



**A DRAFT INTERNATIONAL FRAMEWORK
FOR CSO DEVELOPMENT EFFECTIVENESS**

**PRESENTED FOR CONSIDERATION
by CSOs, DONORS AND GOVERNMENTS**

**IN PREPARATION FOR THE SECOND GLOBAL ASSEMBLY,
OPEN FORUM FOR CSO DEVELOPMENT EFFECTIVENESS**

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SECTION I: INTRODUCTION

A Commitment to Civil Society Development Effectiveness ...

Millions of civil society organizations (CSOs) worldwide contribute in unique and essential ways to development as innovative agents of change and social transformation. These contributions are long-standing; CSOs support grassroots experiences of people engaged in their own development efforts; they promote development knowledge and innovation; they seek out inclusive policy dialogue with governments and donors to work together for development progress. Acknowledging not only their contributions but also their weaknesses, CSOs have affirmed in the *Open Forum* their commitment to take pro-active actions to improve and be fully accountable for their development practices.

As full members of the Working Party on Aid Effectiveness, CSOs have been active in building a multi-stakeholder agenda on “development effectiveness”. To complement these efforts, CSOs created the *Open Forum on CSO Development Effectiveness*. The *Open Forum* is leading a global and fully participatory process to determine essential principles that define and guide effective CSO development practice. But the policies and practices of governments and donors also affect and shape CSOs as development actors. In this regard, the *Open Forum* builds on the commitment of donors and governments in the 2008 Accra Agenda for Action “to work with CSOs to provide an enabling environment that maximizes their contributions to development”.

Given the wide diversity and geographic spread of CSOs, the *Open Forum* seeks meaningful but distinct application of common principles, in ways that are appropriate to each CSO country situation or sector. To date, more than 2000 CSOs in 65 countries have participated in multi-day national or sectoral consultations, many of which also included preliminary dialogue with donor and government officials, on CSO development effectiveness.

A first *Open Forum* Global Assembly, held in Istanbul in September 2010, 170 CSO representatives from 82 countries considered and unanimously agreed on eight Istanbul Principles for CSO Development Effectiveness (see Annex One). CSO common development effectiveness principles take account CSO visions, approaches, relationships and impact in their development actions. They are the foundation for this draft *International Framework for CSO Development Effectiveness*, which builds consensus from the outcomes of the consultations.¹ The *International Framework* will be concluded at a Second *Open Forum* Global Assembly mid-2011 and presented at the 4th High Level Forum on Aid Effectiveness, to be held in Busan, South Korea, November 2011.

An understanding of development informs development effectiveness ...

Development effectiveness speaks to the impact of actions for development. These actions for development will be ineffective if they fail to bring about sustainable change that affects the causes as well as the symptoms of poverty, inequality and marginalization. For CSOs, therefore

¹ See the accompanying “*Open Forum Country and Sectoral Consultations: A Synthesis of Outcomes*” (September 2010), accessible at www.cso-effectiveness.org.

development effectiveness is linked to an understanding of development, as a multi-faceted human and social process involving poor, vulnerable and marginalized populations.

CSOs assume no single development model, but rather focus on empowering people and their organizations, who are free to make choices over how they will develop. For CSOs development effectiveness then requires an openness to many development alternatives, which are increasingly informed by ecological sustainability and indigenous peoples' notions of "living well".

The poor and marginalized have unequal access to development resources. This inequality is the result of not only limits on capacities and finances for development, but also of concentrations of socio-economic and political power, along with barriers to gender equality. They are persistent obstacles to development and justice. Effective CSO development action must therefore also involve CSOs making choices and taking sides. It involves direct engagement with poor and marginalized populations, not as abject victims, but as development actors and political proponents for development in their own right.

A CSO vision of development is informed by the diversity of their roles as development actors, including many CSOs involved in development who are not aid actors.²

What are Civil Society Organizations?

"CSOs can be defined to include all non-market and non-state organisations in which people organise themselves to pursue shared interests in the public domain. They cover a wide range of organisations that include membership-based CSOs, cause-based CSOs, and service-oriented CSOs. Examples include community-based organisations and village associations, environmental groups, women's rights groups, farmers' associations, faith-based organisations, labour unions, cooperatives, professional associations, chambers of commerce, independent research institutes, and the not-for-profit media."

(Advisory Group Synthesis of Findings and Recommendations, August 2008)

Effective development activities must

- Empower people to claim their rights, including women's rights, in order to improve the quality and way of life;
- Build capacity with communities and sectors that is inclusive of all social actors, but particularly the most vulnerable, marginalized and poor;
- Engage communities, civil society, the private sector and government to collaborate and seek synergies based on mutually agreed development priorities and approaches;
- Respect and is informed by spiritual virtues embedded in cultural values, including indigenous peoples' rights and their notions of "living well"; and
- Recognize CSOs as distinct development actors, with a shared accountability on the part of all development actors to affected populations for development plans and outcomes.

CSOs increasingly reject a needs-based, welfare or charity approach to their development efforts in favour of an explicit human rights-approach. The latter reframes CSO development activities in support of human rights entitlements of beneficiary populations, rather than in response to often externally determined needs and wants. Internationally-agreed human rights norms and standards are based on widely shared values that speak to both the "ends" and the "means" of development, with legal backing and existing accountability mechanisms.

² Annex Two provides a summary of these roles.

Defining the principles development effectiveness ...

The principles characterizing CSO development effectiveness are the values and qualities inherent in CSO actions for development that give them direction, with a clear priority to the rights of people living in poverty, the vulnerable and marginalized populations. Like other development actors, CSOs are striving to become more operationally efficient as organizations. While some of these operational practices affect their effectiveness as development actors, CSO development effectiveness principles are uniquely focused on those areas of CSO practice that are essential for improving the development impact of their actions. The principles set out in this *Framework* are not new; they are the expression of decades of experience by hundreds of CSOs involved in the *Open Forum* process.

SECTION II: PRINCIPLES OF CSO DEVELOPMENT EFFECTIVENESS

Preamble

Civil society organizations are a vibrant and essential feature in the democratic life of countries across the globe. As self-governing and voluntary organizations, they are striving to be accountable and effective organizations. CSOs have also been widely recognized as distinct and independent development actors, working for development outcomes for poor and marginalized peoples. They are catalysts for social change, collaborating with partners around shared values and interests.

What are Principles for CSO Development Effectiveness?

CSO development effectiveness principles are statements of values and qualities that should inform CSO socio-economic, political, and organizational relationships. They are universal points of reference for CSO activities in development, emphasizing the impact of these actions on the rights of people living in poverty, vulnerable and marginalized populations. In their diversity, CSO effectiveness is highly dependent on context: their relevance to unique locales, sector, governance and development relationships.

CSOs are expressions of diversity and innovation in development practice. They bring a rich array of organizational values, objectives, means of engagement, sector knowledge, structures, interests and resources.

Development is a social and political process that is equally about peoples' participation and engagement to claim their rights, as it is about development results. CSOs are consequently political protagonists for development change, and advocates for public goods on behalf of their constituencies. CSOs collaborate and partner with

communities, with each other and with different development actors, such as governments and donors, for changes affecting development at many levels.

CSOs have close and often unique connections with local processes, but also seek change at national and global levels. But unlike political parties and social movements, which may aspire to influence development by obtaining formal state political power, CSOs are autonomous non-partisan political actors in the social realm, representing their own point of view.

CSOs actions for development are also distinguished by their commitment to non-violent processes. They maximize positive results, while being true to the principle of “do no harm”, considering the full range of potential impacts of their development actions. They collaborate to seek development outcomes consistent with international human rights standards that give priority to addressing conditions of discrimination, dis-empowerment, poverty and inequality. In many countries they play important roles engaging citizens, defending the rule of law and guarding against corruption of public funds. As voluntary expressions of citizen action, CSOs are a measure of democratic and inclusive development.

These characteristics of CSOs as distinct development actors – voluntary, diverse, non-partisan, autonomous, non-violent, collaborating for change, linking development process with results and outcomes – have informed all the *Open Forum* consultations. They are the foundation for the eight defining statements of the *Istanbul Principles for CSO Development Effectiveness*. These principles guide CSO work and practices in both peaceful and conflict situations, in different areas of work from grassroots to policy advocacy, and in a continuum from humanitarian emergencies to long-term development.

Istanbul Principles for CSO Development Effectiveness

1. Respect and promote human rights and social justice

CSOs are effective as development actors when they ... develop and implement strategies, activities and practices that promote individual and collective human rights, including the right to development, with dignity, decent work, social justice and equity for all people.

Many CSOs have integrated human rights in their stated purposes and activities, but are also seeking ways to implement human rights-based approaches in their work. Strengthening peoples’ capacities regarding their rights requires holistic approaches for CSO programs and practices, including holding governments to account for their human rights obligations. These approaches address systemic issues of inequality, vulnerability, exclusion, discrimination and global poverty, in ways that are consistent with international human rights standards for political, economic, social, cultural rights. International human rights standards are derived from the United Nations human rights system, including the Declaration on the Right to Development, core ILO Conventions, and human rights agreements at the regional level.

2. Embody gender equality and equity while promoting women and girl’s rights

CSOs are effective as development actors when they ... promote and practice development cooperation embodying gender equity, reflecting women’s concerns and experience, while supporting women’s efforts to realize their individual and collective rights, participating as fully empowered actors in the development process.

CSOs affirm that gender equality and women's rights, in all their dimensions, is essential for realizing sustainable development outcomes. The empowerment of women through gender equity promotes the goal of gender equality – equal access for women and girls to opportunity, resources, and decision-making at all levels. CSOs acknowledge that men are crucial partners in this process. CSOs themselves are not free from gender inequalities and practices. Advancing gender equity goes beyond improving practical conditions for women, to redressing strategic inequalities in power among men and women, tackling discriminatory laws, policies and practices. Explicitly including the rights and opportunities of girls and young women is essential to realizing gender equality and women's rights. Women's organizations and movements are essential actors in development, and have been particularly important as a force for women's empowerment and democratization.

3. Focus on people's empowerment, democratic ownership and participation

CSOs are effective as development actors when they ... support the empowerment and inclusive participation of people to expand their democratic ownership over policies and development initiatives that affect their lives, with an emphasis on the poor and marginalized.

Development will be appropriate and effective if it is grounded in the needs, local knowledge and aspirations of affected populations who are the primary stakeholders in development. Empowerment activities allocate resources in ways that directly build people's capacities as democratic actors in their communities or as individuals claiming their rights. Such capacities extend their influence, their decision-making power and their resources, free of violence, giving them more control over factors that shape their lives. All people have the right to be a citizen of a state and participate in public policy decisions that affect their lives. CSOs promote democratic development with governments, donors, and the private sector, while protecting the autonomy and diversity of civil society, and seeking avenues for citizens and CSOs to exercise their rights. In relationships between CSOs, empowering approaches imply a sharing of power and resources with local counterparts, including organizations of the poor, who should manage local programs. The role of the external CSO is to enable, rather than dictate, and to amplify, not substitute, for the voices of developing country CSO actors.

4. Promote Environmental Sustainability

CSOs are effective as development actors when they ... develop and implement priorities and approaches that promote environmental sustainability for present and future generations, including urgent responses to climate crises, with specific attention to the socio-economic, cultural and indigenous conditions for ecological integrity and justice.

The human rights of both present and future generations depend upon development paths and strategies where sustainability is the cornerstone of all development action. All people have the right to live and work in a healthy and sustainable environment. Complex environmental challenges, including the urgency to mitigate and adapt to climate change, require capacities and skills that advance sustainable ecosystems in all aspects of the development process and are inclusive of all affected populations. Meeting these challenges not only demand environmental awareness and innovative solutions, but must also be shaped by principles of environmental justice. Many millions of people, particularly in developing countries, are highly vulnerable, but bear no responsibility for the conditions that have result

in deepening climate crises. CSOs, wherever they act, must explicitly give priority to local socio-economic conditions as well as cultural and indigenous approaches in strengthening sustainability in their development practice.

5. Practice transparency and accountability

CSOs are effective as development actors when they ... demonstrate a sustained organizational commitment to transparency, multiple accountability, and integrity in their internal operations.

As independent public not-for-profit organizations and as development actors in their own right, transparency, openness and internal democratic practices reinforce CSO values of social justice and equality. Transparency and accountability create the basis for public trust, while enhancing CSO credibility and legitimacy. Accountability cannot be reduced to financial reporting, but should strengthen public reckoning for organizational efforts to be true and effective in carrying out its mandate. Very often CSOs, individually and collectively, have good practices in meeting standards for transparency, participatory decision-making, and credible mechanisms for accountability. But CSOs are also recognizing and responding with priority to legitimate calls to improve these accountability and transparency practices. There are important lessons to be drawn from current good practices. But progress may sometimes be limited by the challenges CSOs face living under highly repressive regimes and laws. It is also the case that grassroots, less structured, CSOs often require particular support where they lack capacities, skills and scale to implement robust institutional transparency and accountability.

6. Pursue equitable partnerships and solidarity

CSOs are effective as development actors when they ... commit to transparent relationships with CSOs and other development actors, freely and as equals, based on shared development goals and values, mutual respect, trust, organizational autonomy, long-term accompaniment, solidarity and global citizenship.

Effective CSO partnerships, in all their diversity, are effective expressions of social solidarity; they exemplify deliberate transnational, national or sectoral efforts in equitable and reciprocal collaboration and coordination. Effective CSO partnerships for development, whatever their form, require long-term commitments in negotiating shared goals and programmatic objectives, facilitated by the emergence of trust and respect in the relationship. Such partnerships can also promote transnational peoples' solidarity for public awareness and citizen engagement in donor countries. Organizational autonomy is essential for equitable partnerships. Equitable partnerships result from deliberate actions by both partners, and especially the stronger partner, to counterbalance the inequalities in power that are the consequence of unequal access to resources, of gender inequities, and sometimes-large disparities in capacity.

Sustained development outcomes will be achieved through collaboration and coordination between different development actors. But CSOs are actors in their own right, not instrumental agents for donors or governments. The basis for coordination must be mutual respect, agreement on the distinct areas where there are shared development goals and strategies, and equality in setting the terms of coordination and coherence.

7. Create and share knowledge and commit to mutual learning

CSOs are effective as development actors when they ... enhance the ways they learn from their

experience, from other CSOs and development actors, integrating evidence from development practice and results, including the knowledge and wisdom of local and indigenous communities, strengthening innovation and their vision for the future they would like to see.

Purposeful collaborative processes for learning provide an indispensable foundation for assessing sustainable development impact and results. Development learning requires effective mechanisms for mutual sharing of organizational, partner-generated information and knowledge, particularly for dissemination of development innovation. Mutual learning processes can help increase respect and understanding between counterparts, notably in areas of local knowledge, cultural issues, gender relations, values and different ways of working. Regular qualitative evaluation, working closely with development partners and related stakeholders, is essential to adapting and refining strategies, priorities and working methodologies in CSO development action. Organizational learning should not be reduced to more limited processes of “managing for results”.

8. Commit to realizing positive sustainable change

CSOs are effective as development actors when they ... collaborate to realize sustainable outcomes and impacts of their development actions, focusing on results and conditions for lasting change for people, with special emphasis on poor and marginalized populations, ensuring an enduring legacy for present and future generations.

As development actors in the democratic life of all countries, viable and organizationally sustainable CSOs are essential to realizing positive social change. But CSOs do not achieve sustainable development outcomes alone. Positive development change can only be sustained through the complementarity of development actors. CSOs make essential contributions and fill important gaps; but they cannot, and must not, substitute themselves for the responsibilities of the state, whose capacities to deliver public goods, such as education or health, must be strengthened, accessible and accountable to all. At the same time, CSOs acknowledged the importance of CSO capacities to assess and demonstrate, with evidence, the sustainability of results of their work, which are often complex and long-term. Assessing the effectiveness of CSO contributions to positive social change will be shaped by the views of local counterparts and beneficiary populations. It must also take into account the wider socio-economic and political processes that enable or negatively affect the sustainability of CSO development outcomes for change.

SECTION III:

IMPLEMENTING THE PRINCIPLES: GUIDELINES AND INDICATORS FOR CSOs

The *Istanbul Principles for CSO Development Effectiveness* are a consensus among CSOs on the essential values and considerations that should inform their practices. But as mere principles, they cannot take account of the diversity in numbers, purposes, geographic locales, and development challenges faced by millions of CSOs involved in development activities. To influence development

practice, the principles must be interpreted. They must be applied locally and uniquely to each CSO, through context-relevant and specific guidelines, indicators and mechanisms relevant to CSOs capacities and development roles.

Internationally, CSOs are working with various initiatives to enhance their development accountability, effectiveness and impact. The *Open Forum* does not intend to duplicate existing processes or burden CSOs with new tools and reporting mechanisms. Acknowledging the diversity of CSO experience and the importance of existing mechanisms, the *Open Forum* seeks to deepen the understanding of existing tools and how they can contribute to enhanced CSO development effectiveness.

Country consultations for the *Open Forum* proposed hundreds of guidelines and indicators. A synthesis of these guidelines and indicators for each principle has been set out in the "*Open Forum Country Consultations: A Synthesis of Outcomes*", which accompanies this Draft *Framework*.

The *Draft International Framework on CSO Development Effectiveness* elaborates some examples of widely acknowledged directions or guidelines for the implementation of each principle. They are not intended to be exhaustive nor definitive. Many CSOs in country consultations stressed that guidelines, and especially indicators, require more concerted reflection and testing if they are to effectively strengthen CSO accountability to development effective outcomes. The *Open Forum* is committed to deepen a discussion on guidelines, indicators and CSO accountability mechanisms in the lead-up to the 2011 High Level Forum IV.

Definitions

A Guideline

A context-specific **recommendation indicating directions** on how a principle should be implemented or **what sort of action should be taken** in a particular circumstance.

An Indicator

An observable sign, proxy or identified change that provides a **credible means of verifying** the status or change suggested by a guideline. Indicators should to be recognized by relevant stakeholders as valid, practical, clear, and observable.

A mechanism

Mechanisms are the context-specific means through which CSOs **demonstrate accountability or implement compliance** with agreed principles, standards and guidelines.

Implementing the Istanbul Principles for CSO Development Effectiveness: Guidelines for CSO Practice

1. Respect and promote human rights and social justice

- a) **Promote human rights based approaches** through training and capacity building with staff, in programmatic analysis, design and implementation, mechanisms for participation and dialogue, and holding governments to account for human rights obligations.
- b) **Establish measurable indicators** for development effectiveness, in relation to international human rights standards.
- c) **Create mechanisms that allow free, prior and informed consent** on the part of affected communities and stakeholders.
- d) **Safeguard and make operational the right of beneficiary populations to participate** in the design, implementation and assessment of country-led CSO strategic plans and program.

2. Embody gender equality and equity while promoting women and girl's rights

- a) **Integrate and implement gender equality and women's rights in the constitutive practices of CSOs**, in their mandate, their policies, in their active dialogue with counterparts, and in their allocation of human and financial resources.
- b) **Embed gender equality and equity indicators in program plans** by ensuring CSO program planning, implementation, monitoring and evaluation are based on gender equality and women's rights indicators, including consideration of issues affecting girls and young women.
- c) **Invest CSO time and resources** to extend and deepen gender analysis, learning and training based on challenges in applying this principle (on a scale proportional to organizational capacity).
- d) **Invest in partnerships for organizational capacity in gender equality and women's rights**, including significant support for women's organizations and movement, while respecting local dynamics and profiling successes in gender equality and women's rights as part of CSO public engagement and advocacy.
- e) **Seek opportunities for collaboration policy dialogue** to promote context-appropriate changes relating to strategic issues affecting women's rights and gender equality.

3. Focus on people's empowerment, democratic ownership and participation

- a) **Focus on engagement by people whose lives are directly affected by development policies and initiatives, with an emphasis on the poor and the marginalized**, through identification, integration and participation of these populations, particularly women, taking account their proposals for development directions and activities.
- b) **Give priority to capacity building and sustainable self-development of counterparts to be independent CSO actors** in the areas of governance, financing, program management and engagement with other development actors.

- c) **Promote a diversity of CSO stakeholder influence and participation** in CSO programs, along with local civic participation in monitoring local and national government policies and in advocacy to resolve significant social and political issues.
- d) **Amplify the voices of the poor and marginalized in public policy** in the countries where CSOs work, including voices for developing country counterparts in the global development arena and in opportunities for advocacy.
- e) **Build awareness among publics in donor countries about the complex reality of development** and the importance of accompanying, not directing, change on the part of beneficiary populations.

4. Promote Environmental Sustainability

- a) **Explicitly incorporate issues of sustainability into CSO policies, program planning and design processes**, advocacy and public engagement, ensuring long-term environmental and ecological integrity, listening to and supporting local stakeholders.
- b) **Build strategic alignments and collaboration** between CSOs involved in environment and development initiatives that strengthen the ability of both sectors to promote and implement environmental sustainability.
- c) **Promote the rights for all people to live and work in health environments** in the context of national development strategies and actions.
- d) **Influence policies and approaches to reduce the negative impacts of climate change** and environmental degradation with linkages to the socio-economic, cultural and indigenous conditions for ecological integrity and justice.
- e) **Establish measurable indicators for environmental sustainability** drawing on national and international research and guidelines.

5. Practice transparency and accountability

- a) **Provide public access to all constitutive CSO policies and documents** and publish regular audited financial and programmatic reports, including reports required by regulatory bodies.
- b) **Provide an accessible list of major counterpart organizations involving a financial partnership**, taking account where specific information may endanger the partner's organization and/or lives of people associated with the organization.
- c) **Provide timely and accessible responses to information requests**, including utilization of appropriate languages and provision of accurate information provided to the public.
- d) **Promote and practice a democratic culture within the organization with accountable and effective leadership**, assigning clear responsibilities, transparent operational policies and demonstrating integrity, honesty and truthfulness.

6. Pursue Equitable Partnerships and Solidarity

- a) Conditions and terms of partnership are explicitly and clearly defined in a “Partnership Agreement”,** with roles, contributions, responsibilities, decision-making and accountability clearly set out through respectful dialogue and enhanced through adequate allocation of resources to ensure counterpart capacity and participation. Partnerships agreements should not be considered inter-changeable with financial contracts.
- b) Build common actions on a programmatic rather than project basis,** by investing in institutionalising long-term relationships with program counterparts, with appropriate consideration of core institutional financing arrangements and ensuring on-going participation of relevant stakeholders at all levels of the partnership.
- c) Strengthen strategic alignment and program collaboration among CSOs,** domestically and internationally, utilizing existing opportunities and structures, such as platforms, coalitions and networks, and encourage new forms of collaboration.
- d) Establish mutually agreed conditions and mechanisms for ongoing monitoring, evaluation,** accountability and co-learning processes, with all parties and constituencies in the partnership.
- e) Invest in public engagement activity that links domestic conditions and issues to the reality and experiences of counterparts,** promoting a deeper, subjective understanding and commitment to the relationship over time.

7. Create and share knowledge and commit to mutual learning

- a) Foster opportunities and a conducive environment for systematic mutual learning and exchange** based on participation, openness and trust within institutional and program activities and between organizations, while internalizing and mainstreaming lessons learned, thinking and practices.
- b) Encourage collaboration for knowledge sharing among CSOs through networks and coalitions,** with a diversity of development stakeholders (government, business etc.) where appropriate, to encourage innovation and improve development performance.
- c) Facilitate the sharing and use of local / indigenous knowledge** in development initiatives and policy dialogue.
- d) Establish professional and ethical responsible methods and tools** to engage critically in gathering and sharing reliable data and information on which to build CSO knowledge.

8. Commit to realizing positive sustainable change

- a) Utilize results-oriented tools for planning and monitoring development activities,** with an orientation to determining and assessing conditions for long-term sustainable development outcomes affecting change for poor and marginalized people.
- b) Strengthen CSO collaboration with other development stakeholders to maximize sustainable impacts of activities on shared and mutually agreed development goals,** particularly with government, to strengthen its role to deliver and be accountable for public goods for all people under its jurisdiction.

