

Resourcing for Development amidst the Pandemic:

Challenges and Opportunities

27th July 2021



**Uganda National NGO Forum** 

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## **About the Convenor**

The Uganda National NGO Forum (UNNGOF) is an independent and inclusive national platform for Ugandan CSOs in their diversity. UNNGOF has a membership of 658 district networks, national platforms, and international NGOs.

UNNGOF uses a robust SPAN¹ infrastructure comprised of 65 District Networks and a Citizens' Manifesto infrastructure with 35 regional governance CSOs through which UNNGOF works to deliver its Governance, Campaigning, and Citizen Mobilization work, along which the Strengthening Citizens' Engagement in Elections (SCENE) Activity is anchored.

UNNGOF hosts various civil society for a through which it coordinates collective civil society engagements. Over the past two decades, UNNGOF has emerged as a respectable platform that provides thought and institutional leadership. It has the convening power for multitudes of CSOs to collectively engage on civil society health issues, national government programs, and international processes.

CSO Leaders Reflection Dialogue on Resourcing for Development amidst the Pandemic: Challenges and Opportunities

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<sup>1</sup> SPAN is the Support Program for Advocacy Networks: a framework that aims at building a subnational citizen-led advocacy ecosystem for greater transparency, accountability, and quality service delivery in Uganda.

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## Introduction

The CSO sector has been experiencing tremors for some time now — over the past decade, souring relations between government and the sector have created an environment in which several NGOs, especially those doing governance work, are under constant threat of being shut down. Currently, as the Covid-19 pandemic hits societies and economies, bringing a global and unprecedented public health and social crisis, civil society organizations are responding by providing frontline help and defending the rights of people across the country. At the same time, CSOs have faced profound impacts that may harm their capacities to continue playing their central roles in delivering services, advocating for rights, and protecting the most fragile, while safeguarding participatory democracy and civic debate in the near future.

Development assistance to CSOs is reducing. Studies show that while there was an upward trend in external funding to CSOs between 2009 and 2015, the volume began dipping in 2016 and the downward trend has continued since. Beyond the threats presented by the pandemic, this turn can be attributed to two other major developments in the sector — on one hand, souring relations between and the sector and the government have triggered state action to squeeze development partners into scaling back support; on the other hand, the growing gravitation (among development partners) towards basket funding platforms like DGF and CUSP has given rise to stringent conditionalities, and a shift from core funding to project-based support.

Finding themselves caught between the constant threat of government clamp-down and a downward funding trend, civil society organisations in Uganda remain concerned about the future of their work. 95% of CSOs in Uganda depend on donor support and have insufficient capacity to generate their own funding<sup>2</sup>. How are they to sustain the benefits enjoyed by the communities they serve? This question has surfaced several times in meetings of CSO leaders in the recent past, especially in light of the Covid-19 pandemic which has caused shifts in the global architecture for development financing that may reshape the future of CSO funding.

It is against this background that the Uganda National NGO Forum (UNNGOF) convened the CSO Leaders' Reflection Dialogue on the theme, Resourcing for Development [the CSO Sector] amidst the Pandemic: Challenges and Opportunities. The dialogue, which took place on Zoom's virtual conferencing platform, was held on Tuesday 27th July 2021, from 10:00 am to 12:00 noon. It was attended by 209 CSO leaders representing the broad spectrum of UNNGOF's local, subregional, national, and international CSO membership.

<sup>2 2019</sup> Comprehensive Assessment of Uganda National NGO Forum

The objectives of the dialogue were to:

- a) analyze and understand the forces influencing CSO funding over the past period;
- b) shed light on the effects of the pandemic and the measures put in place by organizations to mitigate its impact on their activities;
- c) discuss and learn about possible reactions of CSO donors across the world as a result of global events including the pandemic;
- d) explore the opportunities presented by local philanthropy and social enterprises as a magic bullet to CSO sustainability;
- e) understanding the main challenges faced by the CSOs across the country;
- f) explore opportunities to improve sustainability for CSOs and their interventions.

The dialogue was moderated by Ashanut Okille (Akijul)<sup>3</sup> and featured presentations by Sarah Mukasa (Open Society Initiative for East Africa)<sup>4</sup> and Richard Ssewakiryanga (Centre for Basic Research)<sup>5</sup>, whose role was to induce CSO leaders to probe established positions, examine the global context in which CSO funding takes place, and contemplate on possible solutions and opportunities for redressing the funding crisis that CSOs in Uganda are experiencing.

# Understanding the Global Context of CSO Financing

Historically, governments and official aid donors have typically not viewed CSOs as equal partners in the development process. However, in light of the active role that CSOs played in the consultation process for what would become the 2030 Agenda for Sustainable Development and 17 Sustainable Development Goals (SDGs), the United Nations General Assembly declared that states, the private sector, and civil society must all engage and work together if the goals and targets of the 2030 agenda are to be achieved, thereby broadening the global vision of development to give greater attention to Civil Society, as well at

Ms. Ashanut Okille is a lawyer and development practitioner with over fifteen years of experience supporting interventions that promote human rights, governance, gender equality, and institutional/organizational strengthening in Africa. She has worked with national and international NGOs, the public sector, development, and UN agencies in African 13 countries.

<sup>4</sup> **Ms. Sarah Mukasa** is the Open Society Initiatives for Eastern Africa's (OSIEA) deputy director. She has a wealth of knowledge, experience, and networks from over 10 years in leadership and management at senior levels in the not-for-profit sector in Africa and Europe. Sarah Before joining OSIEA, Sarah was the director of programs at the African Women's Development Fund (AWDF) where she oversaw and operationalized the growth of the organization to become one of the largest women's funds.

Mr. Richard Ssewakiryanga is a senior research fellow and advisor policy research at the Centre for Basic Research, co-chair of the Global Call to Action Against Poverty (GCAP), and a Policy Anthropologist who has helped formulate national poverty reduction strategies and shape international discussions of development cooperation and effectiveness. He was formerly the Executive Director of Uganda National NGO Forum (UUNGOF) and Presiding Officer, the Economic, Social & Cultural Council (ECOSOCC).

the framework for financing it.6

One consequence of CSOs' new importance in global development was substantial growth in the amount of financial support for international non-governmental organisations (INGOs). It is estimated that INGOs and foundations provide almost US\$ 50 billion per year to developing countries, in addition to the US\$ 19 billion being channelled through NGOs by official aid agencies. However, in recent years, there has been an outgrowth of new dynamics that threaten the future of CSO financing, top among them being the recent eruption of the Covid-19 global pandemic, which emerged on the heels of a rising tide of far-right political movements in the global north.

In the second half of the last decade, far-right political groups fueled by fear of the influx in immigration from the so-called developing world (poor countries in Africa, Asia, and South America) have increasingly gained eminence in the politics of Europe and the USA (the biggest players in global development financing), thereby setting off a downward shift in the funding environment for CSOs. These political movements are driven by a nationalist agenda that looks inward and holds the view that under-developed countries should take greater responsibility for their development, thereby making cuts in development support that could potentially derail the 2030 Agenda for Sustainable Development.

In the USA, the impact of Donald Trump's "America First" rhetoric culminated in a funding cut for the World Health Organisation (WHO) and disengagement from the global action on climate change; while in Europe, Britain's exit from the European Union has bound both DFID and EU spending in developing countries. In the bid to strengthen commercial ties with its former colonies, British interests are shifting to trade. DIFD's new imperative is to promote trade and investment over social justice because of Brexit, therefore, its approach to financing is shifting away from civil society support to private sector support.

The above shift notwithstanding, the rise of China and the BRICS bloc (Brazil, Russia, India, China, and South Africa) is creating a new power bloc to counter the American-led "western bloc". The BRICS countries encompass more than 25% of the world's land area and 40% of the world's population, had a combined GDP of US\$ 17 trillion in 20148, are carrying out increasing quantities of trade between themselves, and experimenting with new forms of development financing (for instance, FDI from BRICs countries to Uganda increased by 20% in 2018) that are challenging western countries to revise their models of development financing.

These shifts in the global development context are triggering both positive and negative trends for CSO financing. On one hand, the rise of CSOs' importance in the 2030 Agenda has led to increased collaboration between CSOs and development partners, growth in philanthropic giving from private sources, and enhancements in CSO governance and accountability. On the other hand, the rise of in-ward

<sup>6</sup> Civil Society & Development: Global Trends, Implications, and Recommendations for Stakeholders in the 2030 Agenda, pV.

<sup>7</sup> Ibid, pVII.

<sup>8</sup> Lowe, Peter. "The Rise of the BRICS in the Global Economy." *Teaching Geography*, vol. 41, no. 2, 2016, pp. 50–53. *ISTOR*, www.jstor.org/stable/26455170. Accessed 4 Aug. 2021.

looking nationalist sentiment has given way to numerous cases of violations of the rights to freedom of peaceful assembly, more arrests and prosecutions for alleged offences committed in the course of the legitimate exercise of the rights to freedom of peaceful assembly and association<sup>9</sup>, and a general shrinking of the space for civic activity and participation.

# CSO Development and Resourcing in the Ugandan Context

Efforts to support the development of civil society organisations (CSOs) in Uganda as the third pillar of inclusive development date back to pre-colonial and post-independence Uganda, although accelerated momentum is witnessed from the 1990s onwards. During the heyday of state intervention in the 1950s and 60s, both the colonial and post-independence governments used a set of laws to encourage, as well as regulate, the efforts of CSOs. However, as political events shifted between the 1970s and 1980s, so did the contours of the CSOs. First, Idi Amin's reign of terror triggered and sustained the flight of many key CSO leaders, particularly those who challenged the state, resulting in a regression of the sector's in shaping the governance and development trajectory of Uganda. Second, the ravages of the 1980-1986 civil war accelerated the formation of new forms of community and socially-driven CSOs that dominated the provision of social services, such as education and health, of which citizens were in desperate need after the civil war.

Between 1995 and 2008, Uganda's shift from the state-led to a market-led development paradigm — characterised by the sweeping implementation of structural adjustment reforms (SAPs) and complementary poverty eradication action plans (PEAP) — spurred the formation of 'community-based organisations or what is famously now known as NGOs. Indeed, as NGOs witnessed a sharp rise in numbers, the former production-based organisations, such as cooperative societies and trade unions, regressed. With the return of multi-party politics in 2006, development agencies turned to NGOs as a dependable force for cultivating citizen engagement to promote political accountability, which was required to deepen democratic governance in Uganda. Indeed, as financial aid increased towards promoting the 'good governance agenda' in Uganda, so did the number of NGOs that became increasingly focused on implementing political activities. By 2013, the Ministry of Internal Affairs reported that there were over 12,500 registered NGOs from a paltry 200 in 1986. 12

This changed in the wake of the 2008 global financial crisis. CSOs faced a reduction in donor funding as austerity measures triggered by fiscal pressures, government debt, and economic crises in developed

Report of the Special Rapporteur on the rights to freedom of peaceful assembly and of association, Maina Kiai. p15.

REALITY CHECK 11: Civil Society in Uganda; Broadening Understanding of Uganda's Civil Society Ecosystem and Identifying Pathways for Effective Engagement with Civil Society in the Development Process, p2.

<sup>11</sup> Ibid p2.

<sup>12</sup> Ibid p8.

