

**A DISCUSSION PAPER ON CIDA,
CIVIL SOCIETY AND DEVELOPMENT**

**A CCIC RESPONSE AND
PROPOSALS FOR A CIDA POLICY ON CIVIL SOCIETY AND DEVELOPMENT**

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CIDA, CIVIL SOCIETY AND DEVELOPMENT: A DISCUSSION PAPER¹

A CCIC RESPONSE

SUMMARY OF RECOMMENDATIONS

RECOMMENDATION #1

CCIC urges CIDA to develop a policy on Civil Society and Development, which builds on the Advisory Group's recommendations, and takes into account the *ODA Accountability Act* (Bill C-293), to identify policies, approaches and support mechanisms that strengthening the roles and voice of CSOs as distinct and independent actors in development.

RECOMMENDATION #2

A comprehensive civil society policy by CIDA should therefore clearly reflect the implications of CSOs as distinct, independent, development actors and their essential importance for democratic governance.

RECOMMENDATION #3

The poverty purposes for ODA in the recently-adopted *ODA Accountability Act* creates an imperative for CIDA to systematically integrate civil society roles and voice within its programming priorities and aid modalities. CIDA should develop consultation mechanisms with CSOs to determine its effectiveness in doing so.

RECOMMENDATION #4

A comprehensive CIDA policy on civil society and development must strengthen the capacities for a diverse independent civil society in their particular national context. But this policy should also address ways that its other aid modalities (sector programs or budget support) strengthen, or undermine, democratic space for parliamentarians, women's organizations, trade unions, or representatives of marginalised populations to express their views and be taken into account.

RECOMMENDATION #5

CIDA should contribute, along with other donors, to independent CSO processes on CSO aid effectiveness in its follow-up to the outcomes of the Advisory Group. Agency policies should take into account actual principles agreed by civil society to be relevant to their effectiveness as development actors.

¹ The findings, interpretations, conclusions and opinions expressed in the Discussion Paper are those of the authors, Réal Lavergne (CIDA Policy Branch) and Jacqueline Wood (Consultant), with inputs from CIDA's Expert Group on Civil Society), and do not necessarily represent the views, policies or position of CIDA.

RECOMMENDATION #6

In determining the specific modalities for achieving CIDA program goals in priority countries, CIDA country and regional program analysis should take into account exiting and potential Canadian CSO relationships with country CSO counterparts, along with domestic CSO roles and capacities, to contribute to these goals.

RECOMMENDATION #7

Responsiveness should be the foundation for CIDA's acknowledgement of CSOs as development actors in their own rights:

- ❑ The annual budget for responsive programming with Canadian NGOs, CSOs and NGIs through the Voluntary Sector Program (VSP) of Canadian Partnership Branch should grow minimally at the same rate as the growth in the aid-related items in the International Assistance Envelope (currently 8% per year).
- ❑ The VSP should be able to support a sectoral and country diversity in Canadian CSO programmatic relationships based on the mandates and programmatic priorities of Canadian CSOs and their counterparts and not CIDA-determined priorities.
- ❑ CIDA's policy on civil society and development should include a comprehensive policy framework and strategy to strengthen global citizenship in Canada, which would address Canadian regional infrastructure and capacity, and ensuring increased and consistent long-term funding.
- ❑ A minimum of 25% of bilateral country-to-country aid should be ear-marked for civil society initiatives in CIDA's priority countries, assuring relevant development outcomes for CIDA programmatic priorities to reach poor and marginalised populations in these countries.

RECOMMENDATION #8

CIDA should

- ❑ Determine, implement and assess CIDA's sector priorities as well as multi-year Country Development Policy Frameworks in priority countries by investing in timely, regular, and transparent consultations with CSOs in country and in Canada, respecting and valuing Canadian CSO partnerships with country counterparts.
- ❑ Develop internal capacities for analysing the effective contributions of CSOs to the development goals of the Agency, while engaging with relevant CSOs in drawing lessons and directions, which can be applied to sector and country-based initiatives.

RECOMMENDATION #9

CIDA should work with CCIC and other relevant CSOs to establish appropriate parameters for consultations, consistent with the *ODA Accountability Act*, that

- ❑ Respect the highest standards of transparency and access to information;

- ❑ Create regular and timely spaces for inclusive policy dialogue with civil society at local, national and Canadian levels, including relevant, not just immediately accessible, Canadian CSOs;
- ❑ Be responsive to CSO policy pre-occupations in setting the agenda for policy dialogue, including taking into account gender equality and women’s rights, diverse voices for policy options and accountability.