Strengthening CSO Accountability

As development actors in their own right, working for the public good, CSOs have an obligation to demonstrate that they are fully accountable for their development actions. In many countries CSO organizations are highly trusted by the public and local stakeholders, with most practicing high standards of professional management and probity. They demonstrate accountability in various ways depending on their roles and context: through oversight by elected Boards of Directors, accessible external financial audits and program reports, government regulatory oversight, a variety of CSO-managed Codes of Conduct and transparency initiatives, and ongoing dialogue with counterparts.

Accountability Challenges

CSOs have many unique challenges in demonstrating their accountability. These include large numbers and wide diversity, transparency in partner relations, the voluntary basis of organizations and action, and multiple demands for accountability. CSOs acknowledge a need to share lessons learned from existing practice in order to develop practical new approaches to strengthen individual and collective CSO accountability.

CSO accountability is much more than accessible audited financial records. In their role as development actors, the measure of CSO accountability requires comprehensive attention to demonstrating sustainable development outcomes for the poorest and most marginalized in claiming their rights.

Values-based principles for CSO development effectiveness, however, are subject to interpretation. Appropriate objective standards for accountability to these principles are often difficult to determine and monitor. CSO accountability mechanisms focus not only on direct measurable development outcomes, but also on advocacy and mobilization for change, in which attribution for outcomes is rarely simple.

CSO supporters, counterparts, governments and donors rightly expect transparency as a necessary criterion of accountability. But full transparency is often difficult in practical terms, and for sometimes-valid reasons – timeliness, cost, workload, privacy and protection of the rights of counterparts. The capacity of CSOs to meet accountability standards are also affected by systemic institutional weaknesses – scale of the organization, lack of organizational systems, reliance on volunteers, weak reporting and audit systems, or lack of monitoring and evaluation resources.

Accountability Mechanisms

CSOs are taking up their responsibility to establish strong accountability standards and mechanisms. CSOs stress the importance of voluntary accountability mechanisms, not government “policing regulations”, as the way to improve CSO practice and retain needed flexibility to safeguard CSO autonomy and independence. Many such mechanisms currently exist, but may require renewed institutional commitments to implement standards and more robust tests for compliance.

In the *Open Forum*, CSOs will propose ways to strengthen their accountability mechanisms. They will do so through closer examination of good practice experience, clear guidelines on development practice, and CSO dialogue at the country level. The following directions, suggested by country consultations to date, will guide the next stages of this work:

- 1. CSO principles and guidelines for development effectiveness are the foundation** for accountability standards, but accountability must also address broader questions of organizational governance.
- 2. Accountability mechanisms and context-specific requirements are best developed with those whose work will be measured** and especially inclusive of primary stakeholders. They should promote mutuality between counterparts, organizational learning and measures to correct weaknesses.
- 3. It is essential to be clear who is accountable, to whom and for what.** Flexibility and adaptability are also essential for mechanisms to be realistically applied in diverse and often-unpredictable conditions.
- 4. Never impose principles and measurements on others that the CSO does not accept for itself**, with expectations of transparency that are the same for the CSO as for its counterparts, covering budgets, program activities and resource allocation.
- 5. Utilize and further develop existing mechanisms** to strengthen accountability at country level where they exist, with explicit commitments to implement and demonstrate compliance in good faith , avoiding overlap, duplication, and high transaction costs.

SECTION IV:

Critical Conditions for Enabling CSO Development Effectiveness: Policies and Practices³

While CSOs are independent and autonomous, they are not development actors working in isolation. Their capacities to live up to principles for development effectiveness are limited and affected by the actions of other development actors.

What are “enabling standards”?

Enabling standards are a set of inter-related conditions – such as legal, bureaucratic, fiscal, informational, political, and cultural – that impact on the capacity of CSO development actors to engage in development processes in a sustained and effective manner.

The enabling environment for development is complex. Recently all development actors have been affected by multiple global economic, social and climatic crises. Political conditions matter: CSOs in several countries have experienced a narrowing of democratic space for their activities. The private sector is also an important actor affecting development: it is essential for example to strengthen markets and decent work for poor

³ Please see Annex 3 for more information and recommendations from CSOs on minimum standards on an enabling environment, consolidated from the [Open Forum National Consultations](#)

people, including people working in the informal sector.

This *International Framework for CSO Development Effectiveness* establishes the most important principles relevant to CSO roles as development actors. Through the *Open Forum*, CSOs have also suggested guidelines and possible indicators for assessing and changing their own practices based on these principles. CSOs have encouraged dialogue with governments and donors, based on these principles, to discuss and agree on some minimum standards. These standards, yet to be jointly elaborated, will create the environment in which CSO contributions to development may reach their full potential, which is the commitment of governments in the *Accra Agenda for Action*.

In the absence of some basic minimum enabling standards, it will be difficult for CSOs to implement and be true to the *Istanbul Principles for CSO Development Effectiveness*. To date, CSOs have put forward issues and some proposals for standards in a *Synthesis of Outcomes*⁴ based on recent country and sectoral consultations. These are not conclusions, but are a basis for further discussion with governments and donors. This dialogue should consider the following key areas for achieving consensus on minimum enabling standards in the lead-up to the Busan High Level Forum in November 2011.

A Commitment by All Governments to Fundamental Human Rights

In almost all countries CSOs have experienced political, financial and institutional vulnerability, arising from changing policies and restrictive practices of their governments. CSOs are concerned about the impact on democratic and legal space for CSOs, as exemplified in the use of pervasive anti-terrorism legislation, more restrictive government financial and regulatory regimes, and the exercise of government power to limit “political” activity and sometimes repress CSOs and their leaders, who are critical of government policies and defenders of human rights.

CSOs continue to organize and work with government and other stakeholders to strengthen and contribute to democratic governance and inclusive development activities. Democratic government requires laws, regulations and practices that respect several fundamental principles or standards, which are pre-conditions for a robust and effective civil society.⁵

- Freedom of association;
- Legal recognition of CSOs;
- The right to freedom of expression;
- The right to operate free of unwarranted state interference; and
- The right to seek and secure resources.

⁴ See Section V of *Open Forum Country and Sectoral Consultations: A Synthesis of Outcomes* (September 2010) for an elaboration of CSO issues and proposals for minimum standards.

⁵ The organization and presentation of these principles is derived from “International Principles Protecting Civil Society”, in *Defending Civil Society*, A Report of the World Movement of Democracy, February 2008, accessed at www.wmd.org/projects/defending-civil-society. These rights are guaranteed under the UN International Covenant on Civil and Political Rights (ICCPR) and other multilateral and regional treaties.

Challenges with Developing Country Governments

CSOs in consultations in developing countries⁶ raised the following issues and challenges with respect to policies and practices affecting CSO development effectiveness.

- The absence of, or a highly restricting, legal framework for recognition of CSOs;
- Political interference in the work of CSOs;
- Limitations to freedom of expression, especially in countries where the government and/or state laws are very intolerant of dissent;
- Limitations on government engagement as partners with CSOs in local or national development activities; and
- Lack of access to government information on policies, budgets and development initiatives.

Challenges with Donors

CSOs in consultations raised the following issues and challenges with respect to donor policies and practices. While they relate to practices of official donors, many could also apply to CSOs in their roles as donors, albeit in different ways and with some different implications.

- Lack of clarity about donor policies;
- Heavy directive donor conditionality, high transaction costs, and interference in local CSOs;
- Lack of mechanisms for engagement with donors for mutual learning and policies to improve development effectiveness;
- Marginalization of CSO programming to engage domestic constituencies in donor countries;
- Influence of funding mechanisms on CSO development effectiveness (unpredictable finance; lack of funds for management and program oversight; one-off project-oriented competitive funding; prioritizing donor-prescribed areas to support CSOs with shrinking opportunities for responsive funding; accountability reduced to “results-based management”).

The *Open Forum* seeks multi-stakeholder dialogues with governments and donors to agree on a number of minimum standards arising from the above issue areas and concerns. These are not an exclusive or fixed list, but an initial guide of important areas that CSOs have identified that would enabling their implementation of CSO development effectiveness principles.

