3 Action points for DAC members and the OECD DAC towards enabling civil society

This chapter presents action points for members and for the OECD DAC to more effectively support and engage with civil society and civil society organisations (CSOs) and, by extension, the enabling environment for civil society. The action points are based on this study's findings from the literature, OECD statistics, survey data and inputs from consultations. They are offered to enrich and inspire further discussion among DAC members and CSOs, with a view towards developing new guidance or a recommendation to improve how members work with the civil society sector.

Members of the DAC have committed to Agenda 2030. It is clear that achieving this ambitious agenda requires all actors to engage fully and contribute their significant resources. Civil society organisations (CSOs) are valued development partners for members and are also important development actors in their own right. Virtually all members support them and engage with them and on average, 15% of members' bilateral official development assistance (ODA) flows for CSOs. Further, CSOs are a significant source of private contributions to development co-operation.

CSOs also are active players in social, economic and democratic development. They are providers of services and agents of change, drawing attention to issues that might not otherwise be addressed, channelling the voices of poor and otherwise marginalised people, and pushing for accountability from all development actors. Effective CSO support is an opportunity to facilitate CSOs' role in making sure that no one is left behind in progressing towards the Sustainable Development Goals (SDGs). This means that, crucially, members must focus on flows for CSOs and civil society.

The extensive qualitative and quantitative data gathered for this study show that members have been making changes, and continue to make changes, to their policies and objectives for working with CSOs and civil society, their financial support for CSOs, their investments in dialogue and consultation with CSOs, the administrative requirements of their CSO support, and their approaches to monitoring and learning from the CSO initiatives they support. More can be done. The literature, OECD statistics, survey data and consultation inputs collected for this study indicate ways forward to further strengthen the effectiveness of members' support for and engagement with CSOs and civil society. The concluding action points of this chapter are offered for further discussion – with DAC members and CSOs in particular, but also with the wider stakeholder community such as other providers of development co-operation, foundations and academia – and ultimately to be developed into some form of a guidance or a recommendation that builds on this study.

3.1. Action points for DAC members

3.1.1. Greater commonality is needed in member definitions of civil society and CSOs for shared understanding and to reflect civil society diversity

In focus – Action point for members

- Clarify definitions of civil society and CSOs towards a common understanding and more inclusive coverage.

The way members understand and refer to civil society and CSOs varies. For some, CSOs are understood as formal organisations within a broader civil society sector inclusive of, for example, social movements and other non-formal forms of peoples' associations. Some member definitions of or references to CSOs reflect the reality of diversity in the civil society sector and include trade unions, research and academic institutions, diaspora and migrant organisations, women's organisations, and social enterprises, among others. In other cases, members' references are to one CSO type – non-governmental organisations (NGOs) – or to non-governmental development organisations.

The diversity of the civil society sector is a challenge to establishing common definitions across members. Yet greater commonality offers clear benefits. It would foster greater coherence among members in taking up the action points from this study. It also would help CSOs, and civil society at large, to better understand which of them are the focus of particular member policies and support. Clarity in definitions of civil society and CSOs would make it easier for members to understand each other's point of reference.

The OECD and DAC definitions of CSOs (and NGOs) provide a good starting point to reach greater commonality of definitions among members. It is important, moreover, to have a broad definition of civil society and CSOs to realistically reflect the broad range of formal and informal actors that comprise the civil society sector and that fill many and varied roles in development. A broad definition is an important foundation on which members can build policies, financial support and engagement mechanisms that are inclusive and representative of the diverse civil society sector.

3.1.2. Policies for working with civil society and CSOs are needed to ensure clarity and transparency of objectives

In focus – Action points for members

- Have a civil society or CSO-specific policy document of some form (e.g. legislation, policy, strategy, principles, guidance or action plan).
- At minimum, ensure that a specific policy document addresses objectives for working with civil society and CSOs both as implementing partners and as development actors in their own right and that the document also recognises the need to strengthen a pluralist and independent civil society as an essential part of a just, democratic and sustainable society. Such a document also should address contextual issues including civic space challenges.
- Integrate CSO or civil society issues, including civic space challenges, beyond development co-operation policies and to other policy realms.
- Develop and monitor such policies in consultation with CSOs, following good practice for dialogue and consultation.

A policy document provides a transparent, overarching framework for members' support for and engagement with CSOs in development co-operation. A policy needs to provide sufficient guidance for members' decision making as regards their support and engagement with CSOs. Absent a policy, members risk that their work with CSOs is ad hoc and merely the disbursement of funds without strategic direction to meet development objectives. Currently, approximately three quarters of members indicate that they have policies for working with CSOs, with just over half of members having a CSO or civil society-specific policy.

A policy document does not have to be a policy per se, but can be in the form of legislation, a strategy, principles, guidance or an action plan. Nor does it necessarily have to be a civil society or CSO-specific document. What is important is that a key policy document spells out objectives for working with civil society and CSOs, both as members' implementing partners in development and as development actors in their own right; incorporates analysis of why the member works with civil society and CSOs; and reflects the value of CSOs as relevant and effective partners in development and the value of a diverse and independent civil society as an essential part of a just, democratic and sustainable society. The policy document should also consider contextual issues for civil society and CSOs in development including civic space challenges. In addition, a comprehensive policy would contain information on principles of working with CSOs, financial support mechanisms, a dialogue mechanism, and approaches to monitoring for results and learning. If there is a lack of certainty on some particular directions, the policy can commit to exploring options.

Members further need to integrate civil society-related issues in their broader development co-operation policies. A necessary step towards greater whole-of-government policy coherence is incorporating civil society issues, and particularly the issue of civic space, into other policy realms such as foreign policy and policies on private sector investment, trade, migration, security, taxation, digital technology and other

domestic policies affecting CSOs. Such policies may not only affect CSOs' ability to contribute effectively to development. CSOs also may have valuable perspectives and experience to contribute to the development of these policies and a role to play in their implementation.

Civil society or CSO-specific policies and other policies need also to be developed and monitored in collaboration with CSOs, applying the good practices for dialogue and consultation delineated in Section 3.1.6. Without consultation, member policies will not benefit from CSOs' experience and needs and risk being irrelevant. Consultation is a necessity for transparency and to build CSO ownership of the policy directions.

3.1.3. Members should embrace two types of objectives for working with CSOs and civil society to make the most of the sector's intrinsic and instrumental value

In focus – Action points for members

- Embrace the two types of objectives for working with CSOs and civil society: one being to strengthen a pluralist and independent civil society in partner countries and the other to meet other development objectives beyond strengthening civil society in partner countries.
- Reinforce efforts to strengthen civil society in partner countries by promoting enabling environments in dialogue with partner country governments and through other methods.
- Reflect support for approaches that strengthen the humanitarian-development-peace nexus in both types of objectives.

Almost all members have multiple objectives for working with CSOs and civil society. For a majority of members, one of the main objectives is to implement programmes related to service delivery. For almost the same number of members, strengthening civil society in partner countries is also a main objective. At the level of objectives, then, a majority of members understand their CSO support as potentially two-pronged: to be a means of reaching specific development objectives other than strengthening civil society in partner countries, among them objectives related to specific sectors or themes (e.g. health, education, democratisation and gender equality), and also to contribute to reaching an objective of strong, pluralist and independent civil societies in partner countries. Members need to embrace these two types of objectives. Doing so is an important step for members to optimise their work with CSOs by recognising both the intrinsic value of civil society to a nation's social, economic and democratic development and the instrumental value of CSOs as implementing partners for members. Members must bear in mind that the risk of not embracing the objective of strengthening civil society in partner countries is that they may invest in and indeed foster CSOs and civil society that are not sufficiently locally rooted, accountable or reflective of the diversity of civil society actors in partner countries.

Members need to ensure that their policies and how they financially support and engage with CSOs reflect both types of objectives. The ways in which members provide support, the financial support mechanisms they use and the types of CSOs they support all have profound effects on CSOs and civil society sectors in partner countries and can undermine the stated objective of strengthening civil society in partner countries. Members must ensure that their working methods do no harm to CSOs and civil society in partner countries.

The most frequently identified method that members employ to strengthen civil society in partner countries is promoting enabling environments in those countries, which is critical in this era of shrinking civic space for CSOs and civil society worldwide. Members must continue to invest in this area and indeed to do more. Otherwise, members' investments can quickly be eroded as CSOs' and civil society's room to manoeuvre in partner countries becomes increasingly constrained. Members can turn to various strategies for

promoting enabling environments in partner countries. Engaging in dialogue on enabling environment issues with partner country governments is one such strategy. Examples of other strategies include encouraging dialogue between CSOs and partner country governments, participating in multilateral bodies advocating for civic space, investing in partner country government institutions and enabling regulatory capacities, and engaging with private sector allies to make the business case for open civic space.

Members need also to reflect the humanitarian-development-peace nexus in their objectives for working with CSOs, with the aim of reducing people's needs, risks and vulnerabilities and preventing humanitarian crises.

3.1.4. Financial support mechanisms and flows need to reflect the two types of objectives for working with CSOs and civil society

In focus – Action points for members

- To meet both types of objectives for working with CSOs and civil society, rectify the imbalance between project/programme support mechanisms and flows *through* CSOs as programme implementers on behalf of members, on one hand, and partnership/framework/core support mechanisms and flows *to* CSOs as independent development actors, on the other.
- To help to rectify the imbalance:
  o reinforce both types of objectives within support *through* CSOs, including by minimising the degree of directiveness and designing *through* support to meet the objective of strengthening civil society in partner countries
  o increase the availability of core support *to* CSOs
  o identify ways to better demonstrate that strengthening a pluralist and independent civil society is a valuable development result
  o maintain multiple financial support mechanisms.
- Identify and rectify obstacles to supporting and incentivising more coherent humanitarian, development and peace actions in financial support mechanisms by working with CSOs to ensure that proposed solutions adequately enable them to address the nexus in their work.

Members' financial support mechanisms need to reflect their objectives for working with CSOs and civil society in terms of both how they support CSOs and which CSOs they support. However, as indicated by ODA flows *to* and *through* CSOs and the funding mechanisms members tend to prefer, members favour working with CSOs (i.e. as programme implementers on behalf of members) as a means to meet other development objectives (e.g. in health, education, democratisation and gender equality) more than working with CSOs as development actors in their own right to reach the objective of strengthening a pluralist and independent civil society. More specifically, this is suggested by the preponderance of mechanisms geared towards project/programme support (including using calls for proposals) relative to the use of partnership/framework/core support mechanisms. It is also suggested by statistics showing the bulk of members' CSO support flows *through* CSOs as programme implementers on behalf of members rather than *to* CSOs.

However, a closer look at the ways in which members design project/programme support *through* CSOs and partnership/framework/core support *to* CSOs suggests that a rigid distinction cannot be made regarding which of the two types of support is geared to meet one or both of the types of objectives. Core funding *to* CSOs is not the only means of financial support that members can provide towards the objective of strengthening civil society in partner countries. If members are constrained from providing core support

– legally, administratively or for reasons such as risk aversion or pressure to produce results, for example – they can pursue the objective of strengthening civil society in partner countries in various ways within their *through* support.

Both within and across financial support mechanisms, members primarily need to strike a better balance between rigidly steering or directing CSOs to meet member-defined conditions (e.g. sectors, themes, countries or even specific results) and being responsive to CSOs as independent development actors with their own objectives and approaches to achieving such objectives. Members must respect CSOs' right of initiative, providing them with the leeway necessary to identify programme priorities with their partner country-level constituents, partners and beneficiaries. Only half of members require that CSOs receiving funds work with their own partner country-level partners in ways that respond to the priorities and demands of these partners, and this is detrimental to achieving the member's objective of strengthening civil society in these countries. Rigid steering undermines CSOs' partner country-level accountability and credibility and creates a civil society sector that mirrors members' ever-shifting priorities but neglects other priorities.

Members can also provide support *through* CSOs that is designed specifically to meet the objective of strengthening civil society in partner countries. Since the pressure members feel to demonstrate results seems to impede the translation of this objective into mechanisms conducive to its achievement, members need to work with CSOs to better define results in terms of achieving the objective of a strengthened, pluralist and independent civil society. Results, for instance, could relate but not be limited to capacity development of individual CSOs. The type of accompaniment, enhanced reciprocity attitudes and approaches, and systems-oriented methods applied by some members are conducive to strengthening civil society and CSOs as independent development actors.

At the same time, it is clear that core support *to* CSOs is a preferred mechanism that benefits both members and CSOs. It is the type of support most suited to strengthening civil society in partner countries. Further, core funding is the most development-effective type of support, with advantages in terms of predictability, flexibility, sustainability, administrative efficiency (in the medium to long term), and, significantly, ownership and accountability. For these reasons, more financial support options in the form of core support *to* CSOs are needed from members. Core support must be given greater importance as one among multiple funding mechanisms that offer different types of support and are accessible to different types of CSOs.

In light of the 2019 DAC Recommendation on the Humanitarian-Development-Peace Nexus, members' CSO and humanitarian divisions need to work together to identify ways to better design their financial support for CSOs to support nexus approaches and to incentivise CSOs to address the nexus in their work. A coherent and co-ordinated approach is needed to members' humanitarian, development and peace investments. Otherwise, outstanding issues of vulnerability, resilience and the underlying causes of humanitarian crises will remain insufficiently addressed.

3.1.5. More financial support should be made directly available to partner country CSOs and more diverse civil society actors

In focus – Action point for members

- While sharing lessons among members and with CSOs on tackling obstacles, make additional financial support directly available to both:
  o partner country CSOs
  o and a wider swathe of civil society actors.

The bulk of members' financial support for CSOs continues to flow mainly for member country or international CSOs, though direct financial support for partner country CSOs increased incrementally in recent years. As discussed in Chapter 2, members identify many of the same comparative advantages of working with partner country CSOs and working with member country or international CSOs, which suggests that there is room to further shift the balance towards more direct support for partner country CSOs.

There are pragmatic reasons for the disproportionate investment in member country and international CSOs that will persist. These include members' legal, regulatory and administrative requirements; transaction costs and members' capacity constraints in administering and monitoring their CSO support; the extensive experience and expertise of member country and international CSOs, including in demonstrating results; and the knowledge and networks of these types of CSOs. Member country CSOs also play a critical role in public awareness and citizen engagement at home and are generally trusted by member country publics. An additional reason is the impact that member country CSOs and their domestic supporters have through their defence of members' funding allocations for these CSOs.

But these reasons should not prevent members from making additional financial support directly available to partner country CSOs and civil society. The actions points offered in this study highlight some possible steps that members can take to facilitate the provision of direct financial support, such as investing in more and better capacity development of partner country CSOs. Another step is to streamline and/or harmonise members' administrative requirements, which members can complement by allocating more human resources capacity to the management of their CSO funding.

Equally, members need to continue to explore how their support can be extended to a broader swathe of civil society actors beyond traditional development or human rights CSOs. These include forms of civil society that are often overlooked but are genuinely locally rooted and reflect what the ever-growing and diversifying civil society sector actually looks like in partner countries.

Making additional financial support available to partner country CSOs, and to that broader swathe of civil society, could help to further advance the objective of strengthening a diverse and pluralist civil society in partner countries. Absent these financial support measures, it will remain an open question whether the objective of strengthening civil society in partner countries is best met via CSOs originating from outside partner countries. Members that adopt and advance these measures can then draw out lessons from the practical steps they are taking to minimise the real and perceived obstacles – for instance, the previously discussed administrative requirements and member capacity constraints – that have led members to favour supporting member country or international CSOs. They can then share these lessons among members and with CSOs.

3.1.6. More, and more meaningful, dialogue with CSOs and civil society is needed especially at partner country level

In focus – Action points for members

- Continue to engage in systematic dialogue with member country CSOs.
- Increase systematic dialogue with CSOs in partner countries.
- Implement both systematic dialogue and ad hoc, informal dialogue.
- Encourage dialogue with CSOs beyond development and to wider foreign policy and private sector investment and trade policy.
- Encourage dialogue among CSOs and others, including partner country governments and the private sector.
- Explore co-ordination with other members for joint dialogue with CSOs.
- Implement good practice in dialogue and consultation including by addressing inclusivity, accessibility and other aspects of good practice.

Dialogue and consultation between members and CSOs are advantageous to both. Among other benefits, dialogue and consultation provide opportunities to learn from each other and ultimately to enhance the relevance and realism of members' policy and programme directions. CSOs benefit from the opportunity to engage with members on members' policies and programmes to gain insights and first-hand access to member thinking and directions. For members, dialogue with CSOs demonstrates transparency and thus is critical to ensuring their accountability to CSOs and wider publics. Dialogue is also critical to building and maintaining relationships of mutual trust and accountability between members and CSOs.

All members consult with CSOs in relation to members' policies, strategies or other strategic orientations. Members are increasingly consulting with CSOs in a systematic way through regular, advance-planned dialogue fora (i.e. institutionalised dialogue). This is much more common at headquarters level than at partner country level, however; while a majority of members still undertake consultations in partner countries, these take place on an ad hoc, as-needed basis.

Members should continue to foster dialogue and consultation with CSOs, but they need to place additional emphasis on dialogue with CSOs in partner countries. Both systematic and ad hoc dialogue are welcome. Systematic dialogue is beneficial for its predictability and transparency. Ad hoc dialogue allows members and CSOs to engage together on emerging issues, often in less formal environments that allow for open and frank discussion.

Dialogue and consultation with CSOs need also to address more than members' development policies and strategies. CSOs' experiences and their perspectives on the social, economic and political situation in partner countries are equally important. These not only can inform members' foreign policies, private sector investment and trade policies, and actions, but also can help members advance their policy coherence. Members could also foster dialogue between CSOs and other actors such as the private sector and governments in partner countries. Entry points for such dialogue include Voluntary National Reviews for the SDGs, a mechanism that all countries are meant to implement in a multi-stakeholder, consultative fashion, and the Global Partnership for Effective Development Co-operation monitoring cycle.

Members also should continue to reflect on how they undertake dialogue and consultation with CSOs so that these are meaningful and not framed as bureaucratic exercises. CSOs do not have the same staff and financial resources that members have to invest in consultations. Generous timelines for consultation are needed. Members should consider co-ordinating some of their dialogue with CSOs, especially at partner

country level, as a way to help manage the consultation demands on CSOs and avoid creating parallel dialogue structures.

CSOs must be able to see that they are taken seriously, that their investments and contributions to dialogue and consultations actually have an influence on member policy and programme directions, and that their inputs are not dismissed or sidelined because they do not align with member's positions, general thinking or commonly used language. Members should focus on inclusivity, especially of marginalised groups, when designing dialogue and consultation mechanisms.

Dialogue and consultation with CSOs need to be:

- inclusive of diverse civil society actors, with particular attention to those most marginalised
- co-created with CSOs regarding both the frameworks for institutionalised dialogue and dialogue agendas
- predictable and timely, with adequate advance notice and access to documentation
- transparent throughout, such as in relation to agenda and participation criteria
- designed with feedback mechanisms on decisions made and on whether, how and why CSO inputs were used
- sufficiently resourced – including financial resources and capacity development if needed – for both the consulters and consulted
- accessible via various formats whether in person or remotely and virtually
- periodically evaluated towards ongoing improvement.

Absent attention to good practice, dialogue and consultation will appear to be nothing more than a box-ticking exercise and members will be seen as lacking accountability.

3.1.7. More effort by more members to reduce the administrative requirements of CSO support is required to lower transaction costs for members and CSOs alike

In focus – Action points for members

- Assess, seek to minimise and monitor the transaction cost burden of members' administrative requirements through:
  - o strategic, streamlined requirements
  - o use of CSOs' own or co-defined formats and systems
  - o provision of multi-year funding
  - o adaptation of requirements to contribution size and risk level
  - o co-ordination and/or harmonisation with other members, including but not limited to the use of multi-donor pooled funds.
- In addressing the transaction cost burden on CSOs, revisit the 2013 Code of Practice on Donor Harmonisation as a basis for members' individual and collective action.

CSOs and members consider members' requirements for applications, proposals and reporting overly burdensome. Moreover, there is quite an array of different requirements among members. For CSOs, and especially for those with a diversified funding base, the time, energy and other resources that they must dedicate to meeting the many requirements of different members divert them from their core business of achieving development results, whether as development actors in their own right or as programme implementers. Expending resources to meet member requirements means fewer resources are available

for CSOs to invest strategically, not only in development initiatives on the ground but also in dialogue, learning, analysis, and relationships with their partners, beneficiaries and constituencies. Heavy administrative requirements also leave fewer resources available for members to address strategic issues such as expanding their reach to partner country CSOs and to a broader swathe of civil society.

Some members are making efforts to reduce the administrative burden of their CSO support. Examples include agreements of longer duration, simplified guidelines and procedures for funding applications, proposal and reporting formats that combine member-defined sections with CSOs' chosen formats, and participation in multi-donor pooled funds. On the whole, however, both members and CSOs continue to experience a heavy administrative burden, including from new requirements that quickly cancel out any transaction cost savings. Members need to make concerted efforts to streamline requirements, retaining those that are essential for due diligence and eliminating any that are extraneous. Members also should adapt requirements to the level of funding and perceived risk of the initiative and/or the CSO.

The burden of members' administrative and financial requirements is a longstanding issue in the member-CSO relationship. As members focus on easing the transaction cost burden on CSOs, they should draw on existing resources that address this issue. Specifically, it is time to revisit the 2013 Code of Practice on Donor Harmonisation and its tools, as these are as relevant, or perhaps even more relevant, today than when they were developed.

3.1.8. Further flexibility and adaptability in results monitoring, with a commitment to learning, are required for greater relevance, ownership and sustainability

In focus – Action points for members

- Work collaboratively with CSOs to define results frameworks and indicators that are most relevant to the initiative at hand and to the changes and the people the initiative is meant to address.
- Work collaboratively among members and with CSOs to explore and experiment with results indicators for civil society strengthening.
- Apply iterative approaches to results management, with greater emphasis on learning to inform programming directions in an adaptive manner.
- Invest in building the results monitoring and learning capacity of CSOs.

The pressure on members to demonstrate that ODA, including ODA for CSOs, produces development results is not expected to abate any time soon. Nor should it, given that all development co-operation stakeholders have an interest in providing the kind of results evidence that can help to maintain public and governmental support for ODA going forward. Still, the results agenda risks becoming an obsession, trumping other considerations that are known to be important in working with CSOs. To mitigate this risk, results management needs to be applied in ways that enable CSOs to still operate as independent development actors, allow them to foster local ownership and accountability at partner country levels, and embrace the non-linear, long-term change processes that many CSOs strive for.

The majority of members use traditional agreements or contracts with results frameworks. A sizable portion of members also use adaptive results frameworks as well as less linear and more context-sensitive theories of change. Members need to go further in embracing CSO-defined results and indicators to help ensure both relevance and realism in planning and monitoring and support the pursuit of results that are meaningful to partners and beneficiaries in partner countries. Otherwise, results achieved will tend to be short-term and unsustainable. Qualitative and process-oriented results indicators, including indicators that reflect the objective of strengthening civil society in partner countries, are called for. Flexibility in results

management can also open opportunities for members to work with CSOs that are less experienced in results planning and monitoring. Investing in CSOs' results management capacity is worthwhile, with long-term payoffs for both CSOs and the members working with them.

Whatever results and performance management approach members use, whether the more traditional results-based management or more recent adaptive management, it is important to ensure that monitoring and reporting by CSOs and of CSOs' initiatives are done in a genuinely iterative way. Lessons drawn from results progress (or lack thereof) need to inform dialogue and decision making on the most effective directions forward, with adjustments allowed based on those learnings. Failure to take advantage of such lessons amounts to a missed opportunity, not only for improving programmes to increase the likelihood of achieving results but also for sharing successes, pitfalls and good practices based on CSOs' lessons from monitoring or otherwise.

3.1.9. Accountability and transparency of both CSOs and members need more attention, as they share responsibilities within enabling environments

In focus – Action points for members

- Integrate and support the use of a mix of methods to address CSO accountability in partner countries as central to promoting the strengthening of civil society and enabling environments.
- Recognise that members' practices of support and engagement with CSOs may, indirectly, undermine CSOs' legitimacy in partner countries and by extension weaken rather than strengthen civil society and enabling environments for civil society.
- Self-assess to ensure that members' practices of support and engagement with CSOs do no harm to CSOs' accountability in partner countries.
- Enhance transparency of funding for CSOs disaggregated by partner country and accessible to partner county stakeholders and use an appropriate level of accessibility to ensure CSOs in sensitive environments are not put at risk.

According to many members, supporting CSOs to strengthen their effectiveness, accountability and transparency is an important, albeit indirect means of promoting enabling environments for civil society in partner countries. Members need to keep this in mind and do more to promote CSO accountability at partner country level. An important action in this regard, and one that more members could take, is to urge CSOs to participate in CSO self-regulation mechanisms at partner country level. Members may also choose to invest in the establishment and operation of such mechanisms, building on lessons and the experience of various international, national and sector-level self-regulation initiatives.

Other methods that are underutilised but merit member attention include encouraging co-ordination among CSOs and between CSOs and partner country governments; instituting beneficiary and constituent feedback mechanisms; and encouraging adherence to partner country regulatory requirements. Greater investment in these methods could help mitigate the risk that members' own accountability mechanisms become a substitute for in-partner country accountability. In keeping with the DAC Recommendation on Ending Sexual Exploitation, Abuse, and Harassment in Development Co-operation and Humanitarian Assistance, members also need to invest in guiding and incentivising the CSOs they work with to develop robust internal systems to prevent and respond to sexual exploitation, abuse and harassment in their activities.

As discussed in this study, members must also reflect on whether their own methods are conducive to CSOs' pursuit of accountability towards partner country stakeholders, especially in terms of members' financial support mechanisms, the types of CSOs they support, and their administrative requirements and

approaches to results monitoring. These stakeholders include beneficiaries and constituents of CSOs as well as their partners – the public and governments in partner countries. The majority of members are committed to promoting enabling environments in partner countries as one method for strengthening civil society in partner countries. Yet too few members self-assess to understand how their practices may lead, indirectly, to disenabling environments by hampering CSOs' ability to focus on their accountability relationships in partner countries.

While it is not the view of members, wider publics and partner country governments increasingly perceive CSOs as lacking the legitimacy that derives from connectedness and solidarity with local partners and beneficiaries. Members need to ensure that the way they work with CSOs no longer contributes to this perception and thus to a legitimacy and accountability crisis for CSOs. Stipulating the use of participatory methods in CSOs' programming, as many members do, is a useful but insufficient approach to promoting CSO accountability in partner countries when other aspects of members' support reorient CSOs' responsiveness and accountability squarely to meet member conditions and requirements.

Members can – and many already do – promote enabling environments in partner countries through dialogue with partner country governments and in multilateral fora, for example by encouraging and supporting dialogue spaces between CSOs and governments and through investing in partner country government institutions. But these approaches are inadequate responses to the civic space restrictions that civil society is facing. Members must also be willing to assess and address the impact of their practices of support for and engagement with CSOs and civil society. This is a question about more than whether members' practices in their work with civil society are convenient for CSOs. Their practices affect how the many CSOs that are enticed by member funding are seen in partner countries – whether or not they are considered sustainable, legitimate, grounded in and connected to local constituents and needs, or accountable at partner country level – and thus can make them vulnerable to disenabling tactics by partner country governments.

