widen access to NGO Funds, assessment processes should use weighting where specific types of sub-projects are under-represented e.g. rural sub-projects, Roma organisations etc. This would not distort the “level playing field” for applicants if used as part of a transparent process e.g. publication of assessment criteria.
- Encourage partnership/coalition applications, particularly where the NGO sector is very competitive, and also encourage applications where “strong” NGOs partner with “weaker” NGOs (or unregistered organisations), where direct or indirect capacity building can be achieved through the “stronger” partner.

Recommendation 8 - Assessment/selection processes

There is scope for the sharing of good practice, and a set of FMO-generated minimum requirements for transparent assessment processes. The FMO should clearly stipulate the **basic requirements for assessors**, including expertise in the field supported by the NGO Fund, experience in assessment, and independence (particularly having no links with the applicant organisations or their partners). The FMO should define in which situations an assessor would be deemed to have a conflict of interest, and how this should be tackled. Potential conflict of interest should be checked as a standard procedure. Transparent assessment criteria need to be published with the application details, so that applicants know and understand the basis on which their proposals will be assessed. There needs to be flexibility to take into account the specifics in each beneficiary state.

In addition, **staff of the Intermediary should not be involved in quality assessment**, especially if a more active role in development of a sub-project is planned.

Grant selection committees should be independently chaired, with the staff of the Intermediary acting as officers. The National Focal Point, the donor Embassy and the FMO should only attend as observers.

Recommendation 9 - Support to applicants and end beneficiaries

The experienced Intermediaries provided **training and support during the application process** through web sites, workshops and by telephone and e:mail, despite limited resources (in a number of beneficiary states, extra funding for capacity building of end beneficiaries by the Intermediaries was not permitted by the Focal Point). There is scope for sharing of good practice, and the FMO should develop minimum requirements so that all **Intermediaries provide ongoing mentoring and support**, and not just monitoring. Resources should be allocated to Intermediaries to enable the expansion of support activities.

Recommendation 10 - Monitoring processes and evaluation processes

Country evaluation reports should be completed for the current programme, focusing on outcomes and impact, and the Intermediaries for each beneficiary state should organise a **closure conference** in 2011 looking at results and needs for the future, linked to the donor state embassy. It needs to involve a wide range of NGOs and be open to all who would like to participate so as to ensure future fairness in choice of Intermediary. The EEA and Norway Grants’ Technical Assistance Fund where it exists, or a donor state embassy should help with costs. This approach should also become standard for any future NGO Funds.

A mechanism should be developed for **exchanging information among funded NGOs**, including both general and thematic areas, both through thematic country meetings and via electronic means throughout the beneficiary states. This would provoke new ideas among NGOs, answering the need reported by some Intermediaries to encourage more innovative thinking about sub-projects.

As well as the target outputs, the outcomes - the difference made, and the changes at all levels, need to be identified for each sub-project as well as the NGO Fund overall. **Evaluation of sub-projects should be built into budgets**, and in the next NGO Funds, serious attention should be given to outcomes and impact by the FMO and the Intermediaries. The NGO Funds need a strong reporting system from Intermediaries to the FMO which can evidence what is achieved by the NGO Funds; this system needs to be jointly developed between the Intermediaries and the FMO.

Recommendation 11 – Bilateral partnerships

Support to developing bilateral partnerships should be strengthened. In particular, the following is recommended:

- More evaluation of needs and gaps in learning and skills in NGOs in the beneficiary states, and encourage applicants to seek bilateral partners that would help action the new approach to NGO Funds;
- Promotion of the bilateral partnerships in donor states, emphasising the benefits to NGOs in the EEA EFTA States (Iceland, Liechtenstein and Norway) in engaging in bilateral partnerships, ensuring information in English is on donor country NGO websites;
- Attention to supporting inclusion of partners from EEA EFTA States to ensure real partnerships - partnerships should be driven by common interests, and not by attempts to achieve high assessment scores – therefore extra scores for the inclusion of bilateral partners should not be used;
- A longer time frame for partnership development;
- Seed money is needed to support the development of partnerships including funds to allow workshops to bring carefully selected NGOs together to build relationships that are real; allocation of funding to Intermediaries to organise end beneficiary-based country seminars, focus groups or workshops, with the participation of relevant NGOs from EEA EFTA States;
- Identification of legal barriers to partnerships and exploration of how to overcome these during the country/donor negotiations;
- Standardised application procedures to be developed by the Norwegian Helsinki Committee in collaboration with the FMO ensuring that both partners are fully engaged in the application development;
- Sharing good practice on partnership development at the annual meetings of the Intermediaries;
- The possibility of the extension of bilateral working to other countries in the EU, and in particular to other beneficiary states of the NGO Funds.

Recommendation 12 – Visibility of the NGO Funds and sharing information

There is scope for the **sharing of good practice**, and the FMO should develop minimum requirements for communication.

With regard to visibility and publicity about the NGO Funds on Intermediary web sites, the FMO should:

- Provide the basic outline of the web page;

- Provide a list of information that must be published on the web site;
- Provide a list of documentation that should be available in the English language, such as: rules of the NGO Fund (including basic information on themes of support), application forms, evaluation criteria, texts of the call for proposals, lists of sub-projects that received funding, and a short presentation of the sub-projects that received funding;
- Provide a deadline for completion of tasks (e.g. timing of publication of information).

Provision of the most important information about the call for proposals is important to promote bilateral/international cooperation.

Recommendation 13 – Cross-cutting issues in future Funds

Focus on cross-cutting issues should be increased during both programming of an NGO Fund and the application process. The relevance of cross-cutting issues, and targeted results or impacts should be discussed with all Focal Points and Intermediaries at joint meetings, workshops or seminars. Special attention should be given to underline the rationale of cross-cutting issues in NGO Funds that include overlapping themes, such as environment, with the FMO identifying clear expectations.

More focus should be given to increase awareness and understanding on cross-cutting issues among potential applicants at workshops. Understanding would be improved if practical examples of good planning and delivery of results could be demonstrated in workshops and NGO Fund guidelines.

Recommendation 14 - Grant size and length of sub-projects in future NGO Funds

There was a need identified in all beneficiary states for:

- **Longer-term sub-project funding**, particularly where pilots/innovation are being developed. Longer-term funding is also needed for larger-scale sub-projects, and bilateral partnerships.
- **A lower maximum size of grants coupled with simplified procedures for smaller grants for small and newly established NGOs.**