

Support under control of civil society actors: the case of French and European international solidarity organisations

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A fast-growing sector subject to severe constraints. This is the paradox in which civil society organisations in France and more broadly in Europe are struggling. The authors provide us with the keys to understanding a phenomenon which, according to them, is the sign of a reconfiguration.

Ahead of the first European -Humanitarian Forum, held from 21 to 23 March 2022, some sixty networks of -non--governmental organisations (NGOs) and European and international NGOs stated: "Today, counterterrorism measures [...] and compliance obligations constitute one of the major challenges for humanitarian organisations and principled humanitarian action".¹ This statement, unprecedented in its scope and tone, may well be an example of the "anti-associative counter-revolution" that sits at the very heart of this issue.

Indeed, even though their role is increasingly recognised by public authorities, civil society organisations (CSOs) are, paradoxically, facing more restrictions on the use of the resources they mobilise. Rules of conditionality governing the use of these resources are sometimes combined with public policies resulting directly from the geopolitical interests of States, helping to make CSOs the unwilling actors in the tension that is criss-crossing the world.

This is notably resulting in a lack of support for what *Coordination SUD* – the platform of French international aid-and-development NGOs – calls the right of initiative. It defines this as "[any] action, [...] project, [...] programme, [...] strategy emanating from the will of civil society [which takes] account of different stakeholders, first and foremost the beneficiaries".² Yet it is clear that access to public funding remains highly conditional on

¹ International Council of Voluntary Agencies, *NGO joint statement on the impact of counterterrorism measures and sanctions on humanitarian action*, 17 March 2022, <https://www.icvanetwork.org/uploads/2022/03/NGO-Joint-Statement-on-the-Impact-of-Counterterrorism-Measures-and-Sanctions-on-Humanitarian-Action.pdf>

² *Coordination SUD, Droit d'initiative: pour une liberté effective des OSC*, a study to be published in 2022.

stringent rules governing efficiency, transparency and competition, which tends to equate NGOs with State operators and affects their freedom of action.

From normalisation to the reconfiguration of State-NGO relations?

In France, *Coordination SUD* has identified two seemingly contradictory trends. On 4 August 2021, the *Loi de programmation relative au développement solidaire et à la lutte contre les inégalités mondiales* [Law on programming for solidarity development and the fight against global inequality] was enacted, a law which endorses a “target of doubling official development assistance (ODA) channelled through CSOs in 2022 when compared to 2017”.³ In December 2021, however, France’s Ministry for Europe and Foreign Affairs adopted unpublished “guidelines” establishing anti-money laundering and anti-terrorism financing compliance procedures that are particularly difficult for grant-receiving organisations and their partners in the field to implement. These procedures set out systematic screening obligations⁴ for NGO staff, their service providers, suppliers, partners and, with some exceptions, aid beneficiaries. De facto discriminatory, the implementation of these obligations violates the principles of NGOs’ actions – their neutrality and impartiality in particular. Via administrative injunctions that are inapplicable by NGOs, the State is restricting their ability to act, including in the context of the partnerships with CSOs – particularly in aid recipient countries – that these same NGOs can develop. This reduces their freedom to act, and above all, the unconditional nature of their aid.

Admittedly, the “normalisation” of NGO practices is nothing new. This trend, related to the shift towards the adoption of managerial rationalisation by public authorities in the 1990s, has since been translated into “the adoption [by NGOs] of homogeneous practices from the private sector and the dissemination of an organisational culture leaning towards measuring results [...] largely fed, incidentally, by international funding bodies”.⁵ Yet what are we to make of these tighter regulations governing the associative sector? Is it simply an expression of a simple change in context that is forcing NGOs to reassert their legitimacy? Or is it the embodiment of new forms of interaction between non-profit international aid-and-development organisations – particularly in the West – and States? In short, should this not be seen as the sign of a sector going through a process of reconfiguration?

³ Read the text of this law at: <https://www.legifrance.gouv.fr/dossierlegislatif/JORFDOLE000042676989>

⁴ “Screening” is understood to mean a process of verifying, prior to the launch of an operation, that a natural person or a legal person in receipt of funds or economic resources does not appear on the lists of international, European or even French restrictive measures.

⁵ Bruno Cazenave, Emmanuelle Garbe et Jérémy Morales, « Organiser et structurer les ONG », in Bruno Cazenave, Emmanuelle Garbe and Jérémy Morales (dir.), *Le management des ONG*, La Découverte, 2020, p. 75-93.

French and European insight

Recent studies by *Coordination SUD* help to clarify this. The new *Étude Argent & ASI* study⁶ is rather enlightening. Based on a cross-analysis of financial data from 117 French NGOs, it shows that the sector is expanding rapidly: the resources of the NGOs which responded amounted to almost 2.3 billion euros in 2020 – an increase of 43% when compared to 2016. Furthermore, public resources now form the greater part of NGO resources, accounting for 58% of their total resources in 2020, up from 48% in 2016.

This increase can be explained by two trends. Firstly, it is underpinned by the increase in national resources from 148.9 million euros in 2016 to 277.5 million euros in 2020. Secondly, it is rooted in the strong growth in international public resources which increased from 616 million euros to almost one billion euros in 2020. Whilst these resources are largely being captured by very large NGOs,⁷ this growth is primarily based on the French sector's ability to capture bilateral public funding – European and international – in a context of increasing ODA. It is also a highly revealing sign of the bipolarisation of the French sector: a few very large NGOs on the one side and a myriad of small and -medium-sized structures on the other. It is therefore clear that tighter access to public funds does not prevent the sector from growing by adapting to it, even though many of the resources mobilised do not fall under the right of initiative defined above.

This tightening, however, complicates NGOs' management procedures. The *Étude Argent & ASI* study and the exploratory phase of the PhD thesis currently being conducted at *Coordination SUD*⁸ involved representatives from fifty-five NGOs in joint and individual interviews. The overall impression shared by the sector is one of significant deterioration in intervention contexts. On the one hand, NGOs are seeing increasingly severe security pressures and a variety of restrictions on access to intervention spaces.⁹ On the other, they condemn the increasing complexity of the scope of their respective interventions. For some organisations, this is resulting in a shrinking space for civil society, especially in the sense that they feel that their relations with government authorities are subject to increasing judicialisation.¹⁰

⁶ *Coordination SUD, Les modèles socio-économiques des associations de solidarité internationale (ASI) françaises – 2016-2020*, Coordination SUD en collaboration avec le ministère de l'Europe et des Affaires étrangères et l'Agence française de développement, 2022, <https://www.coordinationsud.org/document-ressource/nouvelle-edition-de-letude-argent-associations-de-solidarite-internationale-2016-20>

⁷ NGOs with an annual budget of more than 50 million euros are deemed to be "very large."

⁸ The exploratory phase of this PhD thesis, conducