



## ANNEX 6: Review of a Curated Set of CSO Funding Mechanisms Used by Donors

This annex presents a prima facie review of 12 CSO funding mechanisms used by the World Bank–hosted trust funds, the European Union, the UK Foreign Commonwealth and Development Office (FCDO), and the US State Department. The review is intended to generate ideas for setting up a CSO funding facility for third-party monitoring and associated capacity building in the IDA. The results of the review are summarized below.

### A. CSO Funding Facility/Mechanism in Trust Funds Hosted by the World Bank

**Global Partnership for Social Accountability (GPSA)**. **Type:** A World Bank multi-donor trust fund (MDTF). **Objective:** Established in 2012 to fund CSOs to close the accountability gap (the gap between what the citizens want and what the governments actually do) by using a constructive engagement approach. **Eligibility:** CSOs in 55 countries (30 IDA recipients) who are members (opted-in). Direct grants (\$0.5–1.0M) to CSOs through calls for proposals (CPF). **Funding scale:** During its nine-year life, GPSA has made grants totaling about \$50M, of which \$27.5M came from the World Bank. In the past five years (FY17–21), GPSA mobilized about \$5M in funding per year, of which about \$1.5M was from the Bank. **Governance:** Multistakeholder steering committee supported by a secretariat staffed and hosted by the World Bank. **Comments:** GPSA has fallen short of expectations. It is planning, in 2022, to review results, lessons, and future directions. The MDTF expires in 2024 and is not expected to renew.

**Open Government Partnership (OGP)**. **Type:** MDTF. **Objective:** Cocreation of country action plans for OGP commitments and cross-country learning. **Eligibility:** Direct grants to CSOs in OGP members through calls for proposals (CPF). CSOs have to be endorsed by the national CSO-government steering committee. **Funding scale:** \$12M for five years (2018–2023). Grant maximum= \$450K. Eight CSOs received \$200L each. **Governance:** Steering committee (OGP and the Bank) supported by Bank staff. **Comments:** High and complicated transaction costs according to CSOs and OGP. Lessons learned need to be taken into account in TPM facility design.

**Global Environment Fund (GEF) Small Grant Program (SGP).** **Type:** A window in a large multipurpose financial intermediary fund (FIF). **Objective:** Enhance civil society engagement with GEF. **Eligibility:** Directly grants to community-based organizations (CBOs) and NGOs for CSOs to execute community-led projects and capacity-building grants (not exceeding 10% of country program grant allocation) at the country level. Funding is provided on a rolling ongoing basis. **Funding scale:** \$580 million in grants over 20 years for 20,500 small projects in 135 countries. Grant range \$25,000–\$50,000 with a \$150,000 cap. **Governance:** Implemented and hosted by the UNDP (small team in HQ to provide global oversight) and a national coordinator (NC) and a national steering committee (NSC) in each participating country. Country programs are hosted primarily by UNDP country offices but also by national host institutions (NHI). The NSC is volunteer based, comprising a majority of civil society organizations, as well as representatives of the government, UNDP, the academia, indigenous peoples’ organizations, the private sector, and the media. The NSC helps develop the country program strategy (CPS) and is responsible for the final approval of grants and undertaking M&E. The NC also serves as secretary to the NSC and acts as a liaison with the local government, UNDP, and all other key stakeholders at the local level. **Comments:** This model is worthy of serious consideration during the design of the TPM funding facility. Need to understand who and how of window funding for ideas to structure the relationship between the IDA and TPM facility.

**Global Partnership for Education Fund (GPEF) Education Out Loud (EOL).** **Type:** A window in a large multipurpose FIF. **Objective:** The grants aim to strengthen national civil society roles in promoting the transparency and accountability of the national education sector policy and implementation of funds. **Eligibility:** Direct grants to CSOs through three operational windows and a learning agenda: strengthen national education coalitions’ engagement in policy dialogue; increase national social accountability and transparency; and mobilize transnational advocacy alliances’ aim to ensure meaningful inclusion of CSO representatives in local education groups by bringing the voice of marginalized and excluded groups into policy dialogue. The program is dedicating 15% of its total allocation to helping CSOs enhance their institutional and advocacy effectiveness through collaborative learning in financing sustainability, adaptive management, and monitoring and evaluation. **Funding scale:** Established in 2020, the program has mobilized 70 grants in 60 countries through more than 100 organizations and coalitions. EOL grants range from \$100,000 to \$300,000 for nascent groups targeting the poor and marginalized to \$400,000–\$1.2M for the middle-range CSOs. It builds on a decade (2009 to 2019) of experience with the Civil Society Education Fund (CSEF), managed by the Global Campaign for Education (GCE), UNESCO, and the World Bank. The CSEF gave grants to coalitions in 62 countries, representing a total investment of US\$75.4M. **Governance:** Oxfam IBIS (Danish member of the Oxfam confederation) coordinates the overall EOL program through a secretariat based in Copenhagen, Denmark, with four regional management units (Ghana, Mexico, Kampala, Nepal) working closely with the grant recipients and supporting them throughout the program. The Knowledge and Innovation Program (KIP) Grant window is managed by