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## CSO Leaders' Reflection Dialogue

countries forced many donors to modify financing models, leading to a rise in stringent conditions and requirements, such as forging partnerships with the private sector. CSOs were being challenged to explore alternative sources of finance to guarantee their sustainability.<sup>13</sup> Today, most CSOs are operating in an environment where financial resources are shrinking; not only because of shifting donor priorities but also because governments in developed countries are facing tighter fiscal space and budget cuts.

At the same time, calls to combat terrorism financing and capital flight have prompted governments in both developed and developing countries to initiate strict restrictive measures on CSOs' financing. In some countries, the focus on the 'war against terrorism' has led to a trade-off between working closely with authoritarian governments to combat terrorism and restricting the scope of CSOs in their quest to scrutinise the state as a means of enhancing public security. These issues have not only posed significant barriers to the operational activities of CSOs but have also generated an atmosphere of resource competition, which has resulted in division rather than cohesion. As a result, CSOs are increasingly concerned about their sustainability as the resulting reduction and uncertainty of funding pose a significant barrier to their operational capacities.<sup>14</sup>

While there is a proliferation of new donors in the civil society ecosystem, these new sources of funding have proven volatile and unpredictable. And in the context of a public health crisis that is shaking the foundations of social, economic, and political systems across the globe, CSOs in Uganda are finding themselves more vulnerable than ever.

# **Critical Questions Explored**

The meeting was opened by UNNGOF's Executive Director, Moses Isooba, whose observation to fellow CSO Leaders was that development resourcing is at a watershed moment where INGOs, — the major source of funding for CSOs in Uganda — are facing existential threats from a multitude of forces. Among these are: (i) the surge of right-wing leaders trying to redefine what development is; (ii) the ways in which Covid-19 is forcing CSOs to repurpose program objectives and reframe their operational models and activities; (iii) assaults on the aid-industrial complex from a new tide of anti-racism activism, wage-activism, calls for meaningful progress on social justice goals <sup>15</sup>; (iv) and questions about INGO autonomy from government funders and business models that accept funding from people that have earned their wealth by doing damage to society. Amidst this barrage, INGOs and CSOs are being confronted with rising demand for their services despite declining revenues. As Moses Isooba put it, "the

<sup>13</sup> Ibid p12.

<sup>14</sup> Ibid p14.

Hard choices: How can the 'nonprofit industrial complex' do better?, Greg Berman, March 30<sup>th</sup> 2021, NYN Media, (https://nynmedia.com/content/hard-choices-how-can-nonprofit-industrial-complex-do-better).

<sup>16</sup> Ibid

INGO is faced with limited choices —either it transforms, or dies badly, or dies well." Below are the reflection questions he posed to the 209 CSO leaders who attended the meeting.

## 1. Is Local Philanthropy a Panacea for NGOs?

With the pandemic pummeling the world, philanthropy has gained currency and is now seen to be the panacea for the resource constraints in the CSO Sector. Never before has philanthropy received as much attention as it has now. Could it be where the future lies in terms of resourcing for development in Africa and Uganda in Particular? Should CSOs turn left to community philanthropy or mutate into social enterprises of sorts; or should they turn right to continue being foreign-funded and proposal writing outfits?

Where is the role of Global South philanthropy as the global North philanthropy wanes? CivSource-Africa's study discovered that most local giving is in-kind, following the pattern of volunteering (donating time and money), donating food items like chicken or matooke, availing compounds for meetings without charge, donating handmade crafts for sale, etc. Should CSO leaders invest in building trust within their bases to tap into local philanthropy?

## 2. What is the place for social business as a pillar for sustainable internal revenue for NGOs?

One of the biggest dilemmas NGOs face is that the services they provide come at a high cost yet they cannot charge the people who benefit from them a fee to recover their costs, hence the heavy dependence on donations. NGO financing largely comes from agencies funded by tax-payer money; however, there are also foundations and platforms funded by surplus profits of commercial enterprises, largely through corporate social responsibility.

Whereas CSOs can tap into CSR or Foundation endowments for support, should they undertake business activities of their own to generate internal revenue? It seems quite obvious that CSO funding from the donor community is bound to shrink, or had already shrunk, however, the sector has the opportunity to protect itself from the potential effects of this downward trend by building up local philanthropy and opening up a social business.

# Trends in Development Financing at the Global Level

Sarah Mukasa (OSIEA)

The Covid-19 pandemic has brought to the foremost of the key structural asymmetries of power and decision making that have shaped the development and global relations over the past four decades or more. What began as a health crisis quickly turned into a political, social, and economic crisis as global supply chains were severely disrupted by lockdowns, border closures, and disruptions in the movement of goods, all of which are key principles on which free trade and market-led growth have been premised. These intersecting and reinforcing crises (political, climate, and democratic) have hurt certain populations more than others. Women, young people, people of colour, persons with disabilities, and gender-diverse communities have borne the disproportionate burden. And while Covid-19 may have accelerated these crises in many ways, where we are is the culmination of the choices we have made in economic and political development over the years. Many people have foreseen the collapse coming. Had it not been Covid-19, it would have been something else.

The shock of Covid-19 has brought many of these issues to the fore. There have been shifts in global power dynamics where many of the traditional donor economies are beginning to shrink (or mature), giving rise to challenges by new entrants like China and the Gulf states — bringing uncertainty to the work of CSOs involved democratic practice and human rights work. China's record on human rights is well known.

Another major shift is the rise of populist nationalism in the West (i.e. the retreat to looking inwards for political and economic priorities), evidenced in movements like Trump's *America First* and UK's *Brexit*. We saw countries pulling away from international systems through which the architecture of international development has traditionally been directed — instances like the US pulling out of funding WHO, or Brexit's impact on how the EU conducts international cooperation — have had implications for CSOs on the ground. The impact of Covid-19 means that the development indicators will worsen.

