BCSDN Strategic Outlook

2017-2020

Skopje, Macedonia
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1. CONTEXT

Political, economic and social context: The political situation in the Balkans has been considerably deteriorating in the past several years. Under the disguise of further democratization, the political elites have immensely abused their power leading to atrophy of the political systems and stark political crises. In line with their populist discourse and nationalist rhetoric, they have embarked on authoritarian policies and captured their respective states, most notably transgressions over the judiciary and complete partisanship and therein malfunctioning of the democratic institutions. Heavy corruption, weak rule of law and high unemployment rates remain to be a huge challenge in the Balkans. Integration in the Euro-Atlantic alliances continued to be a strategic commitment in all the countries, amid the different paces with which each country moves towards achieving it. While Montenegro and Serbia ape already in the negotiations process for accession to the EU, Bosnia and Herzegovina's application has only been accepted in 2016, and Macedonia has received conditional recommendations for two consecutive years.

Similarly to the political state of play, the economic situation has also been facing deadlocks. Seemingly improved with higher investments and jobs created, it has remained poor. Of special concern are the high levels of unemployment, especially among the youth. The lack of attractive jobs and poor living standards, have pushed many people to migrate to the countries in Western Europe. The public debt, too, has been worsening with countries facing growing fiscal risks in the rapidly rising public debts, undermining potential growth prospects.

The prolonged political crises have deteriorated the situation with media freedom and fortified media polarization in all the countries. Pro-governmental media houses have become increasingly torn between the political party and the public interest, acting as an extended arm of their governments, reporting in sensational and selective manner, spinning news and promoting governmental positions, with political powers being the actual media editors-in-chief.

Civil society in the Balkan countries has noted a dynamic development and has played pivotal role in the recent years in promoting and advocating for democratization in the respective countries. Immediate triggers of discontent, yet with far deeper roots, have led to a significant rise in civic engagement, civil disobedience and unrest of thousands of citizens demand for justice. Civil society has become one of the key criteria for EU accession, with the European Commission putting an increased attention to the enabling environment for civil society development in the Enlargement countries through more systematic and unified monitoring methodologies – the Guidelines of the EU for Support to Civil Society in Enlargement Countries, 2014-2020.

Enabling environment: CSOs in the Western Balkans and Turkey have been operating in a relatively enabling and stable environment. Nonetheless, the political calamities coupled with the rise of citizens' unrest and humanitarian crises, not only have left little room for improvements of the environment for civil society development, but have in recent years also led to narrowing the space for civil society development, especially in the area of basic legal guarantees of freedoms.

With regards to *basic legal guarantees of freedoms*, worrisome are the steps made in several countries in adopting new or amending the existing basic CSO framework laws in the direction of backsliding and restricting civic space for CSOs and citizens. On top of the incomplete implementation in practice, major violations especially of freedom of assembly and of expression have become of particular concern. More so, another worrisome trend that is genuinely present, yet has not been tackled by taking a strategic and joint approach, is the rise of 'uncivil' society organizations – GONG-os and informal initiatives – promoting non-democratic values. Only in Serbia a study has mapped 109 registered and non-registered non-democratic CSOs. Finally, lack of official and conclusive data on the civil society sector still limits the

comprehensive analysis and of the civil society in the region as well as its development and measurement of its contribution to society.

CSOs' financial viability and sustainability is continuously the main challenge to CSOs in the region. Tax incentives are in place in all the countries except for Albania, but tax treatment is still unfavorable and does not stimulate the engagement in philanthropy. Public funding continues to be limited, distributed through non-transparent procedures and not spent in an accountable manner. A positive trend was identified in Kosovo whereby a model of public funding for CSOs, designed jointly with civil society, has been adopted. Funding is insufficient and mostly provided by international donors. With regards to volunteering, there are volunteering laws in some countries however they introduce obstacles to those who want to follow the legal regulation, which usually leads to volunteering often happening outside contractual relations and remaining unregistered.