⁶ Developing countries include emerging market economies such as India and Brazil and countries of Eastern Europe, who sometimes are both recipients in international cooperation and donors.

SECTION V:
WAYS FORWARD:
IMPLEMENTING CSO DEVELOPMENT EFFECTIVENESS PRINCIPLES

CSOs in the first *Open Forum* Global Assembly have considered and amended this draft *International Framework on CSO Development Effectiveness*. They have agreed that the eight broad *Istanbul Principles for CSO Development Effectiveness*, set out in this *Framework*, are the foundation for advancing their effectiveness as development actors.

All actors for development – CSOs, government and donors – are inter-dependent and must collaborate to effectively realize development outcomes for poor and marginalized populations. They have a shared interest in a robust CSO sector in countries seeking to overcome these conditions. For their part, CSOs commit to strengthening and improving the sector as an actor in development guided by these eight principles.

The *Open Forum* will continue to deepen discussions in the coming months on the application of the eight principles to CSO practices, guidelines and accountability mechanisms. These will take place at many levels – in country-level and sectoral meetings, in CSO organizational discussions of their development practice, and in dialogue with other development stakeholders, including organizations directly representing poor and vulnerable people. The Second *Open Forum* Global Assembly in 2011 will focus on CSO proposals for the implementation of the *International Framework on CSO Development Effectiveness*.

All development actors must make vigorous efforts to strengthen their accountability to international agreed development goals, including the MDGs, in line with international human rights standards. There is no exception for CSOs, who acknowledge their responsibility to better govern themselves. As such, CSOs in the *Open Forum* will measure and improve their mechanisms for accountability against experience and best practices, while respecting CSO principles for development effectiveness, their independence and autonomy as development actors. The orientation of these efforts will be country specific.

The *Open Forum* would welcome the engagement of developing country governments, official donors and multilateral institutions in taking forward CSO development effectiveness principles and challenges in their implementation. CSOs are encouraged by the mandate of the multi-stakeholder Task Team on CSO Development Effectiveness to work to facilitate dialogues at the senior level to consider minimum standards for government and donor enabling policies and practices. In the lead up to the 2011 High Level Forum in Busan, South Korea, all development actors must collaborate to advance human rights, gender equality and social justice through reforms in development cooperation. This *International Framework for CSO Development Effectiveness*, with its principles, norms and guidelines, will be a significant CSO step in contributing to these reforms.

ANNEX ONE

Istanbul Principles for CSO Development Effectiveness¹

Civil society organizations are a vibrant and essential feature in the democratic life of countries across the globe. CSOs collaborate with the full diversity of people and promote their rights. The essential characteristics of CSOs as distinct development actors – that they are voluntary, diverse, non-partisan, autonomous, non-violent, working and collaborating for change – are the foundation for the *Istanbul principles for CSO Development Effectiveness*. These principles guide the work and practices of civil society organizations in both peaceful and conflict situations, in different areas of work from grassroots to policy advocacy, and in a continuum from humanitarian emergencies to long-term development.

1. Respect and promote human rights and social justice

CSOs are effective as development actors when they ... develop and implement strategies, activities and practices that promote individual and collective human rights, including the right to development, with dignity, decent work, social justice and equity for all people.

2. Embody gender equality and equity while promoting women and girl's rights

CSOs are effective as development actors when they ... promote and practice development cooperation embodying gender equity, reflecting women's concerns and experience, while supporting women's efforts to realize their individual and collective rights, participating as fully empowered actors in the development process.

3. Focus on people's empowerment, democratic ownership and participation

CSOs are effective as development actors when they ... support the empowerment and inclusive participation of people to expand their democratic ownership over policies and development initiatives that affect their lives, with an emphasis on the poor and marginalized.

4. Promote Environmental Sustainability

CSOs are effective as development actors when they ... develop and implement priorities and approaches that promote environmental sustainability for present and future generations, including urgent responses to climate crises, with specific attention to the socio-economic, cultural and indigenous conditions for ecological integrity and justice.

¹ **Please note**, the Istanbul Principles, as agreed at the Open Forum's Global Assembly in Istanbul, September 28 -30, 2010, are the foundation of the Open Forum's Draft *International Framework on CSO Development Effectiveness*. These principles are further elaborated in Version 2 of this *Framework*, which can be found on the Open Forum's web site, www.cso-effectiveness.org.

5. Practice transparency and accountability

CSOs are effective as development actors when they ... demonstrate a sustained organizational commitment to transparency, multiple accountability, and integrity in their internal operations.

6. Pursue equitable partnerships and solidarity

CSOs are effective as development actors when they ... commit to transparent relationships with CSOs and other development actors, freely and as equals, based on shared development goals and values, mutual respect, trust, organizational autonomy, long-term accompaniment, solidarity and global citizenship.

7. Create and share knowledge and commit to mutual learning

CSOs are effective as development actors when they ... enhance the ways they learn from their experience, from other CSOs and development actors, integrating evidence from development practice and results, including the knowledge and wisdom of local and indigenous communities, strengthening innovation and their vision for the future they would like to see.

8. Commit to realizing positive sustainable change

CSOs are effective as development actors when they ... collaborate to realize sustainable outcomes and impacts of their development actions, focusing on results and conditions for lasting change for people, with special emphasis on poor and marginalized populations, ensuring an enduring legacy for present and future generations.

Guided by these *Istanbul Principles*, CSOs are committed to take pro-active actions to improve and be fully accountable for their development practices. Equally important will be enabling policies and practices by all actors. Through actions consistent with these principles, donor and partner country governments demonstrate their Accra Agenda for Action pledge that they “share an interest in ensuring that CSO contributions to development reach their full potential”. All governments have an obligation to uphold basic human rights – among others, the right to association, the right to assembly, and the freedom of expression. Together these are pre-conditions for effective development.

**Istanbul, Turkey
September 29, 2010**

ANNEX TWO

CSO ROLES IN DEVELOPMENT

People come together to create CSOs as not-for-profit voluntary expressions of peoples' right to association and speech. They are channels for social solidarity, service and mobilization to enable people to better claim all their rights to improve conditions of life and to build a more democratic society. This is the basis for CSO legitimacy and credibility as development actors. Through CSOs, people actively express their 'citizenship' in relation to the accountability of state and government obligations to respect, protect and fulfill human rights.

Uniquely as organizations and in collaboration among CSOs and with other actors, CSOs act in development to ...

- a) **Direct engagement and support for communities, poor and marginalized groups** in self-help and local development innovation.
- b) **Delivery of basic services and essential infrastructures** at local level, particularly in social services such as health protection and care, education, water and sanitation, while empowering communities to seek fulfillment of their right to these services from government.
- c) **Empower marginalized grass roots communities and people living in poverty, particularly women**, participation in public policy, through capacity building and strengthening social mobilization and peoples' voices in democratizing local and national development.
- d) **Facilitate of cooperation and collaboration** with local government authorities and other development actors and organizations.
- e) **Enrich the public policy agenda** with CSO knowledge, issues, perspectives and proposals.
- f) **Monitor government and donor policies and development practices**, through policy research and development, policy dialogue and facilitating democratic accountability for excluded and marginalized populations, based on local knowledge.
- g) **Educate and help shape social values of democracy, solidarity and social justice** through production of knowledge, sharing information and encouraging peoples' action for global citizenship.
- h) **Find and leverage sources of financing and human resources for development** directly as recipients or as donor channels at local, national and international level.
- i) **Connect and network CSOs within and between civil societies** in ways that encourages accountability to people for positive impacts on the rights of target populations.

ANNEX 3

Critical Conditions for Enabling CSO Development Effectiveness: Policies and Practices⁷

Introduction

A primary goal of the country consultations has been proposals for the most important principles relevant to civil society roles as development actors, which CSOs will agree during the first Open Forum Global Assembly in September 2010. During these consultations, CSOs also set out substantial guidelines and possible indicators for assessing and changing their own practices based on these principles. As these will require interpretation within the context in which each CSO works, CSOs at the country level will continue to discuss their application and their relationship to strengthened mechanisms for accountability.

