Domestic Resource
Mobilization for Countering the Shrinking Space for Civil Society

Introduction
Faced with significant pressure as restrictions on foreign funding, barriers to registration, intervention in CSOs’ internal affairs, and other forms of harassment, organizations working on social change on the continent are seeking to diversify their funding and strengthen their local support base. But does domestic resource mobilization improve the operating environment for civil society in Africa? Does it have effects on civic space?

Against this background, APN at the 2018 Assembly initiated a dialogue about role of philanthropy in fostering resilience and countering shrinking space. For this reason, APN is organised a peer leaning session for its members on the topic of Domestic Resource Mobilization as a strategy to foster civil society resilience. The peer leaning session was held on 1st August at 3pm and it explored the existing practices and emerging models, identify what works and what does not, and consider how to address the gap. Is there a need (or an opportunity) to engage with this particular development pillar in a more proactive way? West Africa Civil Society Institute (WACSI) in Ghana and the Foundation for Civil Society (FCS) in Tanzania shared their experiences on Domestic Resource mobilization.
About the Organizations

West Africa Civil Society Institute (WACSI) was established by the Open Society Initiative for West Africa (OSIWA) in 2005 to reinforce the capacities of civil society in the sub-region. The Institute became operational in July 2007. WACSI is a not-for-profit organization that seeks to strengthen the institutional and operational capacities of civil society organizations (CSOs) through capacity strengthening programmes for increased and effective policy engagement, and the promotion of development, good governance and democratic values in West Africa.

Foundation for Civil Society (FCS) is an independent Tanzanian not-for-profit development organization that provides grants and capacity building services to Tanzania based CSOs. FCS was registered as legal entity in September 2002 and started its operations in January 2003. It is one of the most prominent and credible African civil society institutions and the largest financing mechanism for CSOs in Tanzania.

The Discussion

Question 1: Why have you chosen to be early adopter of domestic resource mobilization strategy?

WACSI: We were faced with sustainability challenges as we were heavily dependent on OSIWA. They provided 100% funding to support our work. However, at some point they couldn’t continue to support the institute, thus there was need for us to look at other ways of raising funds. We began to ask ourselves about what we could do to sustain our operations/ to raise money/ to generate revenue.

Looking at the environment that civil society was working in, we realized that if we were facing sustainability challenges, it meant that other CSOs were going through the same. This was mainly to do with the heavy reliance on donor funding, the political environment, the fact that many of the donor countries that supported the kind of social justice work we were doing were no longer prioritizing it and issues around ownership also came into play, not only for ourselves but the organisations we supported as well.

FCS: The context has changed and we have seen that there is a drastic decline in support from donors. When you receive funding from donors, it’s difficult to make your own decisions. There are some areas of social justice, which became less priority or received less support by donors despite their importance thus it’s important to have a different fund or basket to support such initiatives.

The sustainability of the FCS has been a discussion for many years, we decided that it is time for us to support programmes that will bring greater impact to the communities that we support.

There is a growth of local philanthropy across the country. There is an increased number of high net worth individuals (HNWIs) who give and also middle-income
earning individuals who started to give, albeit in small quantities and not in a struc-
tured manner. We thought that it was important to tap into such resources. There is
also economic growth-these present opportunities of getting support from the
private sector.
With the decline in civic space going local is the best option. Most of the times when
we challenged Government on different issues we were accused of doing that
because we were getting donor funds and therefore, we are accused of implement-
ing foreign agendas. However, if we can mobilize resources locally then we can have
a lot of legitimacy. There is a room for ownership and legitimacy in the ownership of
resources.

**Question 2: What are your positive experiences this far- what works, emerging
tools, strategies and opportunities to mobilize resources at the organizational
level and the CSO sector?**

**Response from WASC1:** What we are trying to do internally in addressing the organi-
zational sustainability challenge is by looking at our uniqueness, looking at how we
were formed, our structure and the work that we do. We have looked at it from two
point of views: (i) how do we become more cost effective, and (ii) how are we able to
monetize our expertise to generate income so that we can diversify our funding.
We have looked at partnerships, we have a partnership with Ghana Institute of Lan-
guages, an institute that provide education through different languages, so for some
of their students, as part of their practicums they spend time at our institution. They
provide us with translation services and we help them professionally and also provide
them with knowledge about development work. That partnership has served us a lot
of money for interpretation and translation services that we could have incurred.
We also hire out conference rooms and invested in the purchase of interpretation
equipment which we also hire out.