## **Negative Trends**

- i. World Bank estimates that as many as 43% of people in sub-Saharan Africa will be thrown back below the poverty line. We will be saddled by high levels of unemployment, debt, and climate-related shocks that will continue to plague our responses to socio-economic recovery and the health crisis.
- ii. Debt will be compounded by the fact that our governments will have serious shortfalls in internal revenue and significant decreases in Foreign Direct Investment (FDI), which are key assumptions of the market-led growth strategies we have been pursuing. FDI will be a key marker in the economic growth's trajectory.
- Revenue from remittances and tourism receipts will also severely decline. We will be left with incapacity to respond to the social and economic recovery efforts we need, and this will increase social unrest.

iv. Our governments will most likely respond to these challenges as security crises, and their responses will be militarized. We can already see that expenditure on the military and security sector in Uganda has increased significantly above that of our health sector, or the efforts to mitigate the social and economic impacts of Covid19. While this may be the case, it is unlikely that the lending and development assistance will decrease because of this state of affairs.

Donor decisions and choices will not be triggered by what is happening on the ground, but by other economic and political interests that go beyond our need for wellbeing and social services. It's a tricky time for CSOs in Uganda and the rest of the continent. Donors and donor governments alike are all asking themselves critical questions about what needs to be changed in development practice. More than being about money, it's about ideas. The well of ideas is running dry in terms of the alternative imperatives in the global architecture for development — now is the time to challenge some deep-seated assumptions about development, which has not worked for the vast majority of Africans.

For instance, while it has been recognized that there has to be a global initiative in funding health as a public good — e.g. funding the vaccine — the inherent inequities and impact caused by the corrosive power of transnational corporations like Big Pharma have not been addressed. On one hand, we recognize that these things are public goods. On the other hand, nothing has been done to disrupt the current systems that keep these inequalities intact. We're throwing money at the problem without addressing the systemic underlying causes of it.

## **Positive Trends**

- i. Although global supply chains and international collaboration have been disrupted, we are seeing greater engagement between partners in the south that challenge the myth that technical assistance and development know-how is a one-way flow from North to South. Early in the pandemic we saw Cuba sending doctors to Europe to respond to the crisis, and Cuba and India have manufactured a vaccine. More south-south cooperation is useful for Africa in addressing the conventional wisdom that "global" equals the North. The North has hegemony and sets the agenda for what happens at the global level as if we are not part of the global economy and have nothing to offer in terms of ideation, practice, and so on. The crisis is getting a conversation going about how we reorient global supply chains to get Africa and the South a little less dependent and lower on the pecking order of the global value chain.
- ii. There's a movement for decolonization that has been reawakened by such movements as the #feesmustfall in South Africa and #blacklivesmatter in response to police brutality in the USA. The debates on decolonization have permeated the development field, uncovering inequalities in funding practice, particularly in private philanthropy institutions. We can see how what we understand as colonization and institutionalized racism (white supremacy) unfolds in the North which has been arbitrating international cooperation. The North has supported Big Pharmacy over public health interest in what is being termed as vaccine apartheid. They have refused to waive intellectual property rights so that the vaccine, which should be considered a public good, can be manufactured across the globe. Much has been written over the years about how international institutions like WHO treat the medical practice of other cultures with disdain, reinforcing the idea that technical know-how exists in the North, and we are just passive consumers of what it provides for us. This whole movement around decolonization is challenging that.

These developments are providing an avenue for Africans to organize in terms of ideas, look for different ways of practice and formulating new visions about what development should be, and ask tough questions about their relationship with development practitioners like donors.

# Opportunities for Post-Covid-19 funding

The benchmark for post-Covid-19 funding was set with the launch of the \$8.3 billion pledges to the Global Coronavirus Response Fund that was co-convened by the EU and other countries<sup>17</sup>. This pretty much set the template for funding that will permeate funding priorities at the global level over the next few years. Three key areas will vary as time goes on:

- 1. Funding for vaccines, diagnostics, and therapeutics.
- 2. Funding to alleviate the health impacts in low and medium countries includes humanitarian assistance, health systems strengthening through treatment centres, ventilators, oxygen, PPEs, etc. (there's a tiny provision for reproductive health from Sweden).
- 3. Funding to mitigate the wider social and economic impacts: social protection, debt restricting, humanitarian aid and food assistance, climate change, and job creation.

The bulk of the funding is steered through multilateral organisations like WHO, IMF, and other UN agencies. It has set the benchmark for where multilateral and bilateral funding will go over the next few years as the world battles with this virus. This is the architecture that has been set for bilateral arrangements with governments. It is not clear how much of this funding will be geared towards civil society in Africa, but past studies of similar pots of money have hovered at 5% for CSOs.

Private philanthropies like OSIEA are looking at threats to democratic freedoms, human rights, rule of law, media freedoms, electoral integrity, authoritarianism, economic mitigation, impact investment for innovation and entrepreneurism, job creation and social protection, and alternative models for development. These trends do not take place in a contextual or historical vacuum. Donor decisions and practice are ideologically and politically determined; how we understand and respond to these donor drivers is critical — it requires political engagement rather than technical skills development. Therefore, CSO leaders need to exercise some political savviness in understanding these drivers, e.g.

- i) the assumption that the North is the paradigm we should all look to for development, and the enormous privilege that brings to a certain demography of the global community;
- ii) the concentration of resources and power in the global north over the global south;
- the assumption that development assistance from north to south has helped the south in their development needs;
- iv) the neoliberal market-led growth and political models that have been a resounding failure for the majority of the world's poor, who have rejected globalization.