In the area of *Government-CSO relationship*, all countries in the region, with the exception of Turkey, have national level policy documents and mechanisms for cooperation. Nevertheless, State-CSO relationships remain underdeveloped and not meaningful enough. This is particularly due to the insufficient implementation of the mechanisms and cooperation documents and lack of political will to cooperate and respect the established measures. Legislation in all countries, with the exception of Kosovo and Turkey, obliges authorities to make all draft and adopted laws and policies public, and to provide public information upon request. Still, consultations on the draft laws and policies are oftentimes neglected or conducted ad-hoc and pro-forma. Service provision remains generally unchanged, with CSOs being rarely and insufficiently involved in provision of other than social services.

Internal CSO capacities: Generally, CSOs in the region have well developed internal capacities; nevertheless, this is unevenly distributed among CSOs and largely concentrated in the leading CSOs. With regards to technical advancements, CSOs have basic equipment or use private hardware owned by their members. Employees are generally hired on a project basis and are not afforded pension or health insurance benefits. Very few CSOs are able to pay attention to personnel development and ongoing staff training. CSOs typically outsource accounting, IT, and other professional services. While strategic planning remains to be an issue, of greater concern is the fact that CSOs are even less focused on strategic plans' implementation, and they pay least attention to evaluation of strategies. Due to CSOs' dependence on limited short-term project financing and lack of human resources, it is very difficult for CSOs to devote energy and resources to establish systems for short-term and long-term planning, monitoring and evaluation. Also, it is uncommon for CSOs to have a clear division of roles between boards of directors and executive staff. Though there are some exceptions, boards are typically a formality and composed of persons who undertake executive functions in the organization. Finally, CSOs have yet to establish more direct links with their constituencies.

Civil society development: The ratio of *registered CSOs per 10,000 inhabitants* is annually increasing in almost all countries of the region. While Montenegro saw an increase of 11 new CSOs per 10,000 inhabitants registered in 2015, Turkey has stagnated and did not report any increase of CSOs per 10,000 inhabitants compared to 2014. CSOs work mainly in the areas of education, civic participation, gender equality, culture, youth, provision of social services and health. In addition, many CSOs are engaged in the field of democracy and are involved in many awareness raising and advocacy activities to improve the legal and regulatory framework affecting CSOs. CSOs in the region are typically located in the bigger cities and capitals rather than in rural and remote areas. Compared to urban areas and bigger cities, CSOs operating in rural and remote areas have project-based staff. Due to the lack of official data and statistics it remains difficult to determine how many volunteers are engaged in both urban and rural types of CSOs. A similar problem with the lack of *conclusive data* occurs when studying employment in CSOs. The only information available relates to the people on a payroll that are obligated to submit an

annual tax return to the fiscal authorities. However, the number of other persons engaged with CSOs, for instance consultants and project based staff, is not possible to determine.

Donors: Funding for CSOs predominantly comes from international sources, including the multilateral and bilateral donors such as the EU and USAID. Funding is mainly provided for projects, including regional initiatives, but there are also funds supporting institutional development. Government and local donors still do not represent a significant source of sustainability, considering that funding from the central government is still not reformed (especially the lottery funds), and laws and policies that are supposed to provide incentives for local donations (individual and corporate giving) are not implemented properly or they are burdensome and this influences donating practices and it slows down the culture of giving.

2. STRATEGIC FRAMEWORK

Overall objective/ Vision	**Peaceful, democratic and prosperous societies in the Balkan region.**
Specific objective/ Mission	To empower civil society and influence policies towards more enabling environment for civil society development in order to ensure sustainable and functioning democracies in the Balkans.
Results/ Strategic Objectives	To facilitate a common understanding of the enabling environment for civil society development among key actors and recognition of a common framework and tools (e.g. the Monitoring Matrix);
	To promote and recognize civil society as a competent, democratic actor (partner/player) in the EU accession process;
	To support the development of models and sources for CS access to and effective use of (financial) resources;
	To strengthen CSO capacities and their role in functioning democracies;
	To increase the communication and collaboration within the network and its recognition among core stakeholders.