We have also looked for ways of looking for unrestricted funding. We are biding for
certain consultancies that are within our mandate and align with our work to help us
to strengthen civil society.

We have also tried to focus on private sector engagement, but unfortunately, we have
not been successful up to now, though we have done the initial engagement. The
responses we have been getting from the private sector is about amplifying their
brands. They are interested in one off activity and focus more on non-cash support.
In our work with CSO partners, we are looking at the issue of sustainability more
broadly, beyond financial sustainability. We have looked at issues of operations, iden-
tity and interventions.

On financial sustainability, our partnership with the Change the Game Academy has
been extremely helpful. It has helped us to strengthen community based organisa-
tions or less resourced organisations based in the rural areas, strengthening their
ability to mobilize resource from their local communities. The feedback we are getting is that there is a lot of potential at local level. Some organisations have started doing cloud funding to support their advocacy work. Some are thinking of diaspora engagement though it’s an area that needs more investment. We need to explore on how to engage diaspora to invest in social justice issues because they are already giving money through remittances.

We have an initiative with Innovative for Change, and we about to launch an alternative funding guide book which basically highlights various models that are being implemented in Africa. It also provides guidance on which model is specific for specific NGOs.

**Response from FCS:** We have had to focus on consultancy work to generate income. We also purchased a property that we intend to use for income generating, and register a commercial arm to support our business development and investment works. We have We have printed t-shirts for sale and adopted the #GivingTuesday resource mobilization model, and successfully collect about US$ 20 000 per year. We have recently initiate conversation with the private sector aiming to unlock resources.

In partnership with the Change the Game Academy, we have developed the capacity and supported our grantee and community partners with local resource mobilization skills and innovative tools. We have seen positive changes in the organization we have invested in.

There is a mindset shift towards enhancing the local resource mobilization culture within the organization. We have earned the commitment of the members, the board and the management. For example, every organization staff member agrees voluntarily to set aside 1% of their salary as philanthropy fund. Slowly but steadily, we have started to building the culture of philanthropic giving. We have to leading by doing!

**Question 3: What does not work, barriers and challenges are you facing to mobilize resources at the organizational level and the CSO sector?**

Response from WASC: We have done some work with government mainly around trying to build a database for the civil society in Ghana, we also working with them on the NGO bill. We do work with other government agencies in other countries through their financial intelligent taskforce.

Looking at what has not worked, we have scheduled courses that we run in the region and we get many people who are applying for these courses, when it comes to payment, and we get the feedback that they want a scholarship. We have had to cancel courses because when it comes to payment people are not keen to pay. As
an institution we do not always have money to offer scholarships. At the sector level, there is need to change the culture of having things for free because we are civil society. People have been asking why WASCI has been charging for courses as a civil society. Internally we have asked ourselves if we can continue like this because very often we ether run at a loss or break even. It has not helped with revenue for us to sustain ourselves.

Even though we have a culture of giving in Africa, that giving does not go to institutions to support social justice. There is cultural change that has to be happen. What we should begin to see is that the kind of NGOs we have today did not exist traditionally, let's interrogate how the student movements that used to exist and find out how they survived. The bigger question is are we really engraved in our traditional systems as civil society or we are still seen as those that are funded by donors?

If we are looking at Domestic Resource Mobilization we have to look at our identity in relationship to our society. We need resources to build our own capacities, to put ourselves in a position where we can generate the revenue that we need.

**Response from FCS:** We organize Civil Society Week – Our annual flagship event with the strong brand. What makes its interesting is that CSOs make contributions for their participation, and create dialogue with the Governments aiming to deliberate specific policy and development issues. More than 500 CSOs attend this event. APN members were informed and invited to attend the 2019 event which will be held from the 18 to 26th of November 2019. This way, we are eliminating the dependency syndrome amongst CSOs who would expect to receive allowances even for their own gain, such as skills development and networking.

For the CSO sector, FCS acts as connector between CSOs and various government sectorial ministries and local governments. We are embarking on a campaign to challenge the Government to start supporting the civil society in Tanzania. We believe that the Government have to apportion part of its revenue collection to support civil society interventions.

