

ACCESS TO RESOURCES FOR CIVIL SOCIETY ORGANISATIONS IN LATIN AMERICA

FACTS AND CHALLENGES

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ABOUT CIVICUS

CIVICUS is a global alliance of civil society organisations and activists dedicated to strengthening citizen action and civil society around the world. Founded in 1993, CIVICUS strives to promote marginalised voices, especially from the global south, and has members in more than 175 countries throughout the world.

Visit: www.civicus.org

ABOUT INNACTIA

Innpactia is a social impact startup that facilitates access to funds for over 20,000 organizations and social entrepreneurs in Latin America. Innpactia's web application facilitates access to hundreds of funding calls and provides training and mentoring to make funding more democratic. To date, the platform has given access to more than 9 billion dollars in calls, monitors more than 2,500 donors, and has facilitated funding for over US\$5 million for organizations and entrepreneurs in Latin America.

Visit: www.innpactia.com

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INTRODUCTION

Since 2000, Latin America has experienced more than a decade of vigorous advances in economic and social indicators¹. This was particularly remarkable as it followed major political crises and economic stagnation in the 1980s and 1990s. Much of this progress was made possible by the role of human rights defenders, social movements and civil society organisations (CSOs) in promoting human and labour rights, dignity, equality, justice and peace².

However, Latin America seems to be regressing in some areas and not making progress in others that are key for its future. Extreme poverty has grown to 10.2 per cent, the highest figure in the last decade, and the region remains the most unequal in the world³. At the same time, there is a weakening of public institutions, a growing deterioration of the basic social conditions that promote citizen participation and the resurgence of extremist movements that foster hatred and division. In several countries, regimes have been established that suppress the civic rights of their people, triggering worrying democratic regressions and even humanitarian crises, as in Venezuela⁴.

In this context, it is urgent to strengthen Latin American civil society and ensure that it is more independent, plural and resilient than ever before. One of the key elements to achieve this is to provide civil society with sufficient resources, commensurate with its nature and mission, and free from excessive or unjustified political and bureaucratic obstacles.

The problem is that CSOs are increasingly being forced to adapt to the reduction of funding flows and to radical transformations of the traditional financing modalities⁵. They must also face growing restrictions imposed by states on their ability to obtain financial, material and human resources, as part of a regressive attack against their operating space.

Despite its enormous importance, the resourcing and funding of civil society in Latin America is an issue that has tended to be addressed in a piecemeal and fragmented manner, causing a lack of reliable information on which comparative studies could be based. Approaches to resourcing are often limited to the purely operational and budgetary aspect of the topic, ignoring its impact

on the configuration of civil society and its scope of action, autonomy and sustainability. They have resulted in a cluster of assumptions about dominant trends, which are based more on conventional wisdom than empirical evidence and are often repeated as mantras in philanthropic circles and civil society forums.

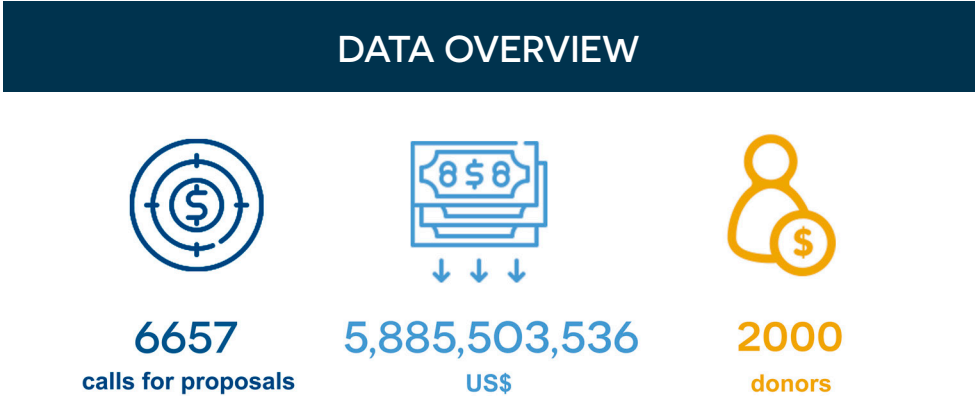
To help bridge some of these knowledge gaps, this report summarises the results of an analysis of the database of the [Innpactia platform](#), which includes thousands of calls for proposals for resources and funding, available to individuals, civil society groups and other actors promoting development in Latin America. The analysed sample includes a total of 6,657 calls for proposals published between 2014 and 2017, for a total amount of almost US\$5.9 billion from 2,000 donors.

Despite the limited timeframe considered by the analysis, the fact that it does not cover all the possible resources that are available to civil society, and the fact that not all the calls for proposals studied are exclusively aimed at CSOs in Latin America, this is a large sample that allows for the identification of relevant trends and behaviours in the supporting ecosystem of Latin American civil society.

This report approaches the exploration of this ecosystem with a series of questions: what proportion of policies to support social development and international cooperation for Latin America are addressed to civil society? What types of opportunity are available for CSOs and, specifically, for Latin American CSOs? What are

the actors, issues and activities favoured by these calls for proposals? What kind of activities are less attractive to donors? How do these trends and behaviours influence CSO organisational models, sustainability, diversity and inclusiveness?

In this report, we present a summary of our findings, which we hope will contribute to depicting the funding landscape for CSOs in Latin America. We do so with the ambition of stimulating debates based on empirical evidence, rethinking civil society funding practices and promoting actions that democratise access to predictable flows of resources to strengthen the autonomy, sustainability and diversity of civil society.



CIVIC SPACE RESTRICTIONS AND ACCESS TO RESOURCES FOR CIVIL SOCIETY

For citizens to have real opportunities to participate in the decision-making processes that affect their lives, a space is needed in which civil society can function freely and play a wide variety of advocacy, monitoring and accountability roles. This space for civil society - civic space- is based on the effective implementation of three fundamental rights: the freedoms of association, peaceful assembly and expression. If these three rights are respected, citizens can express dissent, propose solutions and contribute significantly to democratic governance. The importance of civic space is recognised by international law, which obliges governments to respect, facilitate and protect these fundamental rights.

However, the overall picture of civic space is discouraging. According to recent data from the [CIVICUS Monitor](#), an online platform that evaluates the health of civic space in all countries, only four per cent of the world's population live in countries that have open civic space. In addition, a recent CIVICUS report points out that there is an ongoing process of democratic regression characterised by increasingly polarised political dynamics and the advance of right-wing populist leaders and parties, entailing further restrictions of civic space⁶.

Restrictions on civic space disproportionately affect already vulnerable and excluded groups, such as migrants and refugees, women, indigenous people and LGBTQI people, among others. Although restrictions are implemented first and foremost by states, the role of non-state actors — including large corporations and paramilitary or armed vigilante groups — in restricting civic space has grown. Among these are anti-rights movements that attack vulnerable groups and the CSOs promoting their rights in the name of values that they position as threatened, such as religion and morality, the traditional family and national identity. In addition, many governments use the excuse of preventing terrorism and preserving national stability and security to limit fundamental freedoms and suppress dissenting voices of CSOs, human rights defenders, journalists and opposition political parties.

Latin America is no stranger to these trends. According to a recent CIVICUS Monitor report, half of the continent's population lives in countries where civic space is severely restricted⁷. Latin America is a particularly hostile territory for activists, journalists and social, indigenous and environmental leaders. According to Front Line De-

According to the CIVICUS Monitor, half of the population in the Americas lives in countries where civic space is severely restricted.



*State of the civil society freedoms in Latin America.
Source: CIVICUS Monitor

fenders, five Latin American countries — Brazil, Colombia, Guatemala, Honduras and Mexico — along with the Philippines accounted for 85 per cent of the world's human rights defenders killed in 2017⁸.

In the context of this narrowing of civic space, CSOs are also being attacked through the implementation of legal and extra-legal barriers that affect their ability to mobilise the resources they need to survive and fulfil their missions. These restrictions can materialise through laws or bureaucratic obstacles, such as complex and disproportionate registration requirements or prior state authorisation requirements to undertake certain activities or to receive financial support from abroad. Extra-legal actions include smear campaigns against civil society, which often fuel attacks against civil society. In the most adverse contexts, state authorities misuse legal provisions to criminalise CSOs that receive funds from abroad by linking them to terrorism, money laundering and other crimes⁹.

To face this adversity, CSOs need, more than ever, strong citizen and multisectoral support, and to find visionary and courageous donors that are willing to commit in the long term and provide the resources that enable CSOs to deliver local and innovative solutions in an autonomous manner, without having to conform to government or donor agendas. Such support will enable CSOs to sustain and strengthen themselves, develop their capacity and recruit qualified talent, and to go beyond simple acts of resistance to lead a strategic battle against forces that often hold great capital and power, and that perpetuate inequality and repress civic space¹⁰.

Among those involved in civil society action, it is particularly urgent to support the newer, smaller or less connected CSOs that are central to community development. In addition, priority should be given to those that, with a progressive and inclusive vision, promote profound changes, address sensitive or controversial issues and protect the rights of the most disadvantaged sectors. These organisations play a key role in challenging regressive social, economic and political forces while fighting inequality, injustice and other persistent social and environmental problems. By questioning the status quo, they open spaces for new voices, perspectives and solutions, planting seeds that can give rise to profound, fair and sustainable transformations.