3. ACTION PLAN

1.	**To facilitate a common understanding of the enabling environment for civil society development among key actors and recognition of a common framework and tools (MM)**

RATIONALE: For civil society to operate in an enabling environment, a common understanding of the enabling environment for civil society development among key actors – CSOs and institutions, needs to be established, and thereafter integrated in the key national instruments in the respective countries. More so, key enabling environment measures that are identified, as regional minimum standards for consultations, public funding reforms, measures vis-à-vis basic rights backsliding, economic value of CSOs, need to be implemented. The strategic approach is to utilize the Monitoring Matrix on Enabling Environment for Civil Society Development as the framework onto which a consensus shall be established and which has the tools for identifying key measures that need institutional consolidation.

RESULT	**MEASURES**	**CONCRETE ACTIVITES (EO & members)**
1. 1. Consensus by CSOs and institutions on the enabling environment for CSDev reached and integrated in key national CSDev instruments (i.e. Strategies, other policies) in member countries	1.1. Continued annual (bi-annual) (regular) *monitoring* incl. exchange, capacity building and standardization of methodology ; (first priority) 1.1.2. Involvement of Government reps in the monitoring process via introduction of support measures and availability of reliable data. (second priority)	**EE monitoring (2017-2020)** - Annual monitoring of enabling environment - Country reports and regional report - Annual capacity building of the monitoring team - Visualization EE – introduction of regular updates 2017 - Finalization and agreement of joint mythology (review in 2020) **EE Self-assessment tool (2017-2018)** - Consultation on the final draft 2017, piloting and promotion 2017-2018 - Support to regional Gov 2 Gov mechanism and platform (continues)
1.2. Implementation of identified key EE measures till 2020	1.2.1. *Advocacy* on key issues from annual monitoring identified and implemented; (first priority together with 1.1.1.) 1.2.2. Mainstreaming MM issues (i.e. incl. or linking to thematic issues-employment policy, statistics, fundamental rights, judiciary reform etc.). (third priority)	**Economic Value of CSOs (2017-2020)** - Further in-depth research and advocacy (starting 2017) - Capacity building for public institutions and member organizations (2018) **(Potential advocacy actions):** - Annual thematic policy briefs (members & regional) - Issuing statements on EE issues (2017-2020) - Mainstreaming (2018-2020) - Minimum standards of consultation development and promotion (2017) **RESOURCES** Potential donors: EU, SIDA, USAID, CIVICUS (via Civic Space Monitor) Joint fundraising between members and EO, incl. bilateral, multi-lateral project Country level activities by members, regional and coordination by EO

2. To promote and recognize civil society as a competent, democratic partner in the EU accession process

RATIONALE With the 2012 Communication, "The roots of democracy and sustainable development: Europe's engagement with Civil Society in external relations", the EU give value to a dynamic, pluralistic and competent civil society and recognized the importance of constructive relations between states and CSOs. An emphasis of the EU policy was also put on CSOs' engagement to build stronger democratic processes. The EU has put forward priorities for EU support in order to promote a meaningful and structured participation of CSOs in domestic policies of partner countries, in the EU programming cycle and in international processes. BCSDN will continue the monitoring of the EU support in this context, providing best practices of CSO's involvement in the enlargement and promote the role of CSOs in implementing, supporting and monitoring EU accession reforms. BCSDN will also look to reflect on global processes by promoting partnership with civil society, in order to deliver greater impact and better outcomes in global governance.