We increasingly see more African giving practices. People give financial and non-financial resources to hold expensive weddings, people contribute towards funerals as well as supporting educational causes. We see a need for mindset shift so that people begin to give for social justice and inequality causes. A need to maintain and strengthen linkages with other actors is been recognized. FCS is considering to establish a Civil Society Centre in Dodoma (the new Government HQ location) for purposes of providing a space for CSOs to engage with the registrar of NGOs, local and central Government officials as well as development partners and the cooperate sector.

Our legal regime does not recognize philanthropy. When you look at philanthropic
organisations they do not fall in the charitable category as provided by the law. We are seeing the controlling of the civil society is on a higher increase, recently a new act was passed that provides for the registration of civil society under one roof, closing all the other four possibilities for an NGO to register in the country. These amendments, also affects the regulatory and operating space for philanthropy organizations.

**Suggestions for the way forward**

**For APN Members:**
- CSOs need to have a business mind, the world is moving too fast.
- CSOs need to learn more on individual giving on organisations
- Build healthy relationships, not competing against each other around resources
- Adopt community of practice on philanthropy
- CSOs should approach the rich individuals in Africa about supporting their work.
- CSOs should engage with professional organizations working in different areas and sectors
- Work out effective strategies to engage the Governments to support civil society.

**For APN:**
- Connect and share learnings to ensure that we get better results as we are experiencing the same challenges as organisations.
- Engage funders so that they prioritize sustainability of organisations they support not as an afterthought but as an integral part.
- Promote the conversations on experience sharing by member organizations. For example, how to assess our operating models? how do we connect with our constituencies? what we have seen is the more focus on money not the actual ingredients that leads to greater sustainability
- Document best practice in terms of individual giving
- Build knowledge and skills of its members on resource mobilization
- Advocate for policies and laws that favor philanthropy including tax relief.
About Presenters

The West Africa Civil Society Institute (WACSI) was established by the Open Society Initiative for West Africa (OSIWA) in 2005 to reinforce the capacities of civil society in the sub-region. The Institute became operational in July 2007.

VISION; A peaceful and prosperous West Africa where development is driven by its people. MISSION; strengthen civil society in West Africa to be responsive, collaborative, representative, resilient and influential through knowledge sharing, learning, connecting and influencing.

The Foundation for Civil Society (FCS) was established and registered in September 2002 and started operations in January 2003. The journey for Foundation for Civil Society involved many development stakeholders including the government and development partners (DPs) who agreed that there was a lack of public resources to support civil society and hence explored the intent of setting up an alternative mechanism for providing grants and capacity building services to grassroots civil society organisations across Tanzania, both in the Mainland and in Zanzibar. It is governed by an independent Board.

FCS enables citizens to become a strong driving force for change in improving the democratic governance of Tanzania, in fighting poverty and in achieving a better quality life for all. It has indeed grown from an idea to a strong institution. In 15 years of our operations, we have mobilised over Tshs 200 billion from Development Partners and invested in enabling more than 5,000 CSOs countrywide to implement various projects that address many social development challenges in communities of all regions of Tanzania, mainland and in the Isles (Zanzibar). We have reached over 30 million Tanzanians for the past one and a half decades making us the only grant issuing organisation with an extensive reach in the grassroots. The number of CSOs engaged and the total value of our resources invested to strengthen them make us one of the biggest non-profit grant making institutions in sub-Saharan Africa.

VISION; Empowered and responsible Tanzanians realize social economic justice and improved quality of life. MISSION; To contribute to sustainable development in Tanzania through civil society strengthening, policy influencing and enhancing a learning culture.
About Online APN Peer Learning

Online APN Peer Learning was established in May 2019 as part of APN mission to bring together its members organisation and partners toward the understanding of their goals and different circumstances facing them towards implementation.

The discussion has proven to be a helping tools and place where members met for discussions.

Africa Philanthropy Network
Voice and Action for African Philanthropy

✉️ info@africaphilanthropynetwork.org
 Hexatrigesimal www.africaphilanthropynetwork.org
@js infoAPN, @TengaStigmata
袪 https://www.facebook.com/AfricaPhilanthropyNetwork/