While CSOs are independent and autonomous, they are not development actors working in isolation. Their capacities to live up to principles for development effectiveness are also limited and affected by the actions of other development actors. The 2008 *Accra Agenda for Action* committed all government signatories to “ensuring that CSO contributions to development reach their full potential”. To this end, Open Forum country CSO consultations and multi-stakeholder dialogues (with government and donor representatives) put forward a range of issues and potential standards for government and donor policies and practices.

These critical conditions and standards intend to enable and further the implementation of principles for CSO development effectiveness as set out by CSOs in their consultations. Enabling conditions were defined as “a set of interrelated conditions – such as legal, bureaucratic, fiscal, informational, political, and cultural – that impact on the capacity of development actors to engage in development processes in a sustained and effective manner”.

For the forthcoming Busan High Level Forum in South Korea (HLF4) to be held in November 2011, CSOs are working for comprehensive HLF4 agreements by all development actors to strengthen development effectiveness. CSOs in the Open Forum are collaborating with a wider CSO BetterAid Platform. The Open Forum is contributing proposals for development effectiveness principles and enabling standards, for themselves and for governments and donors, resulting in the elaboration by CSOs of an International Framework on CSO Development Effectiveness for HLF4. Continuing multi-stakeholder dialogue over the next year through the Open Forum, will seek common ground for critical enabling conditions and standards by governments and donors for CSO development effectiveness.

The Country consultations included significant discussions (in CSO sessions and in multi-stakeholder dialogues) of issues and possible directions for enabling conditions that would enhance

⁷ Please note: The work on enabling environment will continue to be refined in the process leading up to the final version of the draft framework in 2011. This Annex is a CSO perspective on the enabling conditions for CSOs, and was taken from the “OPEN FORUM COUNTRY AND SECTORAL CONSULTATIONS: A SYNTHESIS OF OUTCOMES: TOWARDS A FRAMEWORK FOR CSO DEVELOPMENT EFFECTIVENESS” (September 2010), available online at: http://www.cso-effectiveness.org/IMG/pdf/synthesis_of_open_forum_consultations.pdf

CSO roles and effectiveness as development actors. This section synthesizes some of these issues and some directions for minimum standards, not as conclusions but as a basis for further discussion by both CSOs with governments and donors.

The Synthesis divides these issues and suggested standards into three overarching areas – those that are applicable to all governments, those that relate to governments in developing countries, and those that relate to governments in their role as donors.

1) All Governments: Issues & Standards for Enabling CSO Development Effectiveness

In all the country consultations, CSOs raised common concerns for the democratic and legal space in which civil society organizations are organizing and carrying out activities for development. CSOs in almost all countries have experienced and continue to be affected by political, financial and institutional vulnerability, arising from the policies and practices of their governments. These pressures are exemplified by

- Sweeping anti-terrorism legal provisions and the focus on a post-9/11 pervasive global security agendas,
- Changing government financial and regulatory regimes for civil society, especially those who are aid-dependent, and
- The “chill effect” from politically motivated government attacks on individual CSOs who espouse critical advocacy positions on key policy issues affecting civil, cultural, social and economic rights.

The specifics vary in degree, in time and geographic location, but taken together they describe a broad and sometimes highly aggressive offensive against peoples’ organizations, their rights and the space for citizens to organize for alternative policies and activities for development.

CSOs spoke about new international cooperation laws and regulatory frameworks for CSOs that require politically motivated information disclosure, and limit international exchange of resources and skills. Long-standing concerns about inclusive policy making processes, have seen increasingly restricted access for dissent and critical voices. In many countries governments have given themselves more power to restrict “political” activities where government officials exercise considerable discretion to penalize those seen to be opposed to the government of the day.

Despite these negative trends, CSOs continue to organize and work with government and other stakeholders to strengthen and contribute to democratic governance and inclusive development activities. Under international human rights law all governments are obliged to respect several fundamental principles or standards.⁸ Several of these standards are essential pre-conditions for a robust and effective civil society.

a) Freedom of association Individuals have the right to freely establish, join and participate in CSOs in order to pursue a broad range of public interest activities and goals, including the

⁸ The organization and presentation of these principles is derived from “International Principles Protecting Civil Society”, in *Defending Civil Society*, A Report of the World Movement of Democracy, February 2008, accessed at www.wmd.org/projects/defending-civil-society. *These rights are guaranteed under the UN International Covenant on Civil and Political Rights (ICCPR) and other multilateral and regional treaties.*

promotion and protection of human rights and fundamental freedoms. Freedom of association includes the right to form an organization as a legal entity.

b) Legal recognition of CSOs CSOs must be able to create legal status through a process that is accessible, clear, inexpensive, timely and apolitical. The determination of legal status must be guided by objective and fairly administered standards.

c) The right to freedom of expression Pluralism, access to information and the right to dissent are an essential characteristics of democratic society and development effectiveness. CSOs must have legal protection and recourse to speak critically against government laws or practices and draw attention to abuses of human rights. States should refrain from laws that restrict freedom of expression through vague or overly broad regulatory language.

d) The right to operate free from unwarranted state interference Interference by states can only be justified where explicitly necessary in a democratic society and prescribed by law. States have the obligation to ensure that all laws and regulations are implemented in an apolitical, consistent and transparent manner. Dissolution of a CSO must be guided by objective standards a free of arbitrary decision-making.

e) The right to seek and secure resources All civil society organizations can seek and secure funding from legal sources including individuals, businesses, other CSOs, international organizations, local, national and foreign governments.

2) Developing Country Governments: Issues & Standards in Enabling CSO Development Effectiveness

In relation to the developing country governments' policies and practice, a number of issues and proposed standards were identified by CSOs in these countries. Developing countries, for the purposes of this Synthesis, include not only ODA-eligible countries, but also emerging market economies such as India and Brazil and countries of Eastern Europe, who sometimes are both recipients of aid and donors.

Challenges and Issues Raised

a) Challenge of the legal framework

Many CSOs in developing countries alluded to the fact that the lack of an enabling legal framework is a key challenge in their operating environment. Noting the fundamental obligations of all governments, the legal framework challenges for CSOs range from overly restrictive, disallowing registration of human rights organizations and social movements, to a state of lacuna where the laws and policies are not well developed. This has led to ambiguous and random restrictions depending on the government of the day or the issue the CSOs are pursuing. Other challenges alluded to relate to the operational requirement in which cases there are high requirement for legal permissions or authorizations that put obstacle on CSOs activities and implementation process. These challenges have led to threats against CSOs.

b) Challenges of civic responsibilities and political interference

In some context politicians interfere with the work of CSOs affecting their effectiveness. In many cases, CSOs organizations engage in political processes as they empower communities in their civic responsibilities, and while doing so, CSOs ensure neutrality and do not engage in political parties.

However, in many cases, these activities and interventions government and politicians tend to associate such activities with party politics and they lead to threats and political interference. In many countries it was the experience of CSOs that government officials have negative stereotypical assumptions about CSOs and their tension with government in development.

c) Limited freedom of expression

In countries where the government and/or state laws are very intolerant, CSOs experience continued threats and arbitrary measures by police or security forces. They are not allowed to engage in peaceful assemblies, mass mobilization and do not have free access to media. This has led to significant numbers of civil society leaders being incarcerated without trials in some countries.

d) Limits of government engagement with CSOs in development activities

In countries where there is no transparency and practice of democratic culture (for instance in ensuring of stakeholders participation in project design and planning), bribery, corruption and lack of openness are common phenomena. Procrastination in contract signing, fund disbursement and decision-making, political bias in implementation of development project are also experienced. Lack of CSOs involvement in decision-making at local and national levels limits the impact of CSOs in development.

e) Lack of access to information

Many CSOs alluded to the lack of access to information, which make CSOs' watchdog role difficult to achieve. By virtue of their role as watchdogs of public goods, CSOs ought to have access to information on the use of public resources by both governments and donors. CSOs can ensure public resources are used in a way that maximizes impact on poverty and equitable growth if both governments and donors will enhance transparency and facilitate access to information.

Some Proposed Minimum Standards for Developing Country Governments

The following standards have been derived from Open Forum country and sectoral consultations. They are not intended to be an exclusive or comprehensive list of standards proposed in the Open Forum process. An objective for the first Global Assembly at the end of September will be to deepen and extend these proposals and initiate a dialogue with donors and governments on minimum standards.