Africa wants to cooperate internationally, however, the terms of that global engagement have to change. Africa's place in the global hierarchy is at the bottom as producers of primary raw materials that feed the economic development interests of the North, so that all we do is extract and plunder. We are still reeling from the hangover of the good governance agenda of the 90s. On one hand, it assumed that

political democracy would somehow be achieved through regular free and fair elections, supply-side strengthening, parliamentary strengthening, judicial strengthening, etc. On the other hand, it said open up your markets for global competition and extraction and completely disinvest from social development as the state — that the disconnect between the economic and social development priorities would somehow be taken care of through the process of elections and attention to civil and political rights, as though social and economic rights are somehow not important.

The sum total of all this is that we've been slinging mud at one another; they are happy for us to be doing it whilst they plunder our economies and markets and extract resources. This has left us really poor and unable to defend ourselves from the onslaught of transnational corporations —which have far more power than most of our governments put together in deciding what the global agenda for development is. If we are to look at what we have invested in the electoral process and returns on investment, compared to what we have invested in building our economies and our social fabric, there is cause for worry. We have to be clear as civil society about the narratives we have absorbed and propagated, and the narratives about our own ideas for development that need investment from us.

In the short term, CSOs are well aligned with the priorities being shaped by the global architecture in response to Covid-19. There are many doing service delivery and advocacy work on services. The question is how to develop their entrepreneurial skills to mainstream the covid priorities to the work we are doing. Many of us come to this work as activists and don't necessarily have an agenda to building institutions. We have people on our boards who think like us in terms of how we develop our projects. We have a herd mentality in how we think about what a good institution and a good board is. We never think about bringing entrepreneurs to ask us tough questions about the sustainability of our organisations. A board should be multiskilled, diverse, and multisectoral. Organisations that plan for long term survival at the start of their programming have a much better sense of what they need to do to build that muscle in the makeup of the ethos of their organization.

In the long term, I hope our agenda is one of structural transformation and asking deep-seated questions about the vision we have for our country:

- i) What is the role of the state and how do we get there in terms of our vision?
- ii) Do we want the state to continue creating wealth without jobs and no means of generating protection for citizens?
- What are the economies we want to build? Covid-19 has shown us that care is a very important aspect of economic planning, yet it is the place we have invested in the least (healthcare workers are paid badly while we stoke up military spending).
- iv) Political education is critical in collective processes for advocacy. Part of the role of spaces like the NGO Forum is to horn our capacity for producing truly African solutions that are intersectional. We live at the juncture of political, social, and economic life. We have a herd mentality in how we think about what a good institution and a good board is. If we are to be truly democratic, we need to build holistic responses to these crises and involve each of the communities impacted by these phenomena.
- V) We need to build the kinds of visions that help us connect to our humanity that take pride in who are, help us believe in ourselves, and find new confidence in ourselves as a people with ideas.

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# Is Local Philanthropy and Social Enterprise a Panacea

Richard Ssewakiryanga (Centre for Basic Research)

When we talk about a panacea we are referring to something that is a solution or remedy to everything. However, the question CSO leaders should be asking themselves is whether we really should be talking about CSO resourcing at this point. We are living in the context of a pandemic that has democratized pain and crisis. Italians have died just as Ugandans and Kenyans and Americans have died... and we are still dying. So even within the spectrum of inequality, the level of pain that families and communities are going through is more or less the same — it is no longer about those who have and those who don't have. Therefore, questions CSO leaders should be asking themselves at this moment are: What kind of resources do CSOs actually need? What actions should the sector take to get to where it wants to go? Should CSO leaders be thinking about 'looking for resources' or should they be thinking about 'generating resources'?

Our society is dealing with many issues that the sector seems not to be responding to. For one, our education sector is in crisis. Students have lost two years of school yet the education sector appears to be waiting for the crisis to end so that it can restart. We do not how long this pandemic is going to last. Who is thinking about innovations that can solve the current problem in education? We are seeing new realities in the workplace. More people are now realising that they can work effectively from home and that is going to change working culture — we are already seeing this effect in America where there's a crisis of people refusing to go back to offices because they have realised that they can do what they were doing before at home.

While some people are crying that times are tough and they think everyone is suffering, some people are running to the bank. Owners of video conferencing technology like zoom are booming in this pandemic. We have seen many businesses (e.g. restaurants) moving online and they are doing well because they are able to unlock the potential of online advertisement and delivery services. We have seen lots of giving taking place in this pandemic. MPs and other leaders have been buying posho and other food items for distressed families. Over UGX 37 billion (approx US\$10 million) was donated by the private sector to the National Covid-19 task force. <sup>18</sup> How are CSO leaders thinking about tapping into these positive trends?

There are shifts in the development community where we are seeing the democratization of knowledge happening at a large scale. Several meetings are happening with donors globally for which you previously had to go through the tedious and expensive process of visa application and air flight — now you just need to log onto an application from your home to access such spaces. So, social interaction may be limited during this pandemic but social connection is being improved by online connection. To have a meeting like this before we had to hire a hotel and spend large amounts of money on refreshments. This is one of the positive developments of the pandemic. It is forcing us to rethink how to resource and budget for our organisations.

Taking a Second Look: Analysis of the "Generocity During the Time of Covid-19 Report", p.37.

# Actions CSO leaders should take to remain relevant after the pandemic

## 1. Invest in critical thinking:

As people, we become what we think about; so if we want to build institutions that will weather the storm, we need to become conscious of what we are thinking. Are you building the kind of institution you want in your mind? Are you investing time in probing established positions? Take, for instance, the vaccine question. While we are busy pushing our governments to do something, the people manufacturing vaccines are private companies. To acquire a public vaccine, which is a public good, you have to go through a private company. In what ways should we engage with the government and civil society sectors' failure to negotiate our way over private interests in public services?