RECOMMENDATION #10

CIDA should

- ❑ Adopt a holistic approach to understanding the appropriate modalities of engagement with civil society. CSOs cannot and should not be compartmentalised as Canadian donors, Southern “service deliverers”, or policy “watch-dogs”. There is no one “magic-bullet” for CIDA’s contribution to strengthen Southern CSOs as effective development actors.
- ❑ Maximise responsive funding mechanisms as the primary means of engaging and supporting the strengthening of civil society. This approach is consistent with understanding CSOs as development actors in their own right.
- ❑ Rather than push for new CSO mechanisms to meet donor-inspired understanding of CSO effectiveness, respond to the needs of existing CSOs and seek their proposals to improve their effectiveness. A particularly important issue is channels for core funding of CSOs for their viability as independent development actors. Currently, government contracting and auditing regulations all but preclude Canadian CSO core funding of Southern CSO counterparts, irrespective of the strength and capacities of the latter.
- ❑ Assess funding options and alternative funding mechanisms (in the South and in Canada) in terms of their potential for strengthening CSO development roles, not in terms of CIDA’s transaction costs. Such assessment should take account of the importance of CSO diversity, including the inclusion of critical CSO voices and alternative approaches to government / donor programs, and the contributions of CSO North / South partnerships.

RECOMMENDATION #11

CIDA should

- ❑ Work with CSOs to assess current and past mechanisms for CSO collaboration in order to determine the ways in which CIDA can strengthen existing collaboration, including dedicated funding windows appropriate for strengthening collaboration.
- ❑ Avoid promotion of coordination / harmonisation efforts within CIDA or among donors in relation to CSO strengthening that will undermine the potential for development contributions arising from the natural diversity of CSOs.
- ❑ Direct its support to CSO joint efforts that have been determined and proposed by CSOs themselves, where CSOs have established the purposes and modalities of collaboration.
- ❑ Avoid funding practices that accentuate competition and tensions between CSOs at all levels. CSOs are development actors in the first instance, not sub-contractors to donors and governments.

RECOMMENDATION #12

Strengthening CIDA's responsive partnerships with CSOs should be a core means through which the Agency resolves the inherent tension between its need to focus, its commitment to deepening democratic ownership for sustained development results, and the requirement for flexibility in the face of complexity and unpredictability of development opportunities and innovation.

RECOMMENDATION #13

CIDA should

- Work with CCIC and other CSO platforms to determine guidelines for consultations required by the *ODA Accountability Act* that
 - maximise CIDA / CSO engagement on mutually-determined critical issues related to the allocation of Canadian aid according to the purposes established by the Act,
 - increase transparency in CIDA policy priorities and aid allocations, and
 - take advantage of processes of mutual dialogue and learning.
- Acknowledge the existing base of knowledge and experience within Canadian CSOs working internationally, rooted in sustained and long-term partnerships with Southern CSO counterparts. Learning and dialogue processes should draw lessons from the direct participation, voices and wisdom of both Southern and Canadian CSOs, and where possible do so in joint face-to-face North / South engagements.

RECOMMENDATION #14

- CIDA should work with CCIC to facilitate a dialogue or forum exploring alternative methodologies to evaluation and reflection on the reduction of transaction costs with CSOs.
- CIDA's policy on civil society and development include new directions for accountability that recast accountability towards citizens and mandates of CSOs, rather than only CIDA, by exploring and implementing alternative methods for measuring results.

CIDA, CIVIL SOCIETY AND DEVELOPMENT: A DISCUSSION PAPER A CCIC RESPONSE – JUNE 2008

INTRODUCTION

1.0 A Comprehensive Approach

- 1.1 CCIC and its members very much appreciated the analysis, challenges and questions raised by the Discussion Paper (DP) on CIDA, civil society and development, presented in January 2008 at the CCIC Leadership Forum. The DP creates a very solid foundation for a lively debate on a number of critical issues affecting the roles of civil society in development. It provides many positive directions for CIDA to strengthen its long-standing support for civil society as development actors and agents of change to achieve shared development goals.
- 1.2 The Discussion Paper builds on the leadership by CIDA as Chair and facilitator for the international Advisory Group on Civil Society and Aid Effectiveness, on which CCIC is also an active member. CCIC's response to the DP has been influenced by CCIC / CIDA multi-stakeholder dialogues and consultations over the past several years, as well as those organized by the Advisory Group over the past eight months, the AG's February 2008 International Forum, and the AG's Synthesis of Findings and Recommendations (F and R) (April 2008).² An essential reference is also the core purposes of Canadian aid set out in the Official Development Assistance Accountability Act (Bill C-293) which comes into force in July 2008.
- 1.3 The DP offers much "to help build a common Canadian understanding of civil society within CIDA, and with CSO stakeholders in Canada and internationally" (DP, 2). It acknowledges that CIDA's collaboration with Canadian CSOs "has been a fundamental underpinning of CIDA's development programming" since the founding of Canada's aid programs (DP, 1). But it also recognises that recent trends in official aid may also have "led to a relative decline in attention that CIDA has accorded to CSOs and civil society development" (DP, 10). It offers very useful perspectives on some issues and challenges in renewing these relationships, which might ultimately result in a comprehensive CIDA framework or policy on civil society and development, a long-standing demand of Canadian CSOs.
- 1.4 The Discussion Paper analyses the contributions of civil society to development, the diverse roles of civil society as development actors and agents of change, and the principles that CIDA should take into account in defining a policy on civil society. Much of this analysis is strongly consistent with the recommendations of the Advisory Group,