Minimum enabling conditions for CSO development effectiveness on the part of developing country governments arising from the consultations revolved around the recognition of CSO; the promotion of CSOs' voice; enhanced external relations for CSOs; the development of CSO capacities; the provision for long term funding for CSOs; and inclusive involvement of CSOs in dialogue.

a) Independence and Self regulation

Civil society organizations are guided by code of ethics/conduct in many countries. These articulate the structures, institutions and policies within and amongst CSOs and enable their independence and self-regulation. Demonstrated CSO compliance with self-managed Codes will facilitate *quid pro quo* between government and CSOs in that it will enhance their legitimacy and credibility and will reduce bureaucracy.

b) Recognition of CSOs

Recognition of CSOs as development actors in their own right is crucial. CSOs are engaged in complementary roles in provision of services and in influencing policy and laws. Their close contact with society, their independence (non political) and experience and focus on the poor and

marginalized makes them key actors in development. Their role should be enhanced and not curtailed.

i. Communication Channels with CSOs

Open and formalized communication channel between CSOs and government institutions will enhance CSOs development effectiveness. In CSOs complementary role, the access to information and also feedback mechanism between government and CSOs will widen space for engagement and mutual learning and exchange.

ii. Participation Channels for CSOs

Government should provide an enabling environment for inclusive and meaningful participation by CSOs in critical country processes. For instance in the preparatory work towards the 2011 HLF4 in South Korea, many country level Technical Working Groups have very few CSOs representatives. Governments ought to proactively create opportunities for CSOs engagement in policy dialogue.

iii. Mutual Learning & home grown solutions

Governments should recognize CSOs as promoters and generators of indigenous knowledge. By the very nature of their operations and their defining characteristic of social solidarity CSOs enable people to express their aspirations and they help improve the conditions for diverse, poor and marginalized groups in society.

c) An Enabling legal framework

An enabling legal framework ensures that CSOs operate effectively exploring all their capacities to contribute to development without threats or intimidation. The legal framework allows for clarification of roles of CSOs, expectations of the government and other actors, and the modalities for interaction.

i. A legal framework based on core human rights treaties

As most developing country governments have ratified most of the core human rights treaties, they provides a good premise upon which to anchor an enabling legal framework for CSO, including freedom of association and expression, as noted above.

ii. Financial Systems, compliance and support

The administrative procedures around registration, taxation and reporting should be made less complex to enhance compliance. CSOs should get tax exemptions due to the philanthropic nature of their activities.

d) Partnership and technical support

In new or fragile democracies, the nascent growth of CSOs in tandem with the democratic space has implied that the CSOs are still linked to (and sometimes dependent on) the government for funding and technical support. This close link requires appropriate partnership arrangements that also ensure the independence of CSOs.

e) Transparency, openness and accountability

Governments should put into practice principles of good governance in their relationships with partner CSOs, including transparency and clarity about policies and practices, timely sharing of information, inclusion and accountability in policy discussions and the need to listen to a wide

range of stakeholder views. Governments should make public information accessible to all, and where possible by use of technology.

3) Donors: Issues & Standards in Enabling CSO Development Effectiveness

A number of issues and possible minimum standards were identified with respect to donor policies and practices. These were developed in country consultations in both donor and developing countries. While they relate to official donors, many could also apply to CSOs, including INGOs in their roles as donors, albeit in different ways and with different implications for development effectiveness on the part of recipient CSOs (who can be located in any geographic region of the world).

Challenges and Issues Raised

- a) Lack of clarity about donor policies** Recipient CSOs were often frustrated with constant changes and lack of clarity about donor CSO policies (including CSOs as donors), particularly changes that indirectly affect CSOs' own partners. Where policies exist it was not clear that they are being translated into practices that respect the goals of these policies. Very seldom have donors developed their goals and objectives for CSO policies and practices through fully inclusive consultation and accountability to CSO recipient organizations.
- b) Lack of structured engagement with donors for mutual learning and policies to improve development effectiveness** CSOs understand that both donors and CSO can learn and influence the conditions that affect their effectiveness as development actors through regular structured dialogue. But opportunities to exchange information or engage in learning process or structured dialogue are often ad hoc and focused narrowly on the terms of financial transactions, or reporting on particular projects or institutional programs. Interaction with CSOs, particularly at the political level of donors and developing country governments, remains strongly influenced by stereotype misperceptions and lack of information about CSOs contributions to development. Some donor are implementing political criteria rather than development criteria in determining support for CSOs whose role is oversight and sometimes challenge governments' policies.
- c) Marginalization of CSO programming with domestic constituencies in donor countries** A critical role for CSOs, particularly in donor countries, is educating the public and helping shape social values of solidarity and social justice through programs encouraging peoples' action for global citizenship. While these activities are creating enabling conditions for positive public support for aid, solidarity and development action, official donor agencies often provide only modest financing for such activities, as a marginal sideline to primary support for CSO development activities in developing countries. Where they do support public engagement, donor tend towards programs of public awareness, and less in support of mobilizing citizens for more direct engagement with development, either in the donor country

(advocacy) or externally (sharing technical expertise etc.).

On the other hand, some consultations in the South spoke about the marginalization of local community-based CSOs by donors, with respect to access, funding and priority of local donor representatives to visit and engage.

- d) Heavy donor conditionality and interference in local CSOs** Both official donors (and sometimes large CSOs as donors) come with specific policy mandates as well as strong views about programmatic priorities, operational and development practices of civil society organizations in developing countries. Most of these priorities and directions are derived among constituencies or agencies in the donor countries, with little engagement or reference to conditions facing local CSO constituencies. Where local CSOs are highly dependent or have weak capacities for diversifying financing, donors' control over finance translates into both informal and formal influence over local CSOs' mission, their choice of priority development actions, and their capacities to manage and interact with beneficiary communities.

On the other hand, recent donor policy emphasis on "alignment" with developing country priorities implies support for government priorities. These policies have been increasingly and uncritically orienting CSO partnerships to align with development plans and priorities of national and local governments, sometimes irrespective of local conditions for CSO/government cooperation or the priorities of CSOs in these countries.

- e) Influence of funding mechanisms on CSO development effectiveness** The donor relationship is by definition a relationship rooted in access to development finance for CSOs. CSOs raised many concerns about current trends in donor policies for providing development finance through and to CSOs:

i) Long delays and highly unpredictable finance, affected by changing policies and priorities in donor countries, transmitted by official donors and indirectly through CSOs donors who are themselves dependent on these official agencies.

ii) Lack of funds to manage the ongoing CSO administration and oversight of programming, including few opportunities for core funding that permits sustainable organizations and effective engagement with local constituencies.

iii) One-time project-oriented competitive funding, with few opportunities to present strategic plans for developing country CSO programs for consideration, with project development transactions very labour intensive and increasingly subject to highly competitive, uncertain and un-transparent mechanisms for selection.

iv) Very heavy transaction costs, with complex funding criteria accessible only to professional NGOs, and little harmonization of application or reporting requirements among official donors and/or CSO as donors.

v) Shrinking opportunities for responsive funding to CSO priorities (where they existed among some donors), with "responsiveness" seen as one modality among many. Donor support for CSOs is predicated on "contracting" with donors' strategic frameworks, and less on long-term partnerships with CSOs whose unique roles, priorities and initiatives have their own development logic and imperatives as "development actors in their own right". There are increasing indiscriminate demands for matching counterpart funds.

vi) Funding mechanisms reduce accountability to formulary "results-based

management”(RBM), which can create an illusion of accountability for development outcomes. In practice RBM produces “results” that often have limited correspondence with iterative, risky and complex development on the ground or with the needs for substantial learning to improve development impact for beneficiary populations.