RESOURCES FOR CSOs: FEATURED FINDINGS FROM THE ANALYSIS OF THE CALLS FOR PROPOSALS



THERE ARE FEW EXCLUSIVE RESOURCES FOR CSOs

only **12%**
of all tracked resources were
exclusively offered to CSOs

only **3%**
were addressed exclusively to
Latin American CSOs



COMPETITION FOR ACCESS TO RESOURCES IS UNFAIR AND UNEQUAL

Latin American CSOs had to
compete with:

International CSOs in **74%** of calls for
proposals

The **private sector** in **71%** of calls for proposals

National state entities in **46%** of calls for
proposals

International bodies in **36%** of calls for proposals



THERE IS LITTLE INVESTMENT IN THE PROMOTION OF HUMAN RIGHTS, POLITICAL ADVOCACY AND ACTIVISM

Less than **6%**
of the resources accessible to CSOs were offered
for these activities



THERE IS MINIMAL INVESTMENT IN THE SUSTAINABILITY OF CSOs

Less than **3%** of resources accessible to CSOs were
aimed at **funding** core operations, institutional strengthening and
sustainability

97% of resources were directed **to project
implementation** and the provision of basic services



THE NORTHERN HEMISPHERE IS STILL THE LARGEST DONOR, BUT LATIN AMERICA IS PLAYING A SIGNIFICANT ROLE IN PROVIDING FUNDS

65.5% of resources accessible to CSOs came from
the global north

Latin America is providing **33%** of resources accessible to CSOs

SUPPLY OF RESOURCES FOR CSOs IN LATIN AMERICA

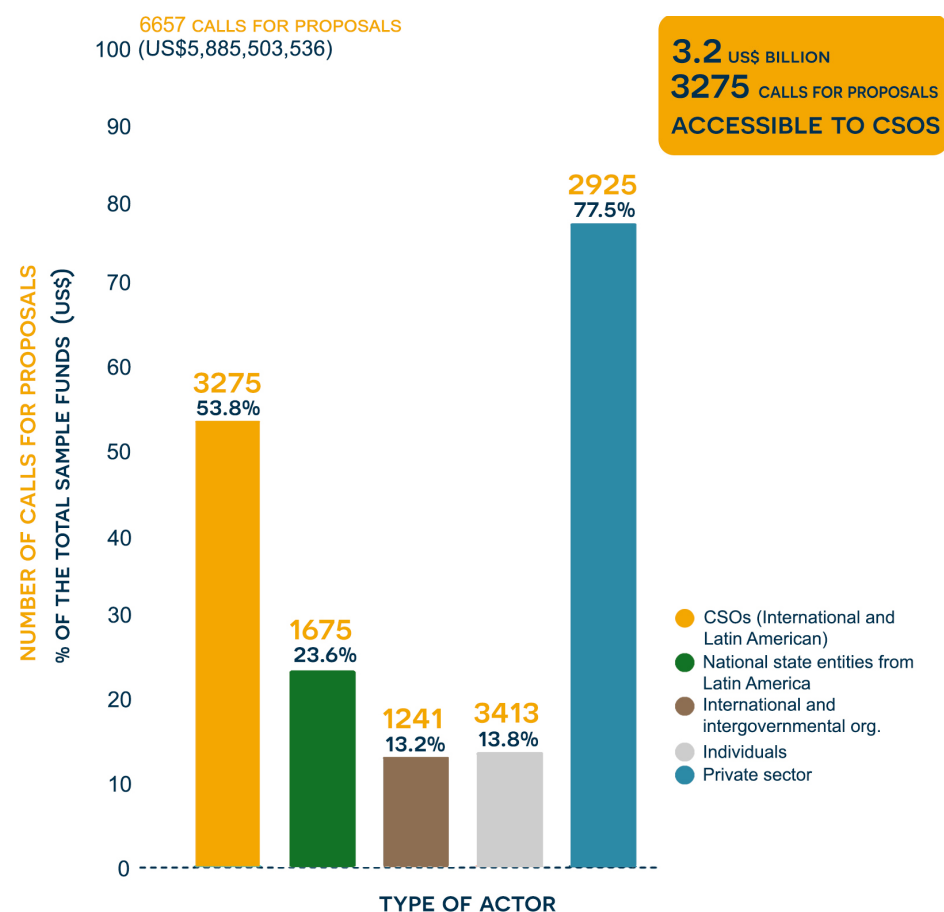
AVAILABILITY, ACCESSIBILITY AND COMPETITION FOR RESOURCES

The sample used in this analysis was made up of a total of 6,657 calls for proposals from 2,000 donors, published between 2014 and 2017, for a total amount of almost US\$5.9 billion. At first glance, it may seem that civil society has abundant opportunities to access resources: 3,275 of the calls for proposals invited CSOs, including local CSOs and international CSOs working or interested in working in Latin America, to apply for funds or in-kind resources. This represents 49 per cent of the calls for proposals studied and 53.8 per cent of the resources available.

Only the private sector (including enterprises, companies and private universities) had similar access, as it was entitled to apply for 44 per cent of the calls for proposals. However, these represented 77.5 per cent of the available resources (see Figure 1).

Figure 1.

OPPORTUNITIES ACCESSIBLE TO EACH ACTOR



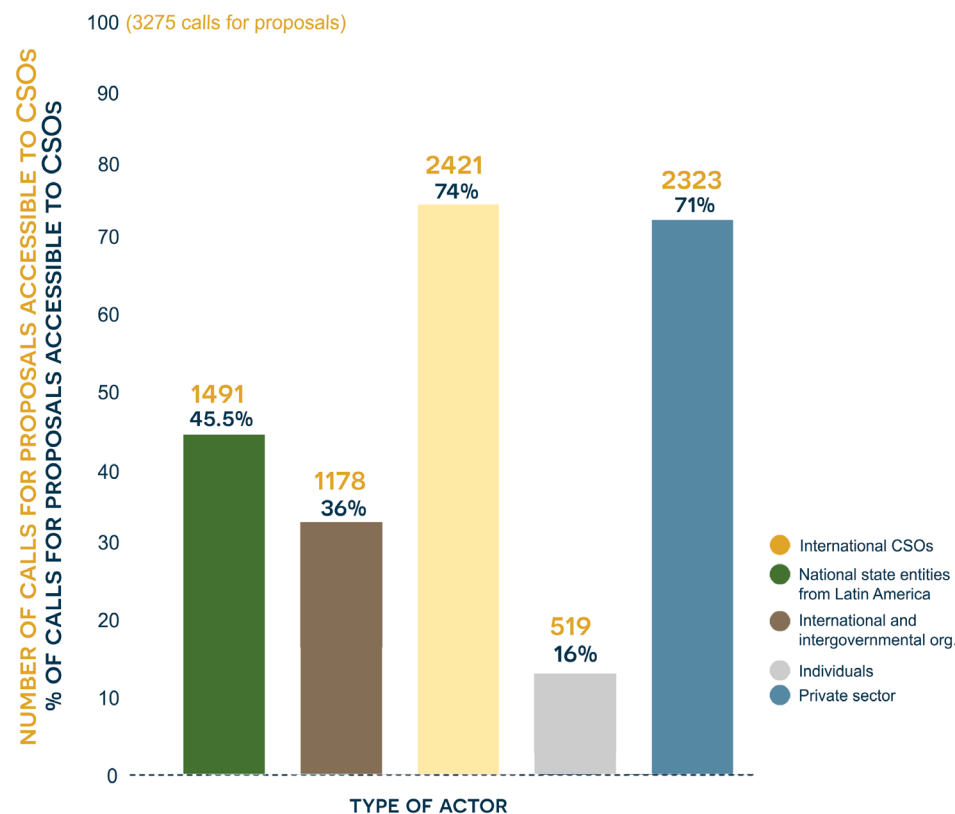
A more detailed analysis of how truly accessible and relevant such offers might be draws a less favourable picture for CSO funding, particularly for Latin American CSOs.

The data indicates that most of the resources accessible to Latin American CSOs — both in terms of calls for proposals and the amount of funding they could apply for — were simultaneously offered to multiple actors that, in many cases, are bigger and have more capacity to compete. This indicates that competition for resources is high and, most likely, Latin American CSOs must compete for them on disadvantageous terms.

Figure 2 sets out the different actors competing with Latin American CSOs in calls for proposals that are accessible to multiple actors, and the frequency with which this competition occurred. In the calls for proposals available to local CSOs, they had to compete for resources with international CSOs in 74 per cent of calls, with private sector actors in 71 per cent of cases, with national state entities in 45.5 per cent of cases and with international and intergovernmental bodies, such as United Nations agencies, in 36 per cent of cases.

Figure 2.

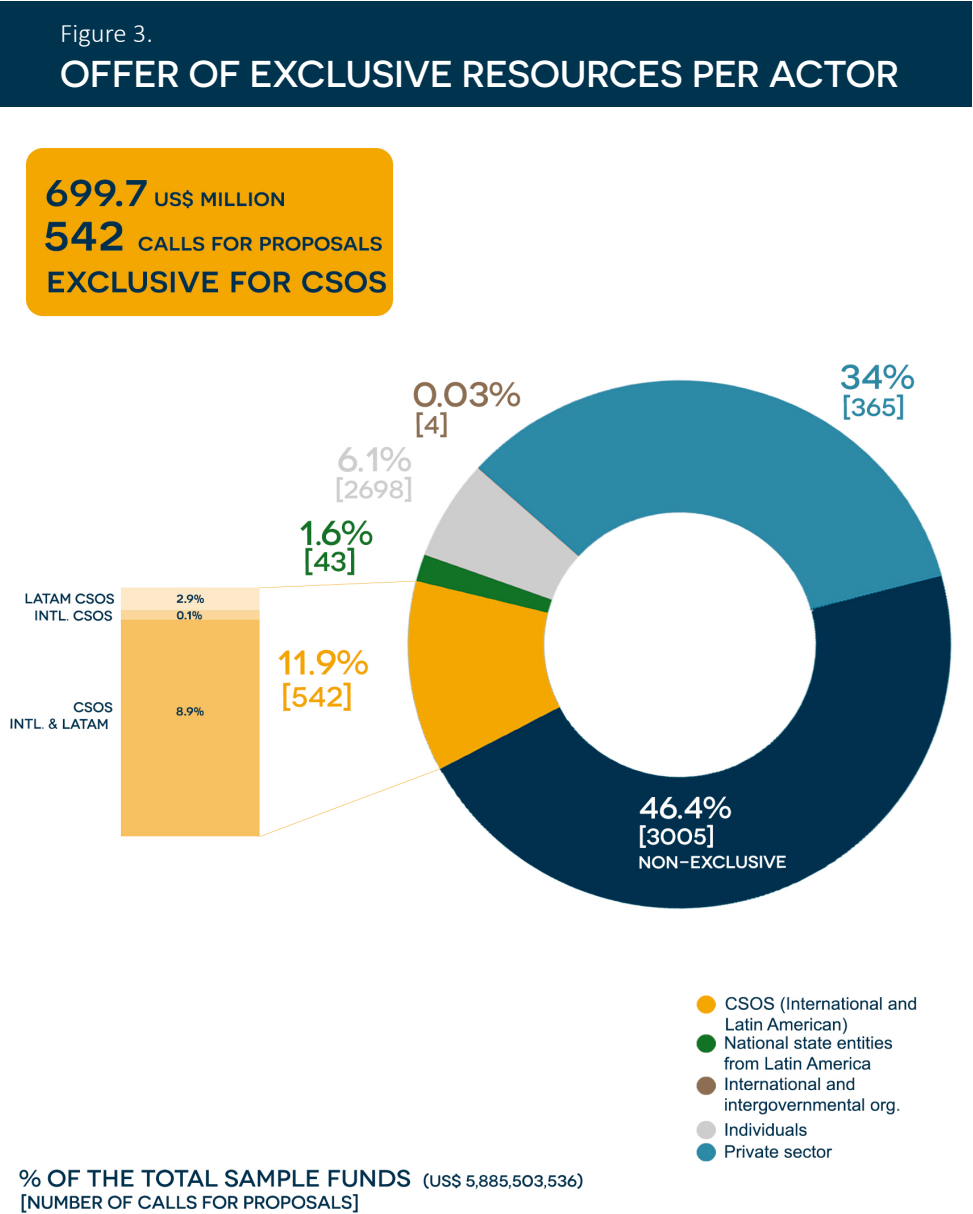
FREQUENCY OF COMPETITION BETWEEN LATIN AMERICAN CSOs AND OTHER ELIGIBLE ACTORS



A review of the exclusive resources available for each group of actors reveals that altogether CSOs — both Latin American and international CSOs — had exclusive access to only 8 per cent of the calls for proposals, representing less than 12 per cent of the sample’s total funds (US\$699.7 million). For Latin American CSOs only, the exclusive resources for which they did not have to compete with international CSOs were only available in 2 per cent of the calls for proposals, corresponding to less than 3 per cent of the funds.