This crisis has shown us that this is the kind of problem we need to deal with here in Africa. You did not, for example, hear of people in the UK paying £10,000 to treat Covid-19, yet here in Uganda, it has become an economic question. We must interrogate the established positions to be able to say that this is where were want the sector to go? CSO leaders are claiming there's no money because donor countries are looking inward as they deal with the crisis in their homes. But we have seen two billionaires going to space during the same pandemic. A few billionaires on earth can afford to give \$1 million to everybody on earth. But we have to think differently if we are to create a world where we can engage with that question.

### 2. Invest time in visioning:

Visioning is using your mind's eye to see the finished future you want to achieve. It is one of those things we all do every day but rarely put any investment in, practically, because we are sometimes scared of our own visions. If we are going to do anything that will disrupt the inequality we see and create the structural transformation we want, there must be people who invest in envisioning that future and clarifying how it will work.

Today's CSO must think about what type of organisation it should be in the next five years if it had all the resources it needs. The pandemic has created a new reality; hence, we should create new visions starting from the reality of the pandemic. Today's CSO leaders must ask themselves what type of organization they want to build in the next five years if they had all the resources they need. We can't continue to operate using the obsolete visions we had during the pandemic.

#### 3. Invest in solutions:

We must invest in a solution-focused mind. The visions CSOs create will inevitably surface many problems but we need to become solution-oriented and not problem-focused. When you go into a solution-focused way of thinking you are investing a dose of optimism in your organization. If we all, as civil society, invested in finding solutions that will work in our sphere of influence, that in itself will help us deal with the problems we are facing. Finding solutions is really about designing and offering the best quality service or product to offer your beneficiaries. In this new reality, mediocre organizations are going

to die because there's no room for pretending. CSOs must invest in defining, developing, and deploying solutions to become relevant and find the resources they need.

#### 4. Take decisive action:

Many CSOs think action is only for activists, however, every CSO must be able to take action in the places where they can do something. One of the biggest impediments for CSOs in Uganda is that they do not take action. We have many good ideas that stay on paper because CSOs do not walk the talk. For instance, we've talked about Nafasi for the last three years but how many CSOs have signed up? Had we embraced that vision from the start there may have been no struggling CSOs today. We would have been able to collect UGX 500 million per month, which would amount to UGX 6 billion a year. We criticise government for not doing anything yet we ourselves are doing little. We should define our future by executing in areas critical to our work. An organization is only effective if the leader is immersed in the heart and soul of its work.

# **Experience Sharing: How Community CSOs** are Thriving in the Pandemic

# Paul Mulindwa (Bunyoro Albertine Petroleum Network on Environmental Conservation)

For CSOs working directly with the so-called vulnerable or voiceless — i.e. people without access to such spaces — this has been a recurring question, especially when considered in the context of the vaccine politics we are seeing today. At first, many of us thought the pandemic would last for some weeks. Months later, we thought it would be over in a few years; but one year later we still do not how long it will last: we are realising it may take years, especially if we are to follow the SDG slogan "leave no one behind".

One way we have gone around this problem is to work with small socio-economic groupings like Village Savings & Loans Associations (VSLAs), women's groups and youth groups. We are talking about resources: it's one thing to think about resources but if you have resources that you cannot use for the objectives you set to work on then the resources are as good as useless. Some of these smaller groupings already have the things they cherish. Many of them are inward-looking because they are formed to address specific needs for themselves. Many times, the bigger common good of society — i.e. areas like governance, advocacy, and rights issues — is not the major purpose why these groups come together, even though we try to interest them in those areas.

If we build institutions that think only about formal civil society and leave out informal CSOs, we may have big operations that do not serve the needs they are meant to serve. We have been able to raise resources by trying to connect socio-economic aspirations with the actual objectives informal CSOs set out to work on, and interesting them in larger issues like accountability, participation in local government processes, advocacy with multinational companies in the oil & gas sector.

As a network organisation, we support CBOs and social enterprises in environment and natural resources. We source support for these groups and undertake business-oriented projects that integrate participation and rights advocacy. We work with women and youth in enterprises like tree-growing, apiary, and other nature-based projects that bring economic benefits to the community, and also benefit the environment and natural resources, and also prepare these groups to ask questions relating to social services like education and roads in their areas. We also work through these groups to reach out to vulnerable people who are part of them, like children and orphans.

We are also encouraging some CSOs to attract development resources from business organisations like the oil and construction companies working in the region. Many of these have CSR objectives that fit into CSO work, like child protection, however, the question is on how to work with them and remain independent enough to ask questions about accountability. When an oil company calls for CSR proposals in the areas mentioned, it can claim this money from the government as reimbursable costs so, in reality, this is really taxpayers' money. Funding for small (grassroots) CSOs, both at national and international levels, is largely problematised. There's a one-sided focus on projects and de-emphasis of core funding for organisational development, so for CSOs like ours, social enterprise is the way to meet the core needs of our organisations and sustain the benefits of their achievements.

# **Plenary**

**Topic 1:** How can CSOs in Uganda become part of the conversation on decolonising aid, and possibly shift the discourse?

#### Sarah Mukasa:

Sylvia Tamale<sup>19</sup> defines decolonization as a process of deconstructing colonial interpretation and analysis of the social world. For those of us who have been colonized and live with the consequences of colonisation, one of the critical things is the decolonisation of the mind about returning to the annals of history to find ourselves and to become fluent in our cultural knowledge systems in order to develop critical consciousness and to reclaim our humanity.<sup>20</sup>

A lot of what we are doing is borrowed from elsewhere, and we have borrowed it uncritically. That's not to say that it's all bad and that it must be rejected. It is to say that we should be aware of where we are getting these ideas and narratives from, and what they blind us to in our realities and communities. We've seen huge amounts of giving happen during this Covid-19 period in Uganda, but at the same time, we are blinded to it. Organisations like CivSource Africa are trying to make this work more visible and accessibly through their Generocity Reports, but we are blinded to it, and that automatically puts us on the pathway of thinking about how to get donor funds. Maybe we should be thinking about how to build our organisations without donor funds.