At the same time, there is ample room for members to enhance the transparency of their CSO support at partner country level, including by making information more accessible on the types of support mechanisms used and the CSOs and programmes supported. Ideally, they also would proactively ensure that partner country stakeholders know such information exists and can readily access it. On a practical level, this could mean taking steps to see that partner country stakeholders can access country-specific information of interest to them without necessarily having to search websites or global databases. In so doing, members will need to use caution to ensure that any sensitive funding flows such as to human rights defenders and CSOs in constrained environments have an appropriate level of accessibility that will not put these actors at (further) risk.

3.2. Action points for the OECD DAC

> ## In focus – Action points for the OECD DAC
>
> - Develop up-to-date guidance on how DAC members should work with CSOs and civil society or issue a recommendation for greater enforcement and leverage potential.
> - Continue to work with the DAC Community of Practice on Civil Society to develop such a guidance or recommendation and advance its implementation by members and as a forum for peer learning.
> - Tap into the dialogue opportunities with the DAC-CSO Reference Group to consult on development of the guidance or a recommendation and its implementation.
> - With the Community of Practice and the DAC-CSO Reference Group, apply an iterative approach to implementation of the guidance or a recommendation with learning and ensuing adaptation embedded throughout.
> - Consider, with members, revisiting OECD DAC terminology and definitions of civil society and CSOs.
> - Initiate discussion with members on the usefulness and accuracy of the *to* and *through* coding of the DAC reporting directives.

One telling finding of this study is the limited influence of existing OECD DAC guidance on members' decision making regarding their work with CSOs and civil society. The 2012 OECD guidance, *Partnering with Civil Society: 12 Lessons from DAC Peer Reviews*, does not feature among the main influences most frequently selected by member survey respondents. However, recommendations from DAC peer reviews are more frequently identified as a main influence on decision making. The leading main influences cited include the need to demonstrate results, member country rules and regulations, and the influence of member country publics and CSOs.

In light of this finding, it is time for the OECD DAC to issue either clear and up-to-date guidance or a recommendation on working with CSOs and civil society. There is strong support for issuance of some form of policy instrument, whether guidance or a recommendation, within the OECD DAC and among DAC members including at leadership levels, as indicated in the 2019-20 DAC work programme and reinforced in consultations for this study. A first step is to elaborate guidance or a recommendation based on this study's findings and further consultation with members via the DAC Community of Practice on Civil Society and with CSOs via the DAC-CSO Reference Group dialogue. Another step is to continue working with the Community of Practice on Civil Society to advance implementation of such a guidance or recommendation, drawing on the Community of Practice as a forum for cross-fertilization among members, creative thinking, and sharing of lessons and ideas on how to tackle some of the most intransigent challenges in members' work with CSOs and civil society. An iterative, adaptive approach to implementation, with clear benchmarks for learning and review and in consultation with CSOs, would help to ensure relevance and realism of the policy instrument.

Also in consultation with the DAC Community of Practice and the DAC-CSO Reference Group, the OECD DAC could consider addressing some fundamental issues brought to light by this study. Among these issues are, first, the discrepancy in DAC terminology between the use of "NGO" in reporting directives and "CSO" in current literature and second, the definitions of civil society and CSO that could be updated and promoted for common usage across members.

In addition, a discussion on the usefulness and accuracy of the directives is warranted since the ways members financially support CSOs are not as clearly categorised as the DAC reporting directives' distinction between members' financial flows *to* and *through* CSOs.

Effective support for and engagement with CSOs are part and parcel of enabling environments for civil society. This study presents some of the positive trends and outstanding gaps or inconsistencies in how members work with CSOs. Its findings and proposed action points can lay the groundwork for members and CSOs to work together ever more effectively in development co-operation.