It is noteworthy that while 5.5 per cent of the calls for proposals in the sample were offered exclusively to private sector actors, these accounted for a total of US\$2 billion, 34 per cent of the amounts available. In other words, private sector actors had exclusive access to amounts that were almost triple those available to CSOs.

Finally, there were a large number of calls for proposals aimed exclusively at individuals, standing at double the amount of money committed exclusively to Latin American CSOs (see Figure 3).



TYPES OF CALLS FOR PROPOSALS AVAILABLE

The most frequently available support for CSOs was through grants: 40 per cent of the calls for proposals available and 77.2 per cent of the amounts followed this format. The figures stood much lower for grants available exclusively to CSOs, and lower still for grants available exclusively to Latin American CSOs, but grants made up the bulk of the resources available in both cases: 95.7 per cent of the exclusive amount available for CSOs in general and 90 per cent of the exclusive amount for Latin American CSOs were channelled through grants, i.e. non-refundable fi-

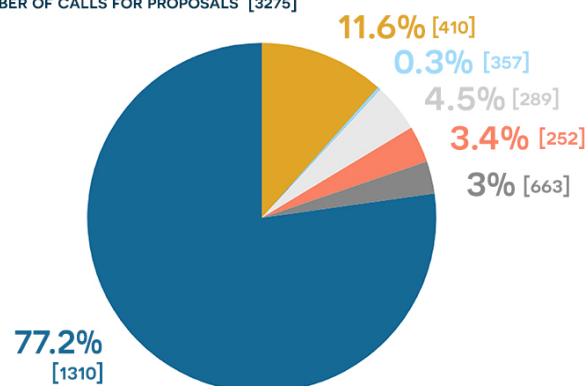
nancial assistance to support the implementation of activities having social impact.

Beyond grants, the types of calls for proposals most often accessible to CSOs, in competition with other categories, were, in order of importance according to the amounts offered, scholarships, research grants and calls for proposals for tenders. These types of funding were marginal in the calls for proposals aimed exclusively at CSOs (see Figure 4).

Figure 4. TYPES OF CALLS FOR PROPOSALS AVAILABLE TO CSOs

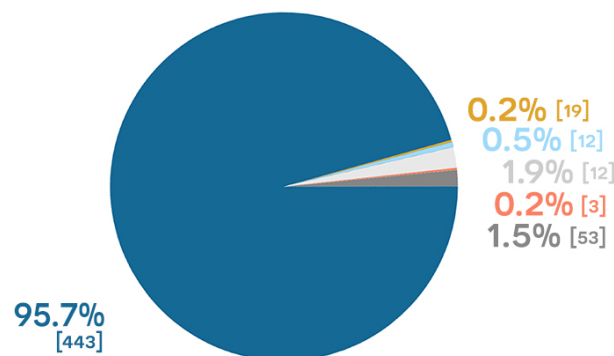
ACCESSIBLE TO CSOs INTERNATIONAL AND LATIN AMERICAN

% OF THE TOTAL AMOUNT (US\$3,164,229,396)
NUMBER OF CALLS FOR PROPOSALS [3275]



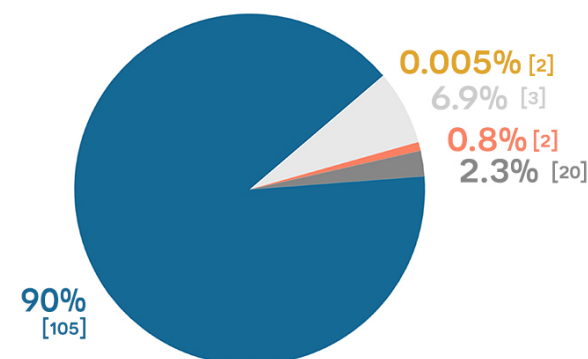
EXCLUSIVE TO CSOs INTERNATIONAL AND LATIN AMERICAN

% OF THE TOTAL AMOUNT (US\$699,731,489)
NUMBER OF CALLS FOR PROPOSALS [542]



EXCLUSIVE TO LATIN AMERICAN CSOs

% OF THE TOTAL AMOUNT (US\$167,389,367)
NUMBER OF CALLS FOR PROPOSALS [133]



Scholarships

Trainings

Research grants

Tenders

Awards

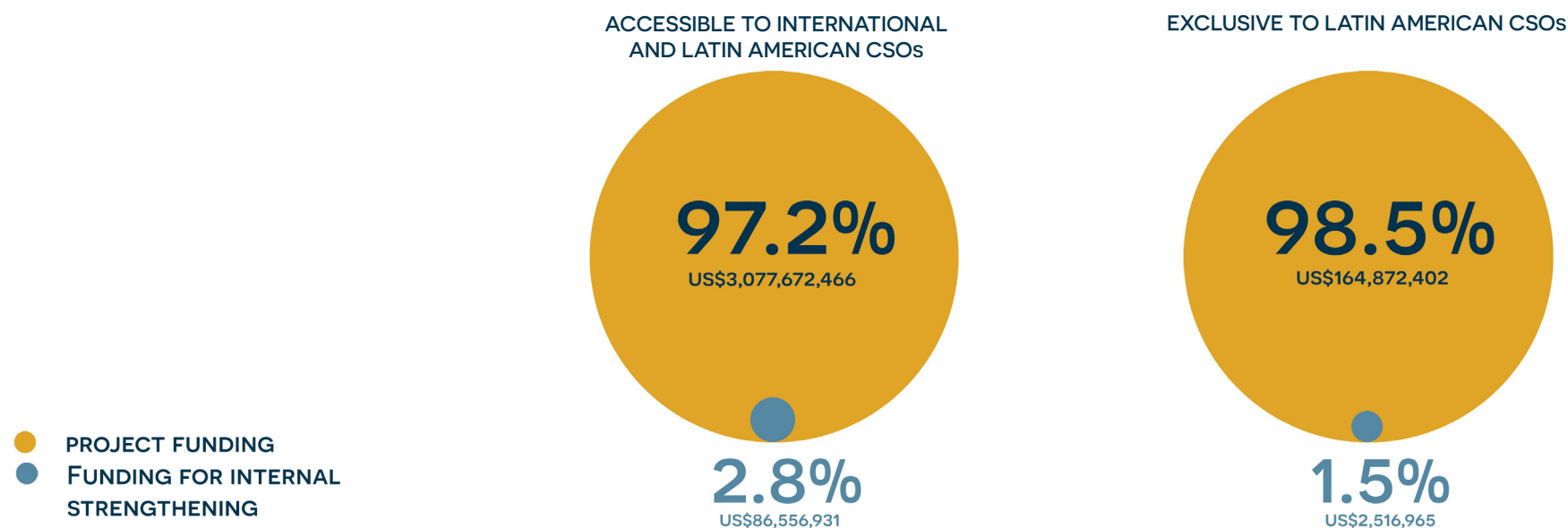
Grants

ALLOCATION OF FUNDING

Less than 3 per cent of the calls for proposals and of the amount accessible to CSOs offered core funding that could be used for operating and internal strengthening costs, key factors that can improve organisational sustainability. In the case of funds exclusively addressed to Latin American CSOs, this figure amounted to 1.5 per cent, which represented only 0.8 per cent of all funds available to all CSOs.

The figures point to what is often characterised as an alarming projectisation of aid: just over 97 per cent of calls for proposals and of the funds accessible to CSOs were aimed at supporting the implementation of projects or the provision of social services (see Figure 5). Project funding usually covers the costs of specific activities to achieve the results required by donors but does not include support for a CSO's financial and institutional sustainability, nor to invest in building or strengthening internal capacities. It does not allow CSOs to work with a high level of flexibility and autonomy.

Figure 5. **ALLOCATION OF FUNDING OFFERED TO CSOs**



ACTIVITIES, THEMATIC AREAS AND GROUPS SUPPORTED

Only 4.5 per cent of the calls for proposals and 5.5 per cent of the funds accessible to CSOs supported social and political influencing activities that might be considered as politically controversial. The overwhelming majority of resources, 94.5 per cent, was made available for the funding of what might be considered traditional development project activities, i.e. those focused on providing social and basic services to a target group. The implication is that many of the roles for which civil society exists- monitoring human rights violations, promoting demands, building coalitions and developing advocacy projects that challenge the status quo and promote reforms – are not being supported.

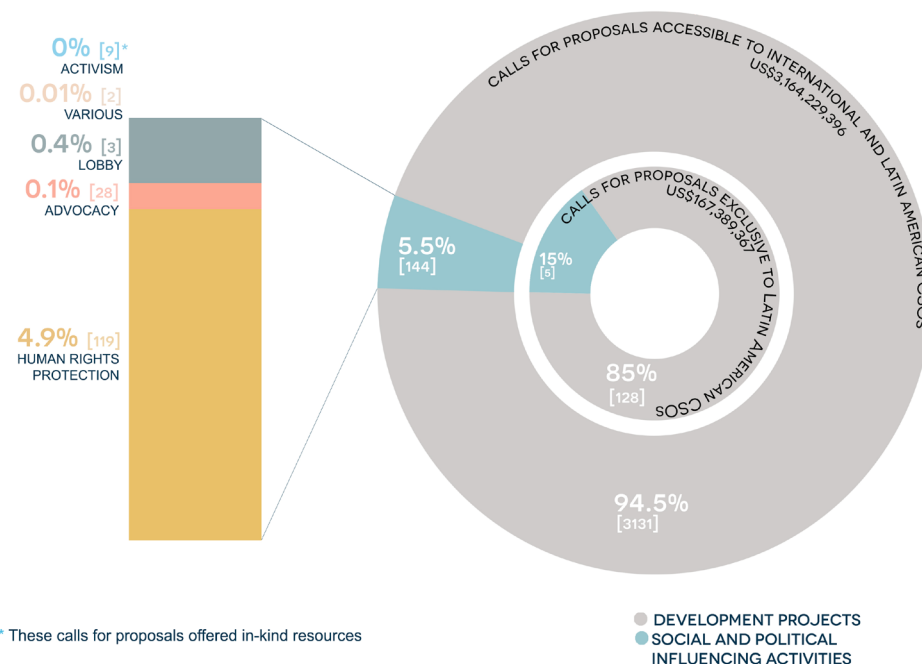
From the scarce funds that are available for these activities that might be considered controversial, almost 90 per cent were specifically offered for the general protection of human rights, with only marginal amounts dedicated to activism, advocacy and lobbying.