² Documents for the Advisory Group can be found on CIDA's extranet site, <http://web.acdi-cida.gc.ca/cs>, or on CCIC aid policy web page at <http://ccic.ca/e/002/aid.shtml>. The Advisory Group was created in January 2007 by the Working Party on Aid Effectiveness, a donor/government body monitoring the implementation of the Paris Declaration, housed at the OECD Development Assistance Committee.

which is being promoted by CIDA in international forums on aid effectiveness. The AG's recommendations have also received widespread support from CSOs, North and South, including CCIC, in the lead-up to the September 2008 Accra High Level Forum on Aid Effectiveness.

RECOMMENDATION #1

CCIC urges CIDA to develop a policy on Civil Society and Development, which builds on the Advisory Group's recommendations, and takes into account the *ODA Accountability Act (Bill C-293)*, to identify policies, approaches and support mechanisms that strengthening the roles and voice of CSOs as distinct and independent actors in development.

- 1.5 CCIC's Response first examines some analytical and normative considerations that are important for CIDA's understanding of CSOs roles in development, drawing from the work of the Advisory Group. It then looks more specifically at a number of policy issues in CIDA's relationships with CSOs and draws out the implications of the normative approach proposed in the previous section for CIDA policy directions in addressing these issues.

ANALYTICAL CONSIDERATIONS SHAPING CIDA'S POLICY ON CIVIL SOCIETY AND DEVELOPMENT

There are a number of analytical considerations which should frame a comprehensive CIDA policy and approaches to civil society.³

2.0 Strengthening CSOs as development actors in their own right should be a development end in itself for CIDA.

- 2.1 The DP acknowledges civil society as unique and diverse development actors (DP, 2-3) and notes that "CSOs contribute to development in ways that are often quite independent of foreign aid" (DP, 4). The DP lists accurately the many important ways in which CSOs contribute to development, including democratic governance and promoting accountability (DP, 3-4).
- 2.2 For CCIC, CSOs are expressions first and foremost of organized citizens who come together for social solidarity and to realise rights, **not as instruments for development aid**. As such, according to the AG, they "are fundamental to the vibrancy of democratic rule and good governance" (F and R, 4). It is important to acknowledge therefore that

³ Taking account of the analytical points raised in section II, "Subject Matter and General Considerations" of the Discussion Paper.

many CSOs engage on issues of development – trade and investment policies, multilateral reforms, peace and conflict issues, for example – that have impact and rationale beyond the aid system.

- 2.3 The AG concludes that donors and governments must recognise “that a strong civil society is a strength in and of itself that is worth developing as part of a society’s efforts to transform itself and deepen democratic practice that includes accommodation and support for competing visions and dissent” (F and R, 6).

RECOMMENDATION #2

A comprehensive civil society policy by CIDA should therefore clearly reflect the implications of CSOs as distinct, independent, development actors and their essential importance for democratic governance.

- 3.0 **A comprehensive approach to civil society is essential to CIDA’s implementation of the purpose of Canadian aid as defined by the *Official Development Assistance Accountability Act* (Bill C-293).**

- 3.1 According to Canada’s *ODA Accountability Act*, Canadian ODA must demonstrably (a) contribute to poverty reduction; (b) take into account the perspectives of the poor; and (c) be consistent with international human rights standards. Many development partners, including governments, do contribute to these development goals, but CSOs are uniquely situated because they are connected in various ways to constituencies of poor, marginalised and discriminated populations. Moreover the Act requires that CIDA consult regularly with CSOs on whether its various decisions on ODA, including those involving CSOs, is consistent with the Act.

- 3.2 The Advisory Group found that many, albeit not all, “CSOs are particularly effective ... because of their connections with marginalised populations ... that experience systemic discrimination in development processes, such as women, indigenous peoples or landless people” (F and R, 4). They achieve development outcomes through roles ranging from mobilising grassroots populations, holding governments and donors to account, engaging in research and policy influencing, alternative models of delivering service, raising considerable funds for development, or educating the public. CSOs often are able to assume “risks” in development alternatives that official donors are reluctant to undertake.

RECOMMENDATION #3

The poverty purposes for ODA in the recently-adopted *ODA Accountability Act* creates an imperative for CIDA to systematically integrate civil society roles and voice within its programming priorities and aid modalities. CIDA should develop consultation mechanisms with CSOs to determine its effectiveness in doing so.