the International Development Research Center (IDRC). **Comments:** This model is worthy of serious consideration during the design of the TMP funding facility. Need to understand who and how of window funding for ideas to structure the relationship between the IDA and TPM facility. The cost-effectiveness of this regional model versus the centralized model of GPSA/OGP and the decentralized model of GEF-SGP also merits analysis.

**Climate Investment Fund (CIF) Dedicated Grant Mechanism for Indigenous Peoples and Local Communities (DMG).**

**Type:** Window in a large multipurpose FIF. **Objective:** Enhance the capacity and support specific initiatives of Indigenous Peoples and Local Communities in the CIF's Forest Investment Program (FIP) to pilot countries toward strengthening their participation in FIP and other REDD (reduction of emissions from deforestation) processes. **Eligibility:** The DMG channel grants directly to the national committee established by indigenous people, with technical support from a supervising entity (national and international level NGO) in each country program. The National Committee of Indigenous People provides subgrants for subprojects initiated by community-based organizations and individual community members. **Funding Scale:** According to the [2021 DGM Annual Report](#), 12 country programs were approved for a total of \$70M (grants range= \$4.5–\$6.5M). Eight of these country programs subgranted \$17M for 628 subprojects. **Governance:** The WB TF PMU implements the program. A global steering committee, composed of members of national steering committees, governs the program. In 2013, following a competitive process, the DMG selected Conservation International as the Global Executing Agency and DMG secretariat. **Comments:** This model is noteworthy for local and bottom-up ownership, funding of country programs, and global learning.

**State and Peacebuilding Trust Fund (SPF).** **Type:** MDTF. **Objective:** Help countries address the drivers and impacts of fragility, conflict, and violence and strengthen the resilience of countries and affected populations, communities, and institutions. **Eligibility:** CSOs can be direct recipients and/or executing agencies for grants, but there is no specific window for CSOs. **Funding Scale:** CSOs and academic institutions were recipients of 26 grants with a total budget of \$62.9M, according to the 2020 Annual Report, constituting 10% of all active SPF grants. **Governance:** The SPF Council is supported by a secretariat staffed and hosted by the World Bank. A technical advisory committee approves proposals. The steering committee in each country decides whether to use these allocated grants and prioritizes the focus of these grants. The new SPF 2.0 (mid-2021) is expected to support the implementation of the WBG FCS Strategy. It is expected to “act as a catalyst and enabler to expand financing under IDA and plans to invest more in developing and disseminating FCS knowledge and continue supporting partnerships, in particular with the United Nations and other multilateral organizations.” **Comments:** The SPF is a potential candidate for funding TPM in FCS countries.

**Japan Social Development Fund (JSDF), SDF Capacity-Building Grants.** **Type:** Trust fund hosted by the World Bank. **Objective:** The objective of the JSDF is to provide grants in support of community-driven development and poverty reduction projects that empower



the poorest and most vulnerable groups not reached by other programs and improve their lives through direct benefits. **Eligibility:** Recipient-executed grants are made to eligible countries based on income level classification. They can be executed by NGOs/CSOs and local governments and implemented at the community level. However, JSDF applications, including concept notes, are not accepted from outside parties. NGOs, CSOs, and community-based organizations (CBO) must apply through Bank staff to see how their project ideas can be supported and submitted to JSDF on their behalf. **Funding scale:** In FY19–20, 49% of the grants were implemented by NGOs, 46% by central government agencies, and 5% by other entities (municipality, joint central government/NGO, state government). Between 2010 and 2012, CSOs implemented 34 of 61 approved grants (55%), with a total financing of \$82.6M. **Governance:** The JSDF secretariat is hosted by the Bank. Decisions are made jointly by the Government of Japan and the World Bank. **Comments:** High transaction costs and government and Bank micromanagement. Difficult to access.