RESULT	MEASURES	CONCRETE ACTIVITES (EO & members)
2. 1.Civil society is actively involved in EU integration processes and continues to be regarded as a partner by the European Commission for achieving accession related reforms	2.1.1. *Information-sharing* on EU related issues regarding civil society dialogue and CSDev; 2.1.2. *Advocacy* vis-à-vis EC, EP and EU MS and cooperation with EU networks and relevant regional stakeholders	- **Information-sharing** on EU related news regarding civil society dialogue and CSDev; (2017-2020) - Occasional **thematic periodic newsletters** - **Advocacy actions** vis-à-vis EC, EP, EESC and EU MS and cooperation incl. with EU networks and relevant regional stakeholders. (2017-2020)
2.2. Civil society empowered and able to bring forth its own EU/democratization priorities in regional and European level policy agendas	2.2.1. *Information-sharing* to CSOs and recommendations for active involvement on relevant international developments; 2.2.2. Promoted *mechanisms for involvement* of civil society in current political processes (e.g. Berlin process, WB Fund, RCC, OGP etc.)	- **Information-sharing and recommendations** for active involvement of local CSOs in relevant international developments (2017-2020); - Occasional **advocacy briefs, thematic newsletters** - **Exchange of information and advocacy collaboration** with other regional networks and actors (e.g. SIGN, EFC); - **Monitoring developments and information-sharing** with relevant global networks and initiatives (e.g. CIVICUS, Civil Society Europe, CPDE, CONCORD, OGP); - **Participation** in relevant actions in other regions (e.g. Black Sea, ENPI etc.); - Facilitate (via info-sharing, CB) WBT CSOs' involvement in development cooperation policies in terms of EU enlargement and global issues.
2.3. Increased exchange of expertise and know-how with other regions	2.3.1. Collaboration with other *regional networks* and *actors*; 2.3.2. Involvement in relevant *global networks* and *initiatives*; 2.3.3. Participation in relevant actions in *other regions*; 2.3.4. Facilitate WBT CSOs' involvement in *development cooperation policies* in terms of EU Enlargement and global issues	**RESOURCES** ADA, BTD, core funding needed for 2.2 and 2.3. BCSDN EO staff and occasional input from members

3. To support the development of models and sources for CS access and effective use of (financial) resources

RATIONALE Financial sustainability is the one of the top priority for organizations dealing often with budget cuts and the shifting priorities of the donor community. Competition for resources and visibility is seen as a key barrier to CSO effectiveness. While availability of funds is continues struggle for civil society the CSOs on the other hand are demonstrating their value as facilitators, conveners and innovators as well as service providers and advocates. BCSDN sees civil society's effective role in tackling societal challenges as essential and therefore will focus its research and advocacy on presenting successful and innovative funding models in the region and beyond that enable CSO's work. It will also monitor the donor's presence in the region and their funding in order to promote a support that is accountable, coordinated, effective and based on experience.

RESULT	MEASURES	CONCRETE ACTIVITES (EO & members)
3.1. Proposed models for improved donor policies and strategies	3.1.1. *Practical strategies* to engage key donors (donor conference, direct meetings) on how to incl. local CSOs in donor strategizing process and inputting; 3.1.2. Continuous *sharing of good practices* and promote good experiences from other countries and regions	- Additional **research** on donors, incl. **monitoring** donor strategies developments and further in-depth research (2017); - Input to EU Guidelines mid-term review (2017); - Organization of donor conference (2020); - Continues direct meetings (2017-2020).
3.2. Proposed improvements in funding policies and procedures (domestic, business, philanthropy and other alternative models)	3.2.1. Promotion of *best practices* and *exchange of experience* for improving (public) funding for CSOs (modalities, transparency); 3.2.2. *Monitoring* and promoting *good practices* in EU funding (EU co-financing; CSF programming)	- **Monitoring, info-sharing, exchange of experience and research** (2017-2020) - Occasional **thematic newsletter** or **policy brief**
3.3. Contribution to increased (donor) aid effectiveness	3.3.1. *Involvement* and *contribution* to global aid effectiveness processes; 3.3.2. Promote accountability and transparency in funding from international to local level	- Input to annual monitoring for the DG NEAR (IPA) under International Aid Transparency Initiative (2017-2020); - Following developments in OECD-DAC and information-sharing (occasional). **RESOURCES** Core funding, FOND, BTD, OTF researcher, H2020 (cooperation with academia) BCSDN EO and occasional input from members; external researcher(s)

4. To strengthen CSO capacities and their place in functioning democracies

RATIONALE In times of changing role of civil society and active pressure and shrinking civic space, civil society actors need to ensure they retain their core missions, integrity, purposefulness and high levels of trust. Independent organizations are needed to act as watchdogs, ethical guardians and advocates of the marginalized or under-represented. Civil society in all its forms has an important role in holding all stakeholders, including itself, to the highest levels of accountability. BCSDN will work in strengthening its own internal capacities and practices and sharing those accountability standards with wider civil society.