4.0 Diversity and democratic process is an essential foundation for CSOs' contributions to development outcomes. All of CIDA's development policies must reinforce this diversity, and not undermine domestic democratic impulses on behalf of people living in poverty.

4.1 The DP acknowledges the fundamental importance of diversity as an indicator of the strength of civil society (DP, 8): "CSOs often have a strong institutional culture that enables them to achieve high levels of motivation, deliver high quality services or to be particularly innovative....The very diversity of CSOs is likely to reflect the vitality and strength of the civil society sphere in a particular society" (DP, 3). As the AG points out, "...responsiveness to different primary constituencies explains the extensive diversity of CSOs in terms of values, goals, activities and structures...[including] the particular emphasis on human rights and social justice, including women's children's and indigenous peoples rights, which many CSOs take as a starting point for their development work" (F and R, 3).

RECOMMENDATION #4

A comprehensive CIDA policy on civil society and development must strengthen the capacities for a diverse independent civil society in their particular national context. But this policy should also address ways that its other aid modalities (sector programs or budget support) strengthen, or undermine, or representatives of marginalised populations to express their views and be taken into account.

5.0 Strengthening roles and contributions of CSOs in CIDA programming requires a programmatic approach by CIDA that will enrich the principles and current approaches arising from the implementation of the Paris Declaration.

5.1 While the DP accepts that a number of principles are relevant to aid effectiveness for civil society, it nevertheless still locates most of these principles within the Paris Declaration (DP, 7 – 10). On the other hand, the AG's Findings and Recommendations more clearly establishes that development goals will only be achieved "by deepening understanding of the Paris Declaration principles in ways that emphasise local and democratic ownership, social diversity, gender equality, and accountability for achieving results of benefit to poor and marginalised populations as essential conditions of effectiveness" (F and R, 8).

5.2 CSOs have repeatedly stressed that the relevance of the Paris Declaration to CSO aid effectiveness can only be coincidental, as the former is directed to the modalities of donor-government aid relationships. Many CSOs over the past year have developed a critique of the implementation of the Paris Declaration (particularly the principles of alignment and harmonisation), its impact gender equality and women's rights and on the

roles and voice for civil society as development actors.⁴ The Advisory Group endorses and encourages independent “CSO processes of dialogue and consensus building on aid effectiveness principles, guidelines and good practices relating to CSOs” (F and R, 15) over the next two years.

RECOMMENDATION #5

CIDA should contribute, along with other donors, to independent CSO processes on CSO aid effectiveness in its follow-up to the outcomes of the Advisory Group. Agency policies should take into account actual principles agreed by civil society to be relevant to their effectiveness as development actors.

- 6.0 Robust and equitable collaborations between Northern and Southern citizens’ organizations have been, and continue to be, crucially important relationships for strengthening the roles and voice of civil society as development actors on behalf of poor and marginalised populations.**
- 6.1 The DP makes a very strong case for the advantages of strong partnerships with civil society organizations for enhancing the quality of aid managed by CIDA – tapping a wealth of ideas and innovation, unique country and development knowledge and additional non-governmental aid resources, linking objectives of CIDA poverty strategies and the lives lived by people who are the intended beneficiaries of aid, and building understanding and engagement of citizens in development. (DP, 4-5, 12-13)
- 6.2 While considering partnerships with both developing country CSOs and Canadian-based CSOs, the DP argues that strong and enhanced partnerships with Canadian CSOs remain essential to any CIDA policy on civil society and development. CIDA draws upon unique Canadian partnerships that have been long-term, sustained and based on solidarity with counterparts, often supporting initiatives that CIDA’s bilateral programs could not reach directly: “CIDA’s support helps to sustain a rich institutional base of international cooperation, whereby Canadians with a wide range of interests, cultural background and expertise, can contribute to development in their own ways.” (DP, 7)
- 6.3 The Advisory Group recommends that “Northern and Southern CSOs work together to define their respective areas of comparative advantage and appropriate division of labour, in such a way as to encourage Southern CSOs to thrive and strengthen their pace in society over time” (F and R, 14). The AG, as well as many CSOs, has called upon Northern CSOs, acting as donors, to recognise their special responsibilities to develop and respect appropriate principles of CSO aid effectiveness.

⁴ See for example the AWID and WIDE, “Implementing the Paris Declaration: Implications for the Promotion of Women’s Rights and Gender Equality”; World Vision Canada, “Aid Effectiveness: The role of CSOs in making aid work for citizens”; and Brian Tomlinson, “Synthesis Report: Advisory Group Regional Consultations and Related Processes”, submitted to the International Forum on Civil Society and Aid Effectiveness, February 2008, accessible at <http://ccic.ca/e/002/aid.shtml>.