The amounts that could be used to promote controversial issues accounted for 15 per cent of the funds exclusively aimed at Latin American CSOs, which represented only 0.8 per cent of the amounts accessible to all CSOs. Almost all of this amount was devoted to the protection of human rights (see Figure 6).

Figure 6.

ACTIVITIES SUPPORTED BY THE CALLS FOR PROPOSALS

% OF THE TOTAL AMOUNT (US\$)
[NUMBER OF CALLS FOR PROPOSALS]

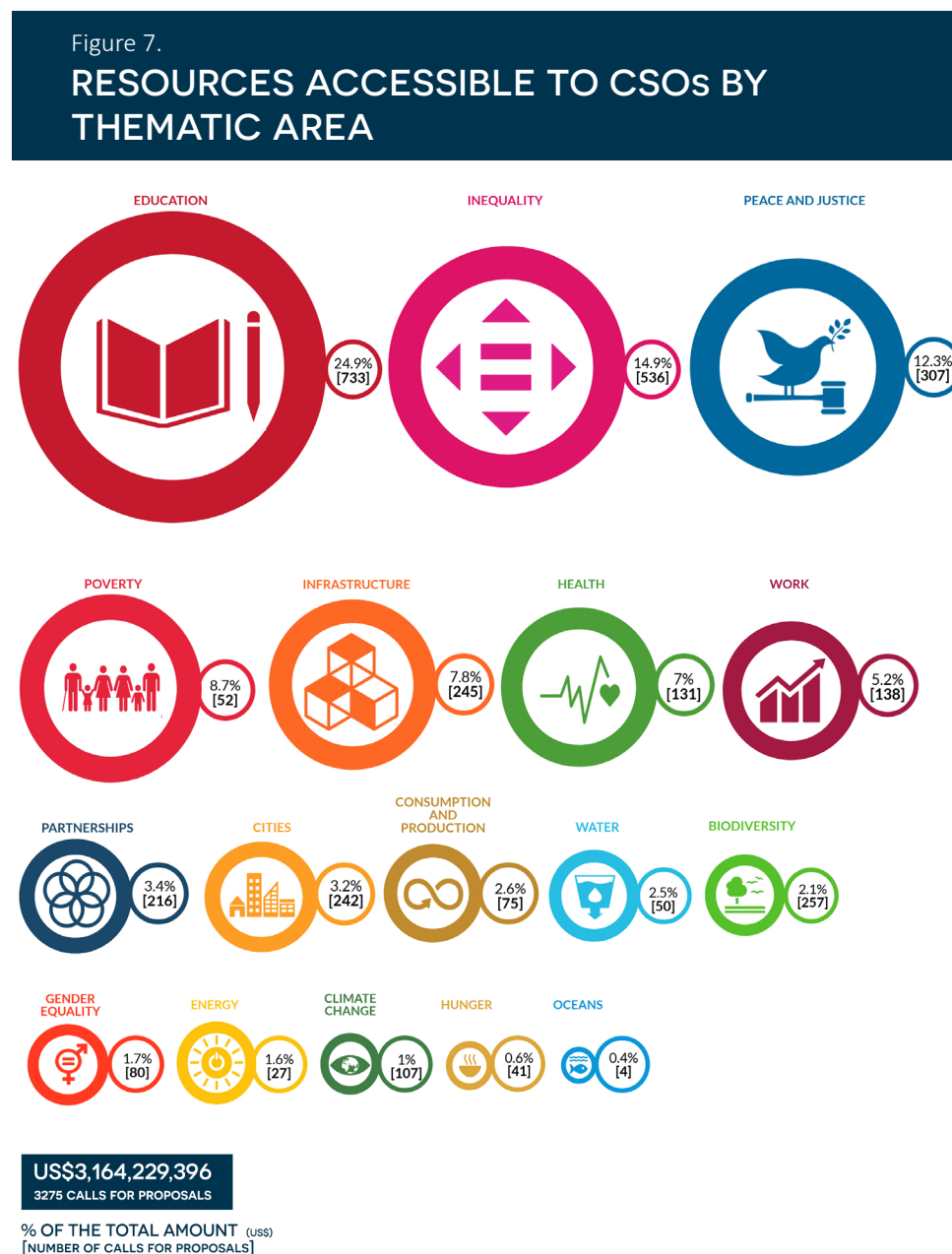


In order to examine the availability of resources for civil society according to different thematic areas, resources accessible to CSOs in Latin America were classified according to the thematic areas defined in the 17 United Nations Sustainable Development Goals (SDGs)¹¹.

As Figure 7 indicates, this classification shows a preponderance of support for education: a quarter of the funds available in the database for all CSOs, Latin American and international, was offered for education-related activities. After this, the thematic areas with the largest amounts of resources available to CSOs were, in decreasing order, inequality reduction, peace promotion and justice, and the fight against poverty.

The SDG areas for which the fewest resources were available, standing at less than 1 per cent of the total accessible amount, were the reduction of hunger, climate change and the protection of marine ecosystems.

Despite the importance of the issue, in a region characterised by high levels of gender-based violence and the denial of sexual and reproductive rights, less than 2 per cent of the amounts accessible to CSOs was reserved for issues related to gender equality and women's empowerment.



Finally, the availability of resources in the calls for proposals dedicated to working with historically vulnerable and excluded groups, such as women, children, migrants and indigenous peoples, was explored. It stands out that 26.6 per cent of the amount of funds accessible to all CSOs included support for vulnerable groups. However, within this category, only 0.5 per cent of this amount was exclusively directed to Latin American CSOs.

Most of the funds for work with specific groups came from calls for proposals that targeted more than one specific group of people (referred to as cross-sectional calls for proposals in Figure 8). Of the amounts tracked and accessible to CSOs, more than half focused on three groups of people: children, women and people living with HIV/AIDS. At the other end of the scale, the amount of resources for civil society work with migrants, refugees and indigenous peoples was minimal.

Despite the life-threatening risks faced by human rights defenders in many countries in Latin America, less than 4 per cent of the sums available to all CSOs were offered, non-exclusively, to support this group. No exclusive resources were identified for Latin American CSOs working with human rights defenders.

When looking in detail at the few exclusive funds available for Latin American CSOs working with vulnerable groups, half of them came from transversal calls for proposals and 40 per cent were focused on working with indigenous peoples. No exclusive

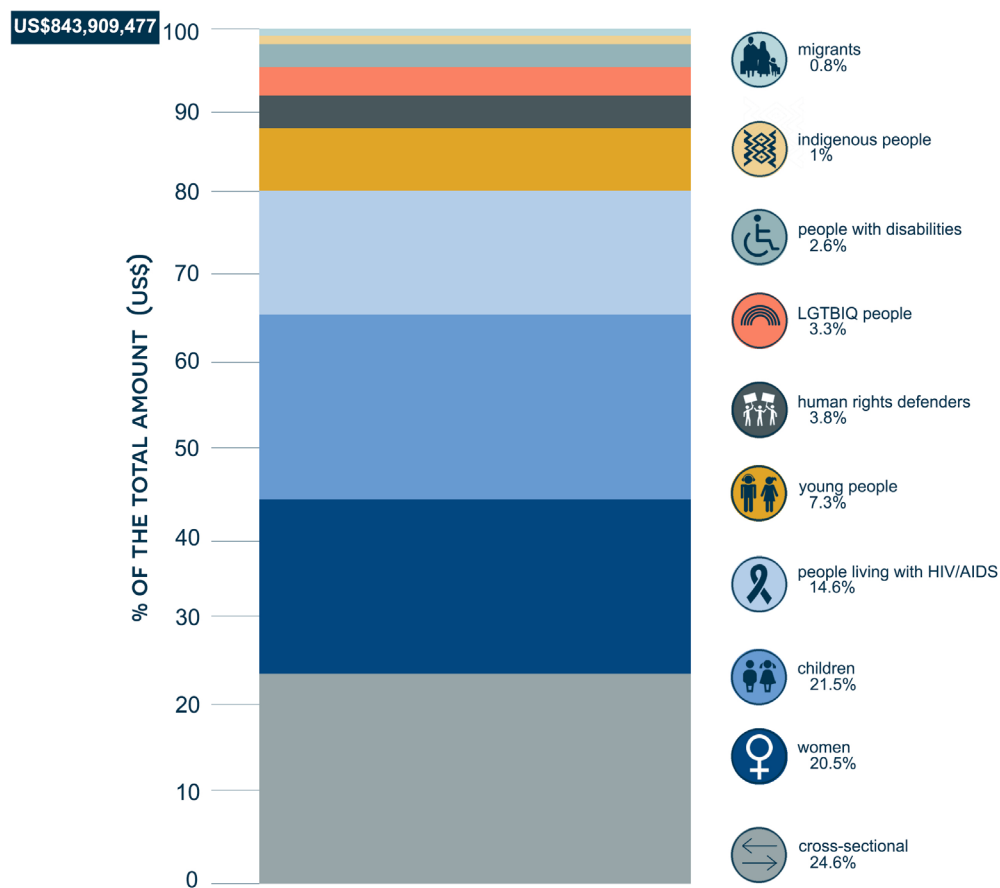
resources were identified for work with migrants or refugees, despite the large migration in the region and the fact that migrants and refugees are faced with great challenges to meet their basic needs and fully exercise their rights.