Some Proposed Minimum Standards for Donors

The following standards have been derived from Open Forum consultations. They are not intended to be an exclusive or comprehensive list of standards proposed in the Open Forum process. An objective for the first Global Assembly at the end of September will be to deepen and extend these proposals and initiate a dialogue with donors and governments on minimum standards.

a) The Independence of CSOs

- i. Independence and autonomy** Donors acknowledge that CSOs are development actors in their own right, with mandates distinct from official donors and governments, and shall create policies and practices in support for CSO roles and activities in development that promote their institutional independence, autonomy and development effectiveness.
- ii. Recognition and support for diversity of CSO roles** Donors recognize and support the full diversity of CSO roles in development as set out in the Framework agreed by the Open Forum for CSO Development Effectiveness and in the 2008 Synthesis Report from the multi-stakeholder Advisory Group on CSOs and Aid Effectiveness associated with the Working Party on Aid Effectiveness. In some donor countries an elaboration of this recognition has taken the form of Partnership Agreements between the donor and the platform of CSOs.
- iii. CSO integrity and ethical practice** Donors shall work with CSOs that demonstrate development integrity and ethical practice, which CSOs may establish through adherence with one or more CSO-directed voluntary code or instrument for accountability, and through CSO association with the implementation of the Open Forum’s principles for CSO development effectiveness, taking account the particular context in which the CSO operates.

b) Consistent Policies in Support of CSOs as Development Actors

- iv. Transparent and coherent policies** Donors shall put in place transparent, explicit and coherent policies that define the place and role of CSOs within the donor’s overall strategic framework and plans, including country level program implementation plans. These plans shall be premised on the recognition of CSOs as development actors in their own right and based on inclusive consultation with relevant CSO development actors.
- v. Sharing updates of donor strategic frameworks** Donors will be clear, transparent, and timely in sharing revisions of their strategic framework with CSO partners, to allow CSOs to effectively demonstrate, when appropriate, the relevance of their respective programs within such frameworks.
- vi. Recognition of CSOs in developing and emerging countries as primary drivers of development effectiveness on the ground** Policies established by donors and CSOs in donor countries acknowledge and respect CSOs in developing and emerging countries as the primary agents and drivers of CSO development effectiveness on the ground.

- vii. Promotion of local knowledge and culturally relevant capacities** Donor policies shall recognize and promote the utilization of local expertise and knowledge through CSO efforts to enhance local systems, ideas and capacities within the context of local cultures, traditions and heritage.
- viii. Gender equality and women's rights** Donors recognize the central importance of inclusion of women and consideration of women's rights in all development efforts through inclusion in donor policies and by assuring significant funding of CSOs with a primary mandate to promote gender equality and women's rights.
- ix. Composition of donor advisory boards** Donors shall include CSOs from both the donor country and outside the donor country on any autonomous advisory board established to offer advice to donors, and in particular on the implementation of donor policies and operational practices in support of CSO roles in development.

c) Respectful Partnerships

- x. Partnerships based on CSO missions and objectives** Donors shall establish partner relationships with CSOs on the basis of agreement with CSO organizational missions and program objectives to promote positive change in conditions affecting the rights, material conditions and livelihood of those living in poverty or otherwise marginalized population.
- xi. Primacy to responsive partnerships** In their policies, funding, and operational mechanisms for achieving aid effectiveness, donors shall give primacy to support responsive partnerships with CSOs, ensuring the dynamic flexibility and local ownership required to anticipate and nurture developmentally effective CSO programming initiatives and innovation.
- xii. Partnerships that respect the right of counterpart CSOs to established appropriate programming strategies** Donors shall enter into partnership agreements that respect the independent governance of partner CSOs and their right to establish their own programming relationships. Donors shall negotiate in good faith and enter into mutual contribution agreements with CSO partners, while refraining from imposing externally determined policy and operational conditions for financing that substantially undermine the CSO's freedom to program as required with their constituencies and beneficiaries.
- xiii. Direct and indirect funding** Direct donor funding for CSOs outside the donor country shall respect the mandate, experience and programming priorities of these CSOs as valued development actors and partners, rather than contracted implementers of donor policies. Such financing should be undertaken while respecting and strengthening the unique contributions of long-standing CSO-generated international collaborations based on solidarity.

d) Conditions for Funding

- xiv. Terms of funding for CSO development effectiveness** Donors will provide funding with a long-term perspective and with flexible terms that respond to changing needs, iterative CSO programming and innovation. Such funding will be characterized by several conditions that will benefit CSO development effectiveness:

- Donors will prioritize multi-year funding that will be responsive to CSO initiatives, predictable, with transparent terms;
- Donors will set out terms for fair and transparent funding mechanisms, which provide access to a diversity of CSO development actors, including innovative ways to support autonomous local CSOs.
- Donors will encourage CSO collaboration, alignment and harmonization of efforts based on CSO initiatives, not donor or government edicts;
- Donors will encourage an enabling legal environment for financing CSO development roles;
- Donors will work through donor consortia to simplify and harmonize reporting and monitoring procedures;
- Donors will enable and increase core institutional funding to strengthen CSOs as sustainable organizations for development;
- Donors will support CSO-led efforts to build strategic, multi-level strategic collaboration among CSOs, including for the purposes of policy development and advocacy, with shared frameworks, evaluation, reporting, and accountability.
- Donors will support capacity development that enhancing the capacities particularly of smaller, community-oriented CSOs to be effective development;
- Donor legitimate requirements for accountability to domestic parliaments will have flexibility and encouragement for increased accountability to CSO beneficiary constituencies;
- Donors will encourage CSO processes that focus on lessons for strengthening impacts for beneficiary populations and less on accountability to donor-prescribed expected results;

xv. Multi-donor supported CSO trust funds Donors will support multi-donor trust funds in developing countries, under the management of CSO platforms or joint initiatives, where local CSOs initiate and demonstrate democratic ownership and management of these funds. Such initiatives, supported by donors, can have the important benefit of nurturing CSO autonomy and innovation by sharing risk, and building local capacity by providing opportunities for CSOs of varying capabilities, experiences and expertise to work together and learn from each other.

xvi. Appropriate forms of accountability and reporting on funding agreements Donors shall consider a range of dynamic forms of reporting and a variety of accountability formats, beyond a reliance on results-based management (RBM) methodologies and logical framework analysis (LFA). These will allow CSOs, and donors themselves, to more effectively report the conditions, challenges and successes of CSO specific and collective development efforts, individually and in aggregate.

- Reporting and accountability to donors will take account the long-term and often unpredictable nature of the development processes.
- Donors will accommodate and reinforce opportunities for program adjustment and learning.
- Donors will allocate funds within project and program budgets adequate to support evaluation and monitoring activities undertaken jointly or under CSO direction.

- Aggregate reporting of the outcomes of donor programs in support of CSOs will involve inclusive processes of consultation with affected CSOs.

e) Transparency and Good Governance

xvii. Practicing principles of good governance Donors shall put into practice principles of good governance in their relationships with partner CSOs, including transparency and clarity about policies and practices, timely sharing of information, inclusion and accountability in policy discussions and the need to listen to a wide range of stakeholder views.

xviii. Access to information by local CSO Donors shall adhere to the principles and implementation plans agreed in the International Aid Transparency Initiative (IATI) and thereby make accessible to CSOs and the public in developing countries information on donor projects and programs, implementation plans and monitoring reports, taking into account the importance of information in local languages.

f) Policy Dialogue and Public Engagement

xix. Support for inclusive policy dialogue Donors will reinforce and support inclusive political and policy dialogues between CSOs and relevant public policy officials in government and multilateral institutions, including the capacity to conduct advocacy work to influence policy, and to participate in policy making and debates.

xx. Support for CSO platforms Provide financing for organizational and research activities of representative coalitions, networks and platforms of CSOs to better engage governments and donors with coherent CSO policy voices.

xxi. Policy dialogue and participation in developing countries Donors will encourage inclusive country-level policy dialogue among development stakeholders, including local and national government officials, which respect the unique contribution of CSOs as development actors.

- Donors will work with CSOs to encourage a legal and regulatory environment in developing countries consistent with their support for democratic ownership and international human rights standards.

xxii. Support for public engagement activities Donors acknowledge that public engagement is indispensable to CSO development effectiveness. Donors and CSOs will define and promote public to include any and all of: education and awareness-building; research action on critical global issues; activity to generate resources for development activities of CSOs and their international counterparts; mobilising for development action; and advocacy on policy issues and human rights.

- Donors shall earmark resources for public engagement, with flexible guidelines that encourage rather than discourage CSO public engagement activity as proportion of overall program.