I know of a community organisation that started by baking cakes and selling them in the communities, and through that set up a savings scheme to set up a flexible reserve which became the start-up capital for their organisation. The second thing they did was develop relationships and links with the local political and social networks to make those communities aware of the services and the value-add they were providing. They got in-kind donations from businesses in those areas and through that built a program that they felt gave them control to respond to community needs at the level, without the need to do the kind of work you need to do get funding from organisations like OSIEA. As their visibility grew, the interest in how they approach their work grew, and they were able to negotiate with funders from a place of strength.

<sup>19</sup> Sylvia Tamale is a Ugandan feminist scholar and human rights activist.

Tamale, Sylvia. 2020. Decolonization and Afro-Feminism. Ottawa: Daraja Press.

Decolonisation of our minds will open us up to possibilities amongst ourselves, which may also root us much better in the realities of the communities we engage with. That's not to say the seeking donors is a bad thing, but that CSOs going for them should have the awareness of what that means. Decolonisation opens up the space to ask critical questions about donor practice in how they fund in Africa.

## Robert Kakuru:

We have learned a lot about how society connects together during this pandemic. We are seeing communities support families with patients by bringing them food and helping to collect medicine or do chores, thereby getting more connected. People are realising that they can support each other without government or civil society because they are not feeling their presence in the pandemic.

How should CSOs connect with a society that has seen how it can survive on its own if supported by ideas that connect their dots, without necessarily waiting for ideas that come from the elite and the donor community? How do we utilise these connections and the resources available for us to keep sustaining our societies and ourselves?

# Topic 2: How do CSOs resource critical thinking in a space where they can't turn to the government for help in creating the space?

## Richard Ssewakiryanga:

Sarah's message is really a clarion call to critical thinking. We should be very sceptical of received knowledge and throw away knowledge that has kept us where we are. Five years ago when we making Nafasi, we had calculated that if the 500,000 people employed in the CSO sector gave UGX 100,000 every month, we would have collected UGX 600 billion every year and would by now have UGX 3 trillion in the accounts of civil society from our own funding.

We could have moved from zero to trillions by all of us agreeing to that vision and investing in it as an idea that is important to all of us — the real problem is with our mental infrastructure. CSO leaders should not be thinking about resourcing critical thinking from philanthropists. It should be an individual initiative for leaders to invest in their own learning so that they can develop ideas that attract support and give their organisations a clear direction. These are the basics we must put in place to play to get the resources we actually need.

## James Muhindo:

We as civil society need to look into what economists call total factor productivity, which looks at the productivity of all inputs taken together collectively. We have numbers and big collectives in civil society, but, the productivity of the pack is limited to a few individuals in the pack and that is one of the things holding us back. One of the things we ought to do better is to optimise the output of each member of the collective, so that we can move to a place where we have a small team that is all-in and contributing to the total output, as opposed to having a bigger team whose weight is being carried by just a few in the pack.

Many CSOs are struggling with staff that are dead weight at both organisational and coalition levels — they ride on the weight of others who can only do so much to achieve the whole, thereby wearing them down and impeding the change they are making. This is partly why people in the sector are perceived as people who are just earning a living and do not believe in the causes we profess. It's only when we move from the culture of the majority riding on the efforts of the few that we shall achieve total factor productivity.

## Margaret Sekaggya:

I have an issue with the politicisation of everything that has permeated through civil society. We are making it difficult for visionary thinkers because their ideas are politicised, which comes with victimization and smear campaigns that make people unproductive. CSOs need to free themselves to come up with ideas without politicising every issue. If government supports one thing, it is politicised. If a CSO supports a government position it is politicised. What we end up with is a deadlock and that will take us nowhere.

### Benson Ekwe:

For CSOs to think strategically we must get out of the box and start learning from others, including bad situations. Let's draw lessons from the corporate world where we see companies like Coca-Cola marketing their products aggressively, yet we know nothing about their Executive Director or shareholders. In our sector, it's the opposite. We market everything about ourselves instead of the products and services we offer. We should learn from the corporate world and market our interventions for communities instead of our leaders.

Here in Teso, we had a fake organisation with a product tailored to resonate with the desires and needs of the people. As a result, they were able to collect 1.2 billion from the people we always front as poor and unable to support any cause. The way we package our interventions for

communities is critical. For grassroots CSOs, the backbone of our work is community volunteers who do the monitoring and sensitisation and form the basis of our impact. As we reach out, we should be thinking of building a solid base with our people.

## Kayinga Muddu:

My lesson from coordinating community-based actors in Greater Masaka has taught me that the biggest role CSOs can play is to inspire others to take action in their communities. We have seen that results can be achieved without funding when CSOs walk the talk. We have had instances where we raise proposals that are not funded but continued to raise awareness about issues in our context, despite intimidation, and we have seen changes happen.

# Conclusion

GG In the moment of crisis, the wise build bridges and foolish build dams.

- Nigerian Proverb.

While the broad sweeping effects of the Covid19 pandemic have created a crisis where many CSOs find themselves further down the list of funding priorities as the public health and socio-economic response consumes the lion share of development financing, the experts who spoke at this dialogue believe that CSO leaders in Uganda can use the crisis as an opportunity to reposition their organisations for greater relevance to the communities they serve, and join forces to build a stronger civil society sector.