Figure 8. **RESOURCES ACCESSIBLE TO CSOs WORKING WITH VULNERABLE GROUPS**

RESOURCES ACCESSIBLE TO CSOS

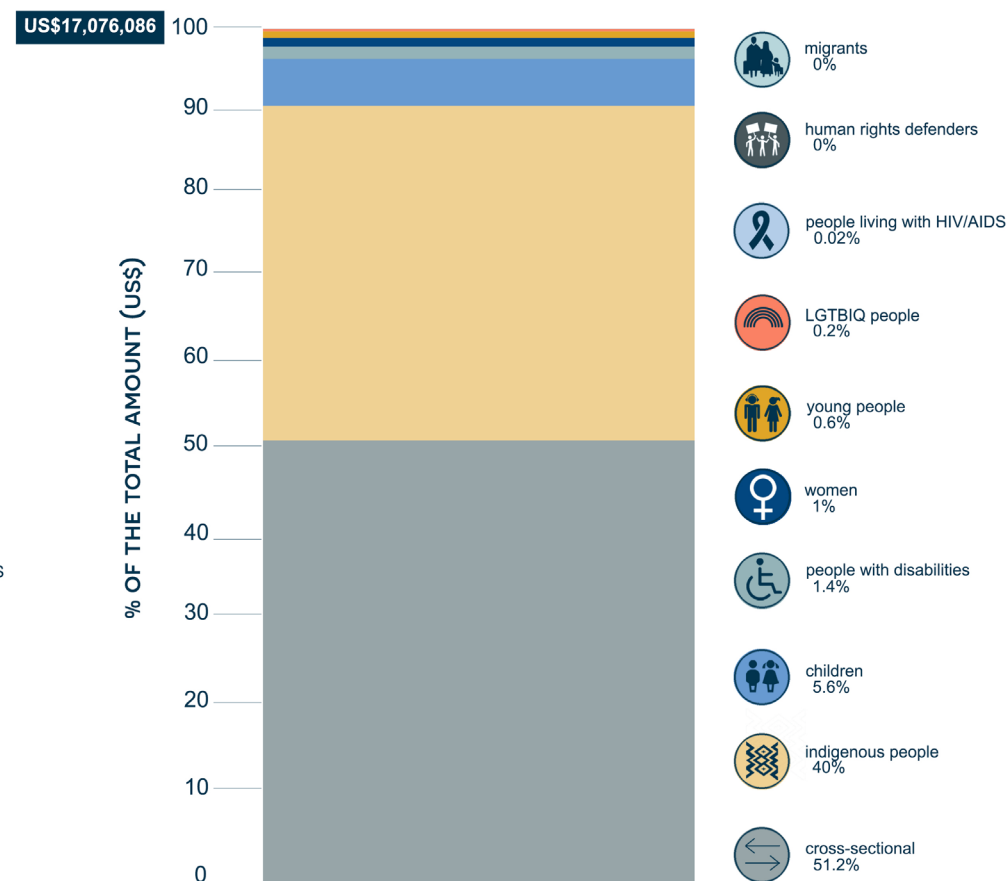
INTERNATIONAL AND LATIN AMERICAN

(This amount accounts for **26.6%** of the total resources accessible to CSOs)



EXCLUSIVE RESOURCES FOR LATIN AMERICAN CSOS

(This amount accounts for **0.5%** of the total resources accessible to CSOs)



CSO FUNDING SOURCES IN LATIN AMERICA

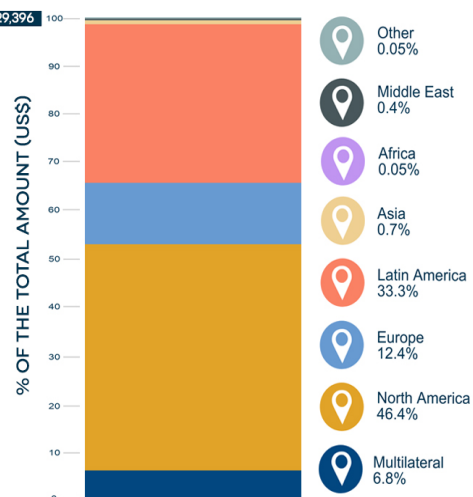
RESOURCES BY ORIGIN

The classification of the sample by region of origin of the funds reveals that the global north, including bilateral and multilateral aid from North America and Europe, was the main source of funds accessible to CSOs in Latin America, accounting for 65 per cent of the amounts tracked. Most of those funds, 46.4 per cent, came specifically from North America.

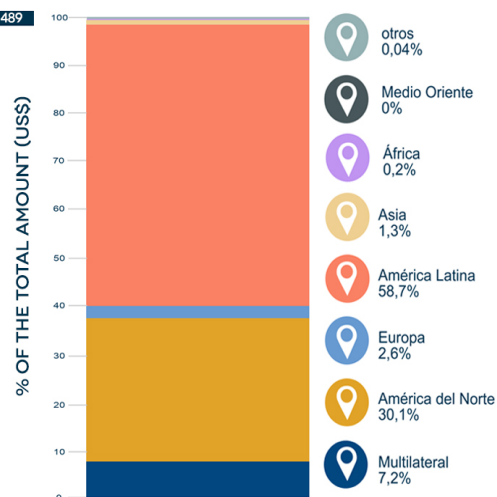
However, countries in the region seem to be playing a prominent role in providing funds. It was found that 33 per cent of the amounts accessible to CSOs and 58.7 per cent of the funds exclusively accessible to civil society came from within Latin America. Further, while most of the amounts exclusively available for Latin American CSOs, 66.4 per cent, came from North America, Latin America was the second-highest source, providing 19.5 per cent of the funds (see Figure 9).

Figure 9. REGION OF ORIGIN OF THE RESOURCES

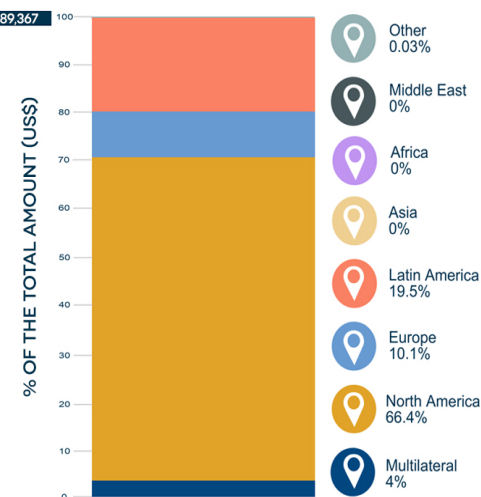
RESOURCES ACCESSIBLE TO CSOS*
*INTERNATIONAL AND LATIN AMERICAN



EXCLUSIVE RESOURCES FOR CSOS*
*INTERNATIONAL AND LATIN AMERICAN



EXCLUSIVE RESOURCES FOR LATIN AMERICAN CSOS



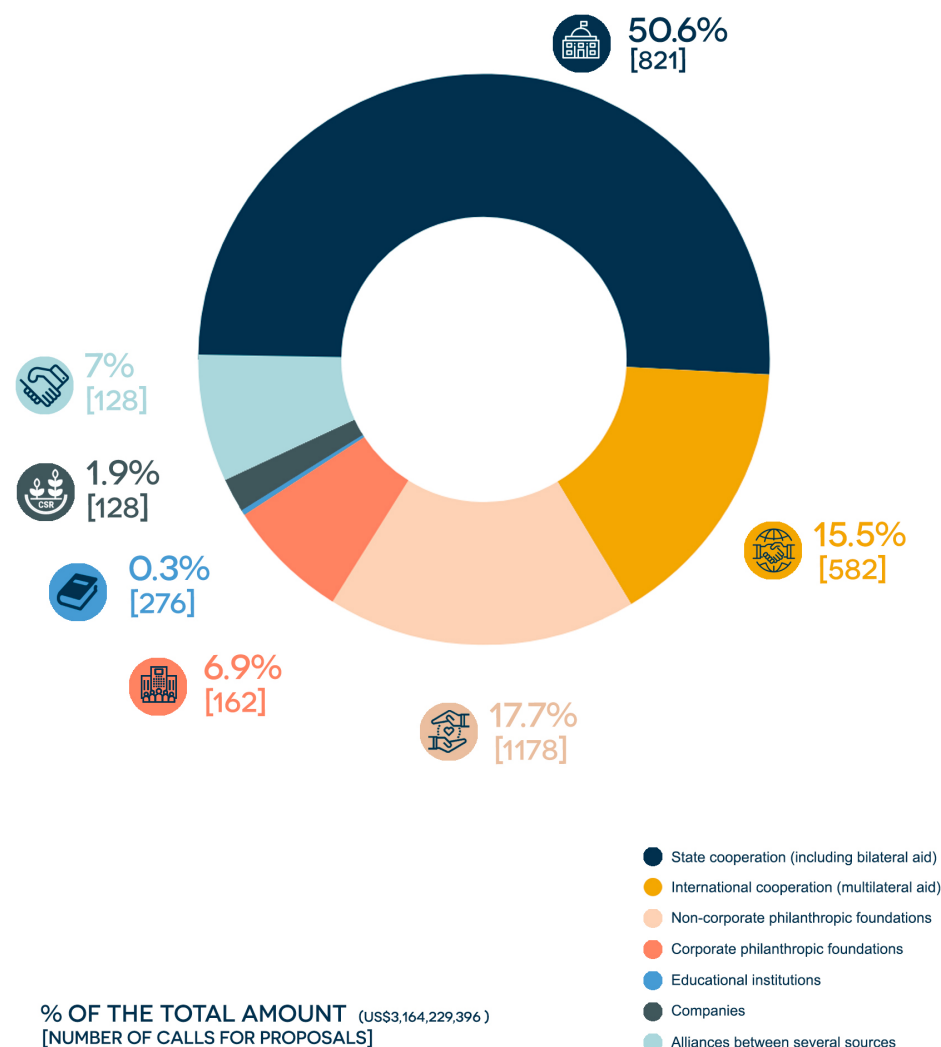
As Figure 10 shows, state cooperation, encompassing entities from various states in Latin America and further afield, and others from the public sector, emerged as the main source of funds available to CSOs, contributing 50.6 per cent of the total amount accessible to CSOs, although it came second when assessing the number of calls for proposals, amounting to 25 per cent.

The second most important source of funding was the group of non-corporate philanthropic foundations, such as family foundations, which contributed 17.7 per cent of the funds accessible to CSOs and offered the largest number of calls for proposals, standing at almost 36 per cent of the proposals open for CSOs. This indicates that their offer of resources is much less concentrated than those coming from state cooperation.

International cooperation, from intergovernmental and supranational organisations, ranked as the third-highest source of funds, with a contribution of 15.5 per cent of the amounts. Alliances, in which several sources joined as co-funders of a call for proposals, and corporate philanthropic foundations made similar contributions, providing 7 per cent and 6.9 per cent of funds respectively. Resources from companies made up only 1.9 per cent of funds. Finally, a contribution of 0.3 per cent of funds was made by educational institutions; although these contributed the least amount of money accessible to CSOs, they offered 8.4 per cent of calls for proposals.

Figure 10.