- 6.4 Northern CSOs have responded to these challenges. Canadian CSOs, as members of CCIC, have adopted a set of partnership principles in CCIC's Code of Ethics and have applied guidelines for these principles to examine and assure their own compliance (see Appendix A). Internationally, as a result of consultation sponsored by the Advisory Group, CCIC is contributing to a global CSO-led two-year initiative up to 2010 to determine principles and guidelines for CSO effectiveness, including important issues of accountability, respecting locally determined priorities, strengthening CSO diversity, etc.
- 6.5 CSOs in international consultations⁵ have not only explored challenges in CSO North / South relations, but have also identified unique contributions in the quality of these relationships:
- ❑ Northern CSOs do not just act as donors, but do so as distinctive development actors, different from government and official donors, as values-based citizens' organizations collaborating and linking constituencies, North and South.
 - ❑ North / South partnerships have been crucial to strong CSO engagement and promotion of human rights, workers' rights, women's rights, gender equality and the rights of excluded populations, often absent in most official donor / government aid relationships.
 - ❑ Northern CSOs, working together with Southern CSOs, bring significant sources of sector knowledge, methodological capacities and learning potential around alternative models of development.
 - ❑ Northern CSOs collectively can engage and access a more diverse set of CSO relationships, supporting a fabric of democratic practice, which is essential to progress on development.
 - ❑ Northern CSOs offer a variety of funding options that combine private and public resources, which can be more appropriate (scale and locally-determined objectives) to the resource needs of Southern CSOs, and in particular, support politically sensitive engagements.
 - ❑ Strong country-based North / South civil society relationships are the basis for Northern CSO support for international civil society coalitions or organizations seeking necessary changes in geo-political and global economic policies that constrain local development.
 - ❑ Strong North / South CSO relationships are essential to sensitise citizens in the North as global citizens and to sustain political support for stand-alone official aid agencies such as CIDA with strong poverty reduction mandates and budgets.

⁵ North / South CSOs partnerships were examined closely in an international meeting of donors, governments and CSOs in Harnosand, Sweden, August 2007, sponsored by SIDA, at an AG consultation of Northern CSOs in Brussels, October 2007, at an AG-sponsored North/South CSO consultation in Nairobi, November 2007, and in the AG' February 2008 International Forum. See the outcomes of these processes on CCIC's web site and CIDA's extranet on Civil Society and Aid Effectiveness.

- 6.6 Most donors, including CIDA, have acknowledged the individual merits of one or other of these characteristics of North / South civil society relationships and direct their support accordingly. However, this approach often results in the instrumentalisation of CSO relationships by donors for their own purposes, undermining important long term contributions that CSO can make independent of donors. AWID for example has documented the decline in support for women’s rights organizations involved in development, as donors in recent years “mainstreamed” gender equality into their programs.⁶
- 6.7 Both the diversity of CSO mandates and the multiplicity of complex long-term relationships require a **holistic and responsive** approach by donors. For more than 30 years, as the DP notes, responsiveness across several aid modalities has been an important strength of CIDA’s support for civil society, which is now declining as a result of the implementation of new aid directions following the Paris Declaration. Many Canadian CSOs, unfortunately, report that CIDA seems increasingly to consider them implementing agents of CIDA priorities, rather than partners whose programs CIDA is supporting through the responsive mechanism.
- 6.8 In recent years, Canadian CSOs have experienced a diminishing role for themselves in Canadian international cooperation, particularly in relation to new programmatic approaches to aid delivery oriented to developing country governments. CCIC has calculated that disbursements of Canadian aid through CSOs (primarily Canadian-based) has fallen over the past seven years from approximately 27.7% of CIDA’s share of Canadian aid in 1996-97 to about 23.1% in 2005-06 (a year where disbursements through CSOs were artificially high as a result of CIDA special responses to the Tsunami).⁷

RECOMMENDATION #6

In determining the specific modalities for achieving CIDA program goals in priority countries, CIDA country and regional program analysis should take into account exiting and potential Canadian CSO relationships with country CSO counterparts, along with domestic CSO roles and capacities, to contribute to these goals.

⁶ Joanna Kerr, “Financial Sustainability for Women’s Movements Worldwide”, AWID Second Fundher Report, 2007, accessible at http://www.awid.org/go.php?pg=fundher_2.

⁷ As a percentage of total bilateral programming, CSO disbursements fell from a high of 27.4% in 1998/99 to 18.9% in 2005/06. For the Voluntary Sector Program, the main responsive mechanism of CIDA, VSP disbursements to Canadian CSOs fell from a high of 13% of total CIDA ODA in 1995/96 to 7.6% of CIDA ODA in 2005/06. All calculations are CCIC, based on CIDA’s annual Statistical Reports.