For decades, there has been division between formal and informal organisations in the sector (colloquially referred to as "elite" and grassroot" organisations). But with the public health crisis affecting all CSO formations alike, the pandemic provided the sector an unexpected opportunity to reflect, take stock, connect, and galvanise resources to survive the pandemic and develop a new sectoral framework that serves every dimension of civil society.

Even though the pandemic presents serious threats to CSO survival, there is no doubt that civil society is an indispensible partner in development at both the global and local levels. Today's global framework for development, embodied by the 2030 Agenda for Sustainable Development (SDGs), recognises that states, the private sector, and civil society must work together if the SDGs are to realised. However, in a reality where states and the private sector control a disproportionate amount of power in the global architecture for development (multilateral organisations receive 38% of gross official development assistance, according to OECD<sup>21</sup>), CSO leaders need a new set of tools to negotiate the sector's position as an equal partner in development.

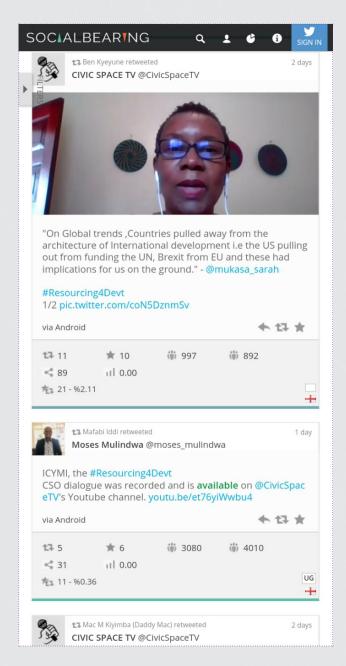
<sup>21</sup> OECD (2020), *Multilateral Development Finance 2020*, OECD Publishing, Paris, <a href="https://doi.org/10.1787/e61fdf00-en">https://doi.org/10.1787/e61fdf00-en</a>.

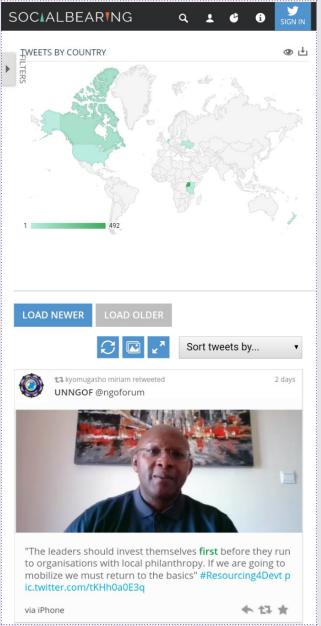
# The major takeaways from this dialogue were:

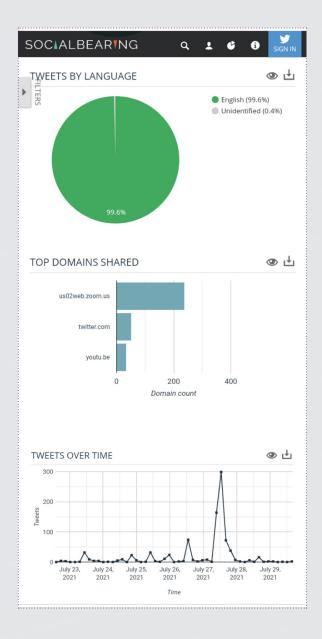
- i. CSO leaders should study and understand the inequalities inherent in the development system and use the crisis to decolonise their minds so that they are able to shift Africa's position in the global conversation on development.
- ii. CSO leaders should continually invest time and personal resources to reflect on their role as leaders, improve their competence, study their fields of operation to deepen their expertise, and commit to taking constructive action towards building strong institutions and organisations.
- iii. CSO leaders need to embrace critical thinking as for upgrading their mental infrastructure, interrogating the relevance of their visions, missions, and objectives to the communities they serve, and reflecting on what role their organisations will play in the post-Covid19 era.

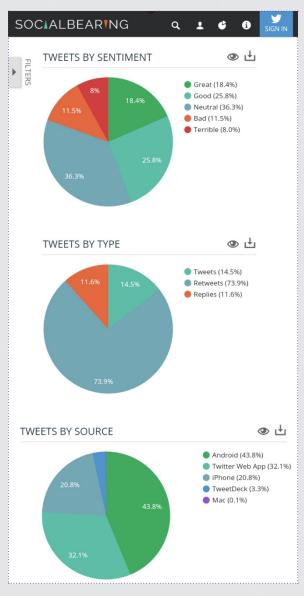
A lot is happening in the local and global contexts from which CSO leaders can draw learning experiences. Whereas organisations like UNNGOF will continue to create space for reflection and dialogue, the responsibility to use these spaces as a launchpad for building a strong sector that serves all CSO formations is encumbent upon CSO leaders. To activate this process CSOs need to walk the talk, enable and hold each other accountable, and create opportunities for networking and collective action.

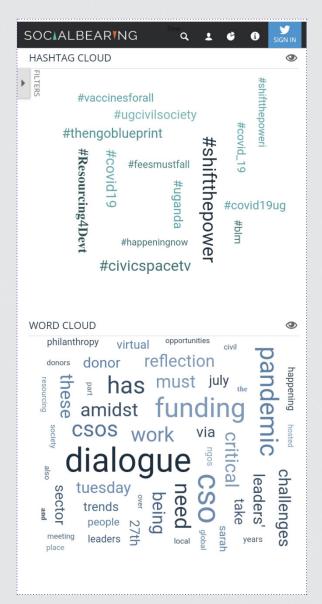
# **Appendix: Social Meda Reception**















# Join Us Online For The

# **VIRTUAL CSO LEADERS' REFLECTION DIALOGUE**

Resourcing For Development [The CSO Sector] Amidst The Pandemic: Challenges And Opportunities





MEETING ID

**PASSCODE** 

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