SOURCES OF THE RESOURCES ACCESSIBLE TO CSOs



TOP TEN DONORS IDENTIFIED IN THE SAMPLE BY FUNDS ACCESSIBLE TO CSOs

The top ten donors in the sample contributed 72 per cent of the resources accesible to international and Latin American CSOs. The United States Agency for International Development (USAID) and the European Commission (EC) led the list, with contributions to open calls for proposals for civil society of US\$839 million and US\$352 million respectively, adding up to half of the total funds.

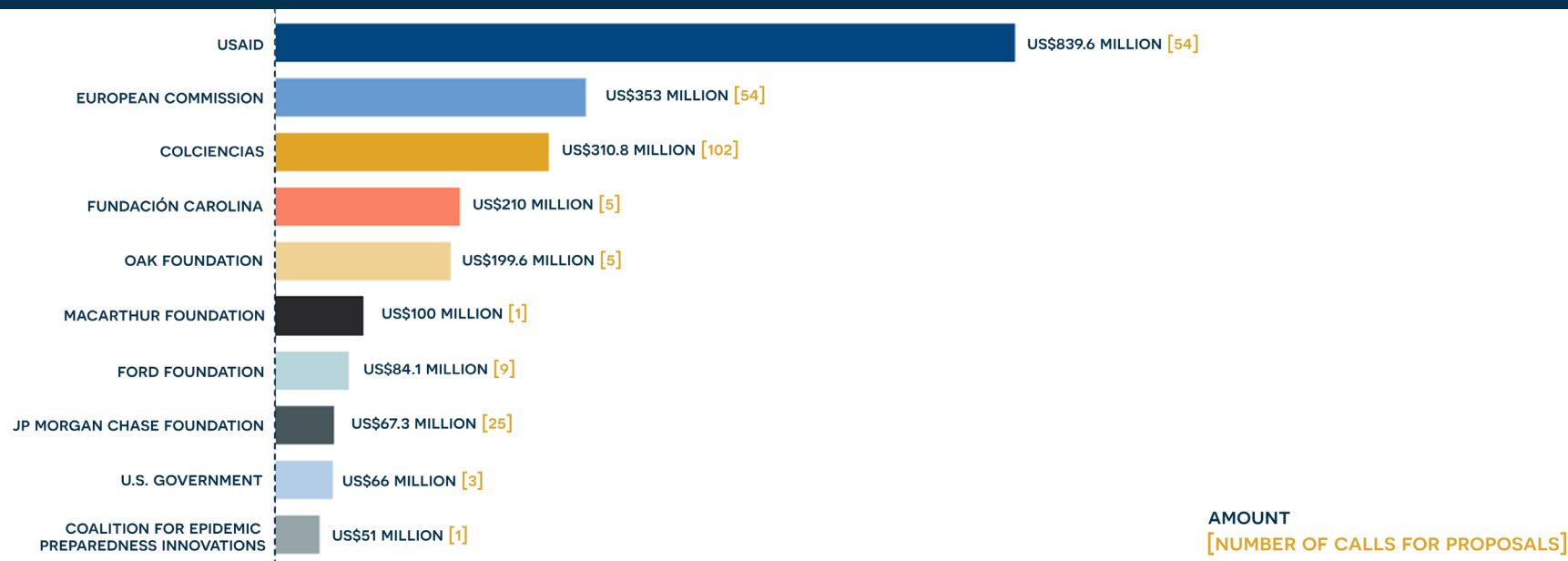
USAID and the European Commission were listed in all major donor lists included in this analysis and are characterised by do-

nating large amounts through a relatively low number of calls for proposals.

Most of the major donors were from the USA, although it is noteworthy that the third-largest donor by the amount of its contributions was from Latin America: Colciencias Colombia (Administrative Department of Science, Technology and Innovation).

It should be noted that there is a bias in the sample, resulting from the fact that Innpectia's tracking protocols to analyse donations from sub-national entities were deployed earlier in Colombia ¹².

Figure 11. TOP TEN DONORS BY FUNDS ACCESSIBLE TO CSOs



TOP TEN DONORS BY CALLS FOR PROPOSALS ACCESSIBLE TO CSOs

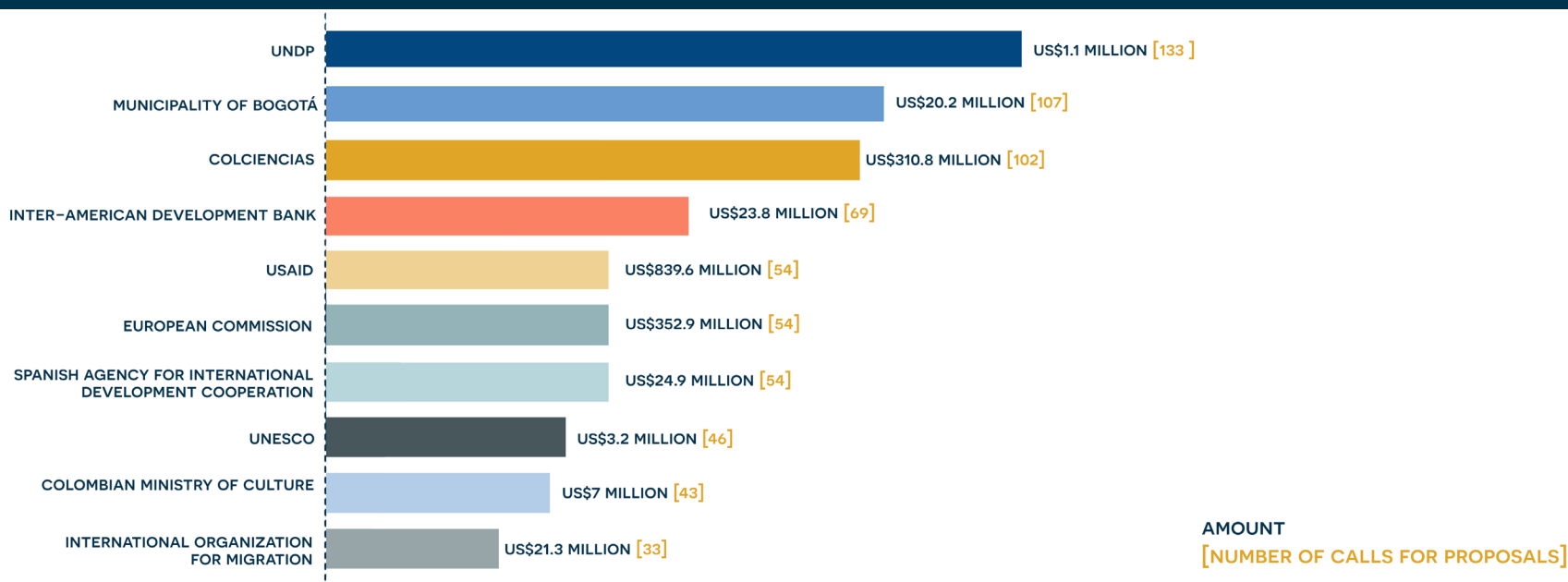
The list of the top ten donors according to the number of open calls for proposals was led by the United Nations Development Programme (UNDP). While USAID was the largest donor by amount, UNDP provided double the number of calls for proposals offered by USAID; at the same time it distributed an amount equivalent to just 0.1 per cent of the funds offered by USAID.

This example is indicative of a general behaviour in which the funders that offer large numbers of calls for proposals tend to of-

fer smaller amounts per grant. However, Colciencias bucked this trend, as it was ranked third both by the number of calls for proposals offered and the resources available.

Finally, it is worth noting that donors from Latin America were more strongly represented in the top ten of donors by numbers of calls for proposal. This included donors that have a regional reach, such as the Inter-American Development Bank (IADB), and those with a national or local reach, such as the Ministry of Culture of the Republic of Colombia and the Office of the Mayor of Bogotá¹³.

Figure 12. TOP TEN DONORS BY NUMBER OF CALLS FOR PROPOSALS ACCESSIBLE TO CSOs

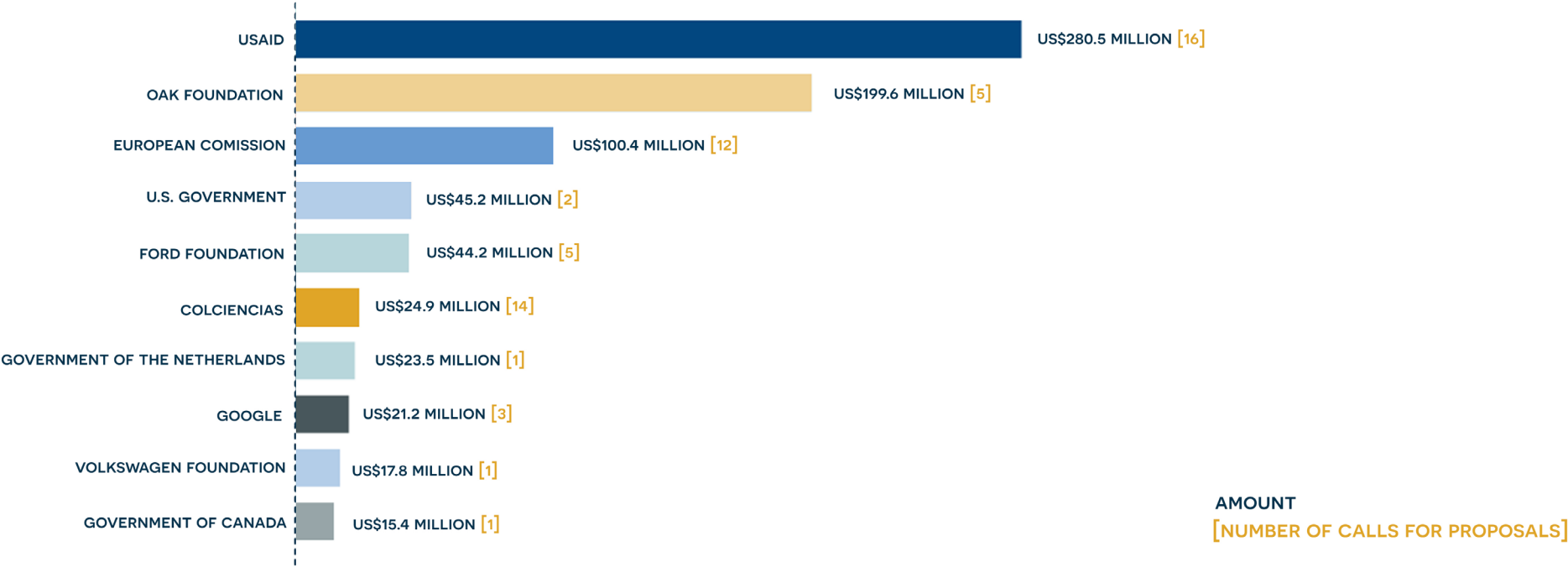


TOP TEN DONORS CONTRIBUTING TO CSOs' WORK WITH VULNERABLE GROUPS

The top ten donors providing resources accessible to CSOs to support specific groups provided 92 per cent of the funds offered through calls for proposals in this category. Private foundations, USAID and the EC were the main donors in this list, which also included the governments of the Netherlands and Canada.