RECOMMENDATION #7

Responsiveness should be the foundation for CIDA's acknowledgement of CSOs as development actors in their own rights:

- ❑ **The annual budget for responsive programming with Canadian NGOs, CSOs and NGIs through the Voluntary Sector Program (VSP) of Canadian Partnership Branch should grow minimally at the same rate as the growth in the aid-related items in the International Assistance Envelope (currently 8% per year).**
- ❑ **The VSP should be able to support a sectoral and country diversity in Canadian CSO programmatic relationships based on the mandates and programmatic priorities of Canadian CSOs and their counterparts and not CIDA-determined priorities.**
- ❑ **CIDA's policy on civil society and development should include a comprehensive policy framework and strategy to strengthen global citizenship in Canada, which would address Canadian regional infrastructure and capacity, and ensuring increased and consistent long-term funding.**
- ❑ **A minimum of 25% of bilateral country-to-country aid should be ear-marked for civil society initiatives in CIDA's priority countries, assuring relevant development outcomes for CIDA programmatic priorities to reach poor and marginalised populations in these countries.**

ISSUES AND CHALLENGES FOR A CIDA POLICY ON CIVIL SOCIETY AND DEVELOPMENT

The Discussion Paper usefully raises six policy areas for greater clarity and poses a number of questions for reflection in determining CIDA policy directions:

- ❑ Making civil society a CIDA priority.
- ❑ Directions for a multi-prong approach to civil society.
- ❑ Enhancing coordination and harmonisation and the role of responsive funds.
- ❑ Country and sector concentration.
- ❑ Dialogue and learning.
- ❑ Accountability and results programming.

The questions require careful consideration as CIDA can have very strong influence, both positive and negative, over the future directions for CSOs engagement in development, particularly those based in Canada. As the Advisory Group highlights, “donors exert an important influence on CSO effectiveness through the terms and conditions of their support for CSOs and the strategic choices they make...” (F and R, 13). Some of the questions require nuanced discussion that is beyond the scope of a short response. But some general directions and proposals arise from CCIC / member deliberations and the work of the Advisory Group.

7.0 Making civil society a CIDA priority?

- 7.1 Given CSOs roles in poverty reduction as development actors in their own right, CIDA should clearly make civil society a strong priority. It should develop over the next year a CIDA policy on civil society and development that addresses a comprehensive set of issues and sets out specific commitments and resources to realise the objectives of the policy.
- 7.2 In the words of the DP, “a policy decision to accord increased attention to civil society would imply a decision to systematically integrate civil society analysis into CIDA’s decision-making tools – including analysis of the status of civil society, its relationship with other spheres, of CSOs roles and the constraints and opportunities in filling them – ...particularly in countries of concentration...regardless of programming channel.” (DP, 10-11) Enhanced inclusion of civil society in CIDA determination of priorities is also now a requirement of the *ODA Accountability Act*. CIDA, along with all departments implementing Canadian ODA, must “consult with ... Canadian civil society organizations at least once every two years, and shall take their views and recommendations into consideration when forming an opinion” on whether the priorities for ODA meet the purposes set out in the Act and described above (paragraph 3.1)

RECOMMENDATION #8

CIDA should

- ❑ **Determine, implement and assess CIDA’s sector priorities as well as multi-year Country Development Policy Frameworks in priority countries by investing in timely, regular, and transparent consultations with CSOs in country and in Canada, respecting and valuing Canadian CSO partnerships with country counterparts.**
- ❑ **Develop internal capacities for analysing the effective contributions of CSOs to the development goals of the Agency, while engaging with relevant CSOs in drawing lessons and directions, which can be applied to sector and country-based initiatives.**

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CIDA should work with CCIC and other relevant CSOs to establish appropriate parameters for consultations, consistent with the *ODA Accountability Act*, that

- ❑ **Respect the highest standards of transparency and access to information;**
- ❑ **Create regular and timely spaces for inclusive policy dialogue with civil society at local, national and Canadian levels, including relevant, not just immediately accessible, Canadian CSOs;**
- ❑ **Be responsive to CSO policy pre-occupations in setting the agenda for policy dialogue, including taking into account gender equality and women’s rights, diverse voices for policy options and accountability.**

8.0 Directions for a Multi-Prong Approach to Civil Society

- 8.1 CIDA can conceive of its work with civil society in differing programming dimensions and approaches, which include partnerships through Canadian CSOs, direct support to developing country intermediary organizations or CSOs, and investments in strengthening the enabling environment for CSOs with other development stakeholders. A number of donors are expanding their direct support for intermediary bodies in the South to reduce transaction costs of direct donor support for Southern CSOs. The DP also suggest a number of important ways in which CIDA might strengthen civil society as a whole by addressing CSO self-regulation, the legal and judicial system relating to CSOs as legal entities, and encouragement of multi-stakeholder dialogue (DP, 14).