**Governance and Institutions Umbrella Program, Institutions of Accountability Component (module 3).** **Type:** MDTF at the World Bank (proposed to start in FY22). **Objective:** Module 3 supports institutions outside the executive branch of government, including the legal and legislative branches and nonstate actors, that focus on accountability and better governance outcomes. It operates through three components: Component 1: Justice and rule of law, Component 2: Legislative bodies, and Component 3: Multistakeholder engagement. **Eligibility:** Component 3 will support CSOs and other nonstate actors that are involved in oversight and achieving better governance outcomes. **Funding scale:** The MDTF target is \$100M and seven years duration. **Governance:** A partnership council comprising (a) representatives from the Bank, including as chair; (b) a representative of each donor; and (c) a representative of each donor contributing to associated trust funds. The MDTF will be housed in the Governance Global Practice and managed by a program manager who leads a program management team (PMT) comprising two staff.

## B. Examples of Subgranting Facilities by the EU, UK FCDO, US State Dept, and JSDF

**Partners in Empowerment.** **Type:** EU grant to the PTF with subgranting component. **Objective:** Strengthen and interconnect CSOs and CSO leaders in five Eastern Partner countries, empowering CSOs to work together and draw on peer and international expertise to hold governments accountable by becoming effective watchdogs engaged in policymaking processes and in leveraging expertise to monitor public service delivery and government decisions. **Eligibility:** The PTF was selected as the fund manager competitively. Thirteen subgrants to CSOs to promote learning by supporting concrete watchdog activities. **Funding scale:** €1M. **Governance:** Grants decided by the PTF. **Comments:** Subgrants managed by PTF HQ.

**Citizens Against Corruption Program.** **Type:** UK FCDO grant to the PTF for subgranting. **Objective:** To provide small grants and technical support to CSOs fighting corruption

and promoting good governance in public services and institutions. **Eligibility:** CSOs responding to CFP in 20 countries. **Funding scale:** €2.8M—74 projects by 52 CSOs in 20 countries funded. **Governance:** PTF-appointed country managers in large country program countries who managed subgranting in the country. PTF management made the final decisions on subgrants. **Comments:** Used a combination of country-based program management and direct grants by PTF global HQ.

**Promoting Equitable, Accountable Civic Engagement (PEACE) in Myanmar. Type:** EU grant to Helvetas, PTF, and the Local Resource Center (LRC) with a subgranting component. **Objective:** Contribute to local CSOs' participation and influence in the planning, implementation, and review of civil engagement and development projects and associated service delivery, provide training, and advocacy. **Eligibility:** Grassroots CSOs responding to CFP managed by the LRC. CSOs selected are required to complete the three-module training program. **Funding scale:** €1.5M. Subgranting allowed—187 subgrants to 139 CSOs. **Governance:** Program managed by the LRC with PTF technical assistance. **Comments:** Notable for simplified grant-making procedures suited for small grants (€5,000–15,000) to grassroots CSOs and for the approach of combining a capacity development program for CSOs with a small grant program.

**Citizen Action for Results, Transparency, and Accountability (CARTA) Program. Type:** World Bank-JSDF grant to the PTF with subgranting component. **Objective:** To provide donors and development agencies with more specific and real-time information on the impact of their projects through third-party monitoring. **Eligibility:** Local CSOs in Bangladesh and Nepal selected by in-country program managers. **Funding scale:** \$2M with 10 subgrants. **Governance:** PTF HQ made the final decisions on subgrants. **Comments:** Good model for selecting and managing country program managers.

**Increasing the Integrity of Public Procurement in Malawi. Type:** US State Department grant to the PTF with subgranting component. **Objective:** To support procurement reforms in Malawi that will increase transparency and fairness of public procurement by empowering citizens to hold relevant institutions accountable. This will be accomplished through training civil society organizations to serve as watchdogs by monitoring public procurements through the e-platform and other means. **Eligibility:** Fifteen CSOs (including journalists) trained by the PTF and its local country partners. Six trained CSOs will receive subgrants for learning by doing. **Funding Scale:** \$1M grant. Subgranting to six CSOs. **Governance:** Managed by the PTF with its local in-country partners. **Comments:** Good model of building capacity and operational skills by a combination of training and learning by doing.

**South Asia Governance Fund. Type:** Notice of Funding Opportunity by the United States Department of State's Bureau of South and Central Asian Affairs, 2019. **Objective:** Fund manager to oversee a new regional fund dedicated to promoting good governance in South Asia and to rapidly respond to emerging opportunities and needs as they evolve on the ground. The fund will also support the ability of local governments and civil society to

contribute to improved governance and effectively respond to emerging opportunities through the provision of capacity building, mentoring, and program support as needed.

**Eligibility:** An organization to serve as a fund manager capable of identifying projects and subawardees, disbursing, managing, and monitoring funds. **Funding scale:** Up to \$14M over three years. All proceeds go to subgrants after paying for fund manager expenses.

**Governance:** The fund manager will decide on subgrants and propose country-level arrangements. Grants are to be made in consultation with local embassies. **Comments:**

The PTF made a proposal with another partner but was not selected.