There were, however, few calls for proposals to fund this work: the top ten donors had only launched 60 calls for proposals for the entire region during the four years analysed.

Figure 13. TOP TEN DONORS CONTRIBUTING TO CSOs' WORK WITH VULNERABLE GROUPS

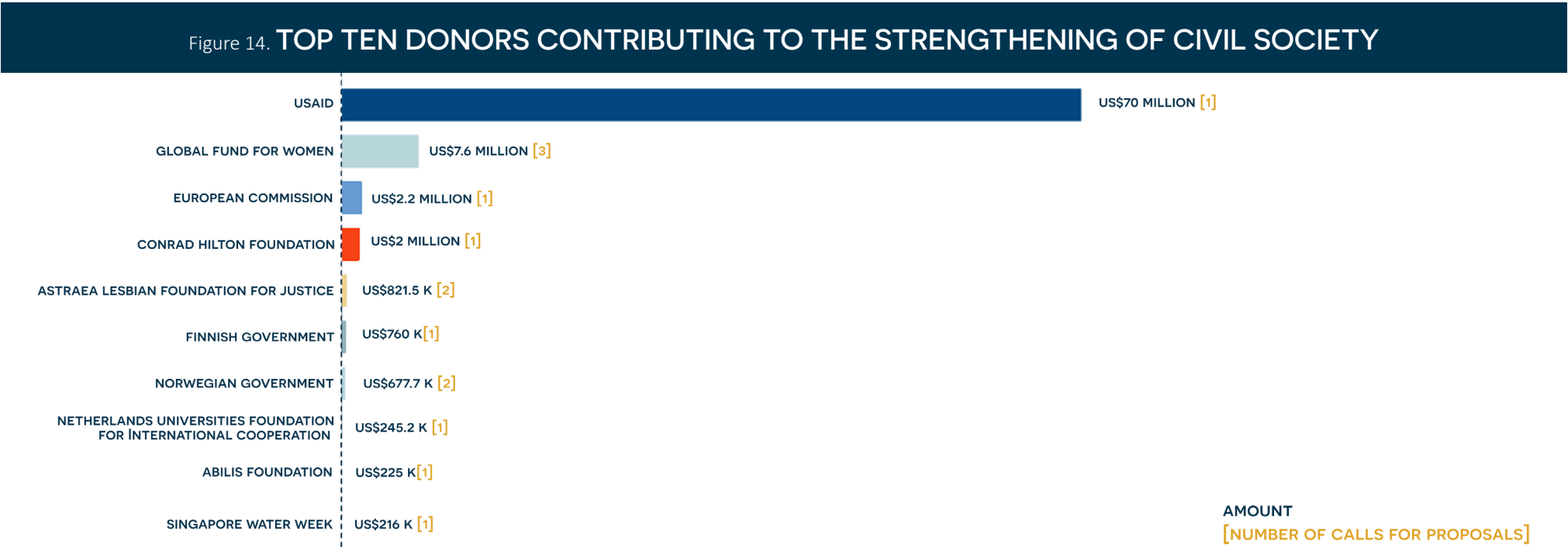


TOP TEN DONORS CONTRIBUTING TO THE STRENGTHENING OF CIVIL SOCIETY

The number of calls for proposals dedicated to the strengthening and sustainability of CSOs was dismayingly low: over four years, only 14 calls for proposals for this purpose were identified throughout Latin America. Although there may have been more calls for proposals for this use beyond the sample studied, the very low number of opportunities in the sample should be of great concern.

The top ten donors for this support provided 97 per cent of the funds accessible to civil society. USAID contributed the most funds to support the strengthening and sustainability of CSOs. However, the funds assigned to this purpose during the period under review, standing at US\$70 million, represented only 8 per cent of all identified amounts from USAID.

Compared to previous lists, there was a larger diversity of donors in this domain. These included the governments of Finland and Norway, human rights and women’s philanthropic organisations, LGBTQI groups and education and water programmes, among others.



CSO CHALLENGES AND BARRIERS IN ACCESSING RESOURCES

This analysis of the public calls for proposals contained in the Innpactia database aimed to identify facts and behaviours related to the type of calls for proposals, the funding offered, its sources and its distribution. In practice, some of these calls for proposals pose challenges and constraints for CSOs seeking to obtain the resources offered, as summarised below.

LIMITED OFFER OF EXCLUSIVE RESOURCES FOR CSOS

Although there may seem to be a considerable amount of potentially usable resources to support CSO work in Latin America, resources offered exclusively to CSOs are scarce, and those offered exclusively to Latin American CSOs scarcer still. This relates to the general global situation regarding Official Development Assistance (ODA) that states provide: only 15 per cent of ODA is directed to or channelled through CSOs, and less than 1 per cent is addressed directly to CSOs in the global south¹⁴.

HIGH COMPETITION UNDER UNEQUAL CONDITIONS

Most of the time, CSOs in Latin America are forced to compete for resources with other actors, particularly private and intergovernmental entities, which are often better prepared and staffed to cope with the multiplicity of demands, requirements and documents frequently requested by donors. This level of competition may be easier for large and international CSOs to navigate but penalises local, small, grassroots, or newly formed CSOs. There is also strong competition between international and local CSOs for resources offered exclusively to CSOs.

LOW INVESTMENT IN THE STRENGTHENING OF CSOS

The lack of funding for operating expenses and strengthening costs restricts the ability of CSOs to consolidate, grow and become more sustainable, as well as to innovate and work with autonomy, self-determination and flexibility. This scarcity may also limit the development of specialised capacities, which are often required by the calls for proposals in order to obtain the resources offered. As a result, CSOs are faced with the enormous challenge of carrying out their daily work while trying to secure their futures.

PROJECTISATION OF EXISTING FUNDING

Most of the calls for proposals accessible to CSOs are aimed at project implementation and support for the provision of basic services. The projectisation of CSOs might cause them to work in areas less connected to their original missions in favour of engaging in areas and work activities where more funds are available. When this happens, the danger is that civil society no longer plays its essential political and social roles: that CSOs are limited to working on short-term projects that address the symptoms of socio-economic problems but do not eradicate their root causes. It also raises that danger that CSOs have to be accountable to donors for these projects, rather than to the populations they serve¹⁵. This dynamic can promote discrete, sporadic and poorly sustainable actions that do not favour substantial and far-reaching change processes.

CONCENTRATION OF RESOURCES

The main donors of resources accessible to CSOs in Latin America tend to launch fewer calls for proposals than other donors but concentrate larger amounts of money in each call. This behaviour is consistent with an ongoing global trend, in which donors, primarily for administrative and risk management reasons, prefer to place a few large funds in the hands of external intermediaries — such as international CSOs or intergovernmental bodies, which manage large projects or coordinate subgrantees — rather than offering a greater number of smaller amounts directly to local actors¹⁶. This practice has been strongly criticised for its impact on local development models, as it tends to work against local actors that lack the capacity to access or manage large funds.

WHAT DO THE FINDINGS SUGGEST?

This analysis confirms the hypothesis that CSOs are not priorities for donors. When donors see CSOs as potential recipients of their resources, they generally do not see them as relevant actors because of their intrinsic and irreplaceable roles, but rather treat them as one of the available channels for the distribution of basic social services.

Major donors identified — such as USAID and the EC — provide significant resources for CSOs. Given their great influence on the region's development model and the evolution and roles of Latin American civil society, these donors should increase their dialogue with civil society, align their support with CSOs' needs and priorities as they see fit, and try to correct dysfunctional practices.

The significant role of Latin American donors in the region is a cause for celebration. This may constitute a step forward for the financial sustainability of civil society, reducing CSOs' dependence on international sources and increasing their autonomy to promote local agendas. However, it has been reported that the main regional donors are states, which channel funds not only from governments but also from international cooperation, and that they focus their support on outsourcing services that they fail to provide effectively and efficiently themselves¹⁷. This opens up the challenge of ensuring that states and other Latin American donors that have gained prominence in the financing of civil society play their role in a transparent, democratic, fair and flexible manner.

States and other Latin American donors that have gained prominence in the financing civil society must play their role in a transparent, democratic, fair and flexible manner.

The role and impact of international CSOs on Latin American civil society need to be reconsidered. For many years, these organisations contributed positively to progress in the region; however, today, many are competing for resources with local CSOs, which are placed in disadvantageous positions. Many international CSOs are criticised for concentrating resources, not sufficiently integrating local actors into their projects, or restricting them to the role of subcontractors¹⁸. These practices must be transformed so that international CSOs work together with Latin American CSOs as partners and encourage them to become the main players in their own development.

It is striking that large amounts of funds are directed to private sector actors, including private companies that manage international cooperation resources as well as other enterprises and companies. This phenomenon reflects a shift by donors towards market-based development strategies¹⁹. The private sector is, without doubt, key to the development of the region and its involvement must be welcomed. However, it is important to avoid fuelling unequal competition between different groups or to encourage contract-based models of funding, under conditions unfavourable to civil society or some parts of civil society²⁰. Transparency should also be promoted to make public the private recipients of resources.

It is worrying that CSOs do not have enough funds to support themselves to work more autonomously and in line with their missions, needs and priorities, to invest in their strengthening and sustainability, and to experiment and innovate. It is difficult to reconcile this scenario with a comprehensive vision of development that requires an autonomous, diverse and sustainable civil society capable of addressing regional challenges and needs from its own and local perspectives, that can provide tailored solutions that serve communities.

The prominence of public entities and bilateral cooperation agencies, both from inside and outside Latin America, among providers of funds for civil society in the region could explain, at least in part, the concentration of support in the provision of basic services focused on politically safe issues, especially in education, rather than in matters that may be more politically sensitive. It is also worth considering whether the limited availability of resources for issues perceived as controversial and for actions aimed at specific groups may result from processes of appropriation, alignment and harmonisation with government agendas, such as those contained in the Paris Declaration on Aid Effectiveness²¹.