RECOMMENDATION #10

CIDA should

- **Adopt a holistic approach to understanding the appropriate modalities of engagement with civil society. CSOs cannot and should not be compartmentalised as Canadian donors, Southern “service deliverers”, or policy “watch-dogs”. There is no one “magic-bullet” for CIDA’s contribution to strengthen Southern CSOs as effective development actors.**
- **Maximise responsive funding mechanisms as the primary means of engaging and supporting the strengthening of civil society. This approach is consistent with understanding CSOs as development actors in their own right.**
- **Rather than push for new CSO mechanisms to meet donor-inspired understanding of CSO effectiveness, respond to the needs of existing CSOs and seek their proposals to improve their effectiveness. A particularly important issue is channels for core funding of CSOs for their viability as independent development actors. Currently, government contracting and auditing regulations all but preclude Canadian CSO core funding of Southern CSO counterparts, irrespective of the strength and capacities of the latter.**
- **Assess funding options and alternative funding mechanisms (in the South and in Canada) in terms of their potential for strengthening CSO development roles, not in terms of CIDA’s transaction costs. Such assessment should take account of the importance of CSO diversity, including the inclusion of critical CSO voices and alternative approaches to government / donor programs, and the contributions of CSO North / South partnerships.**

9.0 Enhancing Coordination and Harmonisation and the Role of Responsive Funds

- 9.1 While many donors including CIDA challenge CSOs to work more closely with each other and with other development actors in developing countries to ensure synergy and complementarity, the DP acknowledges that CIDA offers no systematic incentives or specific support for existing or proposed CSO collaborations (DP, 15). CSOs have a long history in Canada starting in the mid-1980s with Partnership Africa Canada, various

formal and informal working groups of the CCIC, joint Canadian CSO programming initiatives in selected countries (e.g. COCAMO in Mozambique). Currently the Canadian Foodgrains Bank is an effective CSO mechanism of coordination of CSO efforts in food aid and food security programming.

- 9.2 While collaboration does improve program and policy knowledge, synergies for program impact, and linkages with a broader array of CSO actors, CSO collaboration has worked best with skilled staff and resources dedicated to strengthening the collaboration, to enable joint communication and shared learning. Collaboration is not cost free. To date, they have been largely self-financed by CSOs, but often CIDA's own contribution arrangements with individual CSOs make even these modest efforts for coalitions and joint initiatives difficult to sustain. There are no windows for finance at CIDA deliberately structured to give priority to policy and programming collaboration by Canadian CSOs.

RECOMMENDATION #11

CIDA should

- Work with CSOs to assess current and past mechanisms for CSO collaboration in order to determine the ways in which CIDA can strengthen existing collaboration, including dedicated funding windows appropriate for strengthening collaboration.**
- Avoid promotion of coordination / harmonisation efforts within CIDA or among donors in relation to CSO strengthening that will undermine the potential for development contributions arising from the natural diversity of CSOs.**
- Direct its support to CSO joint efforts that have been determined and proposed by CSOs themselves, where CSOs have established the purposes and modalities of collaboration.**
- Avoid funding practices that accentuate competition and tensions between CSOs at all levels. CSOs are development actors in the first instance, not sub-contractors to donors and governments.**

10.0 Country and Sector Concentration

- 10.1 Focusing Canada's aid priorities can be important for effectiveness, but for CCIC, focus cannot be reduced simplistically to concentration on a few countries or sectors (education, health, etc.). Too often, donors try to make aid an instrument for social and organizational "engineering". They concentrate resources in a given sector or country, expecting they may control for a greater impact with the "right" (i.e. usually their) mix of policy, resources and skills. Thirty years of evidence in results of managed aid suggest this approach has had limited sustained impact on poverty. Aid is at best a catalyst that is highly dependent upon changing mix of national and international policies, whose impact

is high unpredictable. Strong CSOs in many different country contexts, and international CSO partnerships, are vital to raise the prospect for sustained impact of aid on poverty reduction.

- 10.2 Focusing aid interventions may be most effective when these interventions are predicated on approaches that are open to the complexities, the uncertainties and real situations facing people living in poverty. Given Canada's inevitably modest aid resources relative to major donors such as the World Bank or DFID, it would seem to be far more important **what we do** with our aid in a given situation than the quantity that we devote to a given country or sector.
- 10.3 CCIC has suggested that Canada will make the most effective contribution to poverty eradication through its aid programs by building on its niche areas of competence as part of a holistic approach to poverty reduction. In 2006, CCIC proposed that Canada's niche areas could be 1) governance and human rights, 2) sustainable livelihoods, 3) gender equality and women's rights, and 4) social inclusion of the poor and marginalised.⁸ Development for poverty reduction happens in a holistic, often unpredictable way, working across a number of these development challenges. These niche areas are ones in which civil society is particularly well placed to make strategic contributions.

RECOMMENDATION #12

Strengthening CIDA's responsive partnerships with CSOs should be a core means through which the Agency resolves the inherent tension between its need to focus, its commitment to deepening democratic ownership for sustained development results, and the requirement for flexibility in the face of complexity and unpredictability of development opportunities and innovation.