RESULT	MEASURES	CONCRETE ACTIVITES (EO & members)
4.1. Strengthened civil society organizations' effectiveness by developing joint strong accountability practice	4.1.1. *Stock taking* of existing e.g. training modules, codes of conducts, internal development acts, expert database; 4.1.2. *Promote existing resources* and *tools*, *know-how* among members and others on CSO capacities; 4.1.3. Further *development* of internal accountability measures	- Finalization of internal Code of Conduct, its adoption (2017) and implementation of feedback mechanism (2018-2020); - Consultation and promotion of Global Standard for CSO Accountability (2017-2018); - Exchange of experience via webinars, info-sharing (occasional) **RESOURCES:** SIDA BCSDN EO and occasional input from members

5. To increase the communication and collaboration within the network and its recognition among core stakeholders

RATIONALE: In order to ensure effective and sustainable functioning of the network, BCSDN will keep on strengthening the network's 3 Cs: communication, coordination and cooperation, but also increase opportunities for collaboration. A communications strategy, as well as protocols regarding issuing public statements, fundraising etc., will be developed for strengthening the internal collaboration and the network's effectiveness and efficiency. BCSDN Executive Office is the organ in charge to initiate and coordinate joint projects and actions, maintain communication with all relevant stakeholders, promote the work of the network and strengthen its brand visibility on national and regional level. The EO will continue to will timely share relevant information to its members and other civil society actors through its regular communication tools (E-mail alerts, newsletters, social media, websites). In terms of outreach to the wider public, the focus is on communicating the enabling environment standards through innovative communication tools and methods with tailored-content, translated into the local languages for stronger effects of the network's advocacy efforts.

RESULT	MEASURES	CONCRETE ACTIVITES (EO & members)
5.1 Increased outreach of network activities to civil society actors and wider public	5.1.1. Develop and enhance a ***communications strategy;*** 5.1.2. ***Communicate enabling environment standards*** to CSOs and wider public	- Communication Strategy - Produce and promote infographs targeted to wider audiences (in English and in local languages) - IT solutions - Regular communication tools (2017-2020)
5.2 Empower and enhance internal collaboration	5.2.1. Enforce protocols on issuing ***public statements and on fundraising;*** 5.2.3. Develop a strategy/protocol for ***internal communication;*** 5.2.4. Share responsibilities through ***committees/working groups;*** 5.2.5 Joint ***fundraising initiatives***.	**RESOURCES** Incl. in all projects **BCSDN EO** Additional funding needed for expert for the communication strategy

HORIZONTAL: Organizational development

RATIONALE: The development and expanding of the BCSDN Network has imposed the need to define responsibilities and to create a control and a feedback mechanism or a feedback protocol for the EO and the network itself. The recent events in the region has shown us that we need to develop and show a clear and undeniable anticorruption and money laundering policy. We believe that we as a network have the opportunity to make a continuous and a multi-annual investment in the development of the HR potential within the network, simultaneously creating a clear and rewarding environment for the employees.

RESULT	MEASURES	CONCRETE ACTIVITES (EO & members)
6.1 Strengthened and sustainable network	6.1.1. Enforce and create protocols for *smooth and sustainable functioning* of the network 6.1.2. Create a *rewarding working environment* for the employees 6.1.3. Invest in *evaluation of success, human resource development* and internal sustainability	- Enforcement and implementation of smooth multi-annual financial management (incl. software upgrade) - Rulebook of division of responsibilities (control mechanism and feedback) - Project management software - Identifying and undertaking fundraising opportunities - Internal evaluation of the network - Implementation of hierarchy and salary incentives, capacity building of staff - Development of anticorruption and risk policy

RESOURCES
Core funding, reserve use.