The scarcity of funding to advocate for issues related to political and social influencing, democracy and the extension of rights, on which civil society leads and which are of enormous relevance to the promotion of a fairer society, must be denounced. This scarcity is all the more pressing in the context of increasing restrictions on civic space in Latin American countries, the rise of anti-rights movements and authoritarian populist leaders and movements, the severe land tenure problems affecting indigenous peoples and the violence that is pushing thousands of Latin Americans to migrate, often in unsafe conditions. Donors should understand that civil society's role is key to achieving sustainable and fair development, but that its activity entails risks and therefore requires long-term support and funding in formats that are very different from those used to promote development in other areas²².

The scarcity of funding to advocate for issues related to political and social influencing, democracy and the extension of rights, is the more pressing in the context of increasing restrictions on civic space in Latin American countries.

Although this research did not attempt to analyse the requirements for applying for calls for proposals, it was observed that donors impose complex requests and conditions that have become a barrier for CSOs, which often lack the staff, capacities and time to meet them. Current formats, technicalities and procedures do not enable the democratisation of access to funds. When the funds allocated are small, they may require an investment of time and resources that are not proportionate to their potential benefits.

In conclusion, the amount of resources allocated, their origins and the way that calls for proposals are designed could be having a profoundly negative impact on the configuration and roles of civil society in Latin America²³. There are often significant gaps between donor agendas and civil society agendas. In a context of persistent poverty, increasing inequality and restrictions on civic space, it is essential to bridge these gaps in order to move towards a fairer society.

RECOMMENDATIONS

There is much to be done to improve the funding conditions for CSOs in Latin America. This task requires multisectoral efforts by CSOs, governments, donors and the private sector to develop and promote consensual agendas in order to respond adequately to the needs of the people they seek to help. To do this, we offer the following recommendations:

TO DONORS

- Increase the amounts of funds offered exclusively to CSOs and recognise the share of responsibility that donors have in creating the current funding environment that is not conducive to the performance of civil society in Latin America.
- Increase the provision of funds to meet operational costs and underpin long-term sustainability, capacity development and overall strengthening of CSOs.
- Invest more in long-term initiatives focused on broad and lasting impacts.
- Commit more resources to a greater variety of CSOs, particularly those working in sensitive areas such as the protection and promotion of human rights and social transformation.
- Decisively support innovation, risk-taking, visions defined by CSOs and the search for local solutions.
- Better target and segment public calls for proposals and application processes to make them accessible to CSOs of diverse kinds and sizes.
- Collaborate with other donors to change eligibility requirements that hinder the ability of CSOs to access resources, in order to harmonise and simplify application and reporting processes, and to ensure that the required conditions are realistic and proportional to the resources offered.
- Improve the understanding of the complex Latin American context in order to design calls for proposals that are better adapted

to local needs, to the conditions under which CSOs work (considering, for example, language barriers and internet access limitations) and to the characteristics of organisations (considering, for example, the diversity of capacities).

- Establish shared funding schemes that take advantage of the state resources that Latin American countries have and allocate greater resources for the strengthening of civil society and the legitimacy of its role in the democracies of the region.
- Establish relationships in which CSOs that receive funding are engaged as partners rather than as mere recipients of resources and followers of guidelines. To do this, donors should develop spaces and resources to codesign with CSOs the most appropriate initiatives to meet development needs, taking into account the visions,

contexts and capacities of CSOs. In addition, they must be more willing to accompany CSOs in their successes and their failures.

- Promote innovative and diverse financial mechanisms that encourage the allocation of additional resources for civil society, in the same way as has been successfully done for private sector actors.

Donors should improve the understanding of the complex Latin American context in order to design calls for proposals that are better adapted to local needs, to the conditions under which CSOs work and to the characteristics of the organisations.

TO CSOs

- Actively promote the democratisation of resources for civil society to ensure support for diverse causes and for smaller and informal groups that play key roles in challenging injustice and inequality, rather than passively chasing the opportunities offered by donors.

- Seek an active role in codesigning the resourcing environment and funding opportunities, working horizontally with donors. To do this, it is important to build a narrative about the relevance of investing in the strengthening of a diverse, inclusive, sustainable and independent civil society.

- Diversify the funding bases and do not rely exclusively on traditional donors, such as national or international cooperation bodies. This implies a need to explore further and understand better existing and potential funding modalities that support the resilience and sustainability of CSOs, as well as emerging mechanisms such as individual donations, crowdfunding and exchange platforms. It is also necessary to strengthen internal capacities to develop proposals that will drive innovation and resources from other sectors towards civil society.

- Identify and leverage the areas targeted by development funds. For example, civil society can use increasing investment in social entrepreneurship to access new sources for the future. However, it must be recognised that new sources and funding models are not suitable for all CSOs and that their use should not be forced when they alter or clash with their main roles.

- Foster a more enabling environment for the mobilisation of local resources from the communities in which CSOs work. These resources offer financial and political freedom to work with autonomy and self-determination, do not require that CSOs meet external expectations or specifications and reinforce the legitimacy of CSOs by expanding their support bases and consolidating a long-term connection with their communities.

- Promote the coordination and strengthening of CSOs and a culture of greater collaboration across civil society to help address high external competition. This could be pursued by methods that include establishing partnerships between CSOs to create better projects, trying to integrate grassroots and medium-sized organisations, forming international consortia or trans-local alliances to achieve the allocation of greater resources to the sector and, eventually, diminishing intra-sectoral competition.

CSOs must diversify their funding bases and do not rely exclusively on traditional donors, such as national or international cooperation bodies.

METHODOLOGICAL ANNEX

The data supporting the analysis presented in this report come from the [Innpactia](#) database, a Latin American platform affiliated with CIVICUS' [Innovation for Change \(I4C\)](#) programme. The database contains an inventory of funding opportunities for the development sector in Latin America that has been tracked, published and catalogued by Innpactia since 2012.

The platform uses a tracking algorithm that is implemented through automated and human mechanisms to collect and analyse information randomly in order to ensure that data most relevant to users is captured, including for CSOs and non-profit entities, individuals, private sector actors and numerous governmental entities throughout the region. To date, it contains more than 11,000 calls for proposals from 2,773 public, private, national and international funders amounting to more than US\$10 billion. Each support offer is indexed and categorised based on an analysis of more than 30 attributes related to the party offering funding and the characteristics of the offer or call.

The platform is publicly available at www.innpactia.com. Those interested in using it must create an account, either free or paid, to explore the database and access the calls for proposals. Subscrip-

tion plans differ according to the level of funding needs, giving organisations the opportunity to access proposals and information appropriate for their size.

Regarding the analysis contained in this report, a sample including a detailed description of 6,657 open or public calls for proposals collected in 2014, 2015, 2016 and 2017 was refined. The study focused on the participation of Latin American CSOs in calls for proposals. Advice and inputs from a working group of potential users — a small multi-actor group with the voluntary participation of representatives of civil society, philanthropic entities and inter-governmental bodies — were added. The working group contributed to the definition of the working hypothesis, the methodology, the interpretation of the results and their presentation format.

Of all the hypotheses and research questions initially raised, the ones that could be answered with the available systematised data were selected and, among them, the ones that the working group considered most relevant were prioritised. Based on these definitions, the statistical analysis of the data was carried out, giving rise to the findings and conclusions presented in this report.

GLOSSARY

Accessible calls for proposals or resources: any call, amount or support that can be obtained or received by a certain kind of entity but that is also accessible to other kinds of entities.

Calls for proposals: any funding offer or support publicly disclosed on Innpactia's platform for interested individuals and organisations willing to submit their proposal or application.

Calls for proposals, types of: this report considers calls for proposals in the form of scholarships (support for conducting long-term studies), training (short-term training), research grants (to advance the implementation of research projects), calls for proposals for tenders (public contracts awarded through public competition), awards (distinctions to individuals or organisations) and grants (non-refundable financial assistance to support the implementation of activities having social impact).

Controversial or sensitive activities: initiatives to promote rights and systemic change with a public advocacy content, in contrast to more traditional initiatives that focus, for example, on the provision of social services. For the purpose of this report, these activities include the protection and defence of human rights and

fundamental freedoms, the promotion of democracy, activism, mobilisation and advocacy on public policies.

Eligible entities or actors: natural or legal persons qualifying for a call for proposals. In this report, they were classified as follows:

National state entities: national, regional or local public institutions, such as municipalities, secretariats, departments and ministries.

Individuals: natural persons.

International and intergovernmental organisations: international entities that are usually intergovernmental or multilateral with agencies or headquarters in a given country.

International CSOs: non-native CSOs working in one or more countries in Latin America.

Latin American or regional CSOs: native Latin American CSOs whose scope is limited to their own country or to other countries in the region.

Local CSOs: native Latin American CSOs whose reach is usually limited to its locality or country.

Private sector actors: companies (including social enterprises) or individuals (entrepreneurs) from the private sector.

Exclusive calls for proposals or resources: any call, amount or support that can only be requested and accessed by a certain type of entity.

Resources for CSOs' operating, institutional strengthening and administrative expenses: funds or in-kind resources that CSOs can invest in operations, sustainability and self-strengthening, as opposed to resources that are exclusively intended for the implementation of specific projects and for the delivery of particular results requested by the funder involved in a call.

Sources: providers of resources channelled through published calls for proposals.

Sources, types of: the sources were categorised as follows: 1) public aid, which includes aid from the state and other public sector entities from Latin America or abroad (including bilateral aid); 2) international aid, made up of aid from intergovernmental organisations (such as the United Nations and its agencies, the IADB and the World Bank) and supranational organisations (such as the EC); 3) non-corporate philanthropic foundations, such as family foundations; 4) corporate philanthropic foundations; 5) educa-

tional entities, including private and state universities, as well as virtual education platforms; 6) companies, for example, through their corporate social responsibility programmes; and 7) partnerships between several different sources.

Vulnerable and excluded groups: people belonging to groups that, due to their economic situation, gender, age, sexual orientation, geographical location, migration status, ethnicity and other circumstances, are placed in a situation of risk or disadvantage and, for the purposes of this analysis, are usually subject to differentiated funding. The specific groups included in this report are women, children, young people, LGBTQI people, indigenous peoples and local communities (including other ethnic categories), people with disabilities, migrants and refugees, human rights defenders and people living with HIV/AIDS. Additionally, a cross-sectional category was added to account for calls for proposals addressed to more than one specific vulnerable group.

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⁸ 'Stop the killings', Front Line Defenders, 2018, <https://www.frontlinedefenders.org/en/statement-report/stop-killings>.

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¹⁰ 'Moving beyond resistance', Alliance Sud, 2018, <https://www.alliancesud.ch/en/politics/agenda-2030/moving-beyond-resistance>.

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¹² It is possible that entities similar to Colciencias may be visible in future samples in Argentina (Mincyt/Conicet), Brazil (Ibict), Chile (Conicyt), or Mexico (Conacyt).

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