11.0 Dialogue and Learning

- 11.1 The DP makes a strong case for benefit to CIDA in learning about CSO innovative approaches and cross-fertilisation of ideas between CIDA and CSOs, and among CSOs themselves (DP, 18). As noted above, CSOs have a long history of collaboration, particularly for policy and programmatic learning in various formal and informal working groups. The *ODA Accountability Act* mandates a requirement for both consultation and for reporting on the outcomes of Canadian aid.

⁸ See CCIC, "A New Deal for Developing Countries: Strengthening Canadian Aid to Reduce Poverty", February 2006, pages 5 – 10. Accessible at http://ccic.ca/e/docs/002_ipr_aid_paper_2004-05.pdf.

RECOMMENDATION #13

CIDA should

- **Work with CCIC and other CSO platforms to determine guidelines for consultations required by the *ODA Accountability Act* that**
 - **maximise CIDA / CSO engagement on mutually-determined critical issues related to the allocation of Canadian aid according to the purposes established by the Act,**
 - **increase transparency in CIDA policy priorities and aid allocations, and**
 - **take advantage of processes of mutual dialogue and learning.**
- **Acknowledge the existing base of knowledge and experience within Canadian CSOs working internationally, rooted in sustained and long-term partnerships with Southern CSO counterparts. Learning and dialogue processes should draw lessons from the direct participation, voices and wisdom of both Southern and Canadian CSOs, and where possible do so in joint face-to-face North / South engagements.**

12.0 Accountability and Results Programming

12.1 The DP acknowledges that “there are numerous ways in which the practice of results-based management (RBM) could be improved so that it is not simply used as a mechanism to ensure compliance with budget and activity plans and reporting requirements...” (DP, 19) The recent Peer Review of Canada by the OECD DAC noted that the current result-based management system is inefficient and “cumbersome, with limited differentiation in the indicators required and the processes involved for large and small programmes”.⁹ The experience of Canadian CSOs with current CIDA practices in results-based management in responsive program mechanisms suggest that these tools often obscure and even prevent appropriate programming with counterpart CSOs in the South working with poor and marginalised communities. As well, a mechanistic positive compliance approach assumed by many to RBM discourages those who wish to be transparent in programmatic learning if they have not had the results anticipated.

12.2 A recent CCIC Leadership Forum explored some alternative approaches to evaluation and measurements of change. **The Forum suggested that CIDA and CCIC “promote reflection and debate within the CSO community, with donors and Southern partners, regarding ways to change the processes in place for monitoring results, keeping in mind the complexity and non-linearity of development.”**¹⁰

⁹ See Brian Tomlinson, “OECD Development Assistance Committee – Canada Peer Review Highlights”, CCIC, October 2007. Accessible at http://ccic.ca/e/docs/002_aid_2007-10_dac_peer_review_hilites.pdf. The Review points to the example of a small Canadian NGO doing a workshop who must set out results equivalent to those required of a major bilateral program in a core country.

¹⁰ See CCIC, “Summary Report: CCIC Leadership Forum and National Consultation, January 17-18, 2008: Canadian International Cooperation CSOs and Aid Effectiveness”, accessible at http://ccic.ca/e/docs/002_aid_2008-01_if_summary_report.pdf.

RECOMMENDATION #14

- **CIDA should work with CCIC to facilitate a dialogue or forum exploring alternative methodologies to evaluation and reflection on the reduction of transaction costs with CSOs.**
- **CIDA's policy on civil society and development include new directions for accountability that recast accountability towards citizens and mandates of CSOs, rather than only CIDA, by exploring and implementing alternative methods for measuring results that focus on the linkage between accountability and learning.**

APPENDIX A

CCIC PARTNERSHIP PRINCIPLES

CCIC and its member organizations are committed to the following additional principles applying to partnerships:

- a) Partnerships should be vehicles for long term accompaniment that support the right of peoples to determine and carry out activities that further their own development options, through their civil society organizations.
- b) Partnerships should advance and exemplify the full realisation of human rights and fundamental freedoms, social justice, equitable distribution of global wealth and environmental sustainability.
- c) Partnerships should be built on shared visions and goals for society which imply mutual support and solidarity beyond the implementation of specific programs and projects.
- d) Partnerships should be formed in a spirit of inclusiveness that respects and promotes the value of diversity.
- e) Partnerships should embody equity. Acknowledging that inequalities often exist as a result of power dynamics, especially in funding relations, partners should strive for equitable partnerships.
- f) Partnerships should be dynamic relationships built on respect and honesty, in which partners strive for better understanding and appreciation of one another.
- g) Partners should be transparent and accountable to one another.
- h) Partners should respect one another's autonomy and constraints and strive to foster a climate of mutual trust in all their partnership activities.
- i) Partners should endeavour to learn from one another and facilitate the sharing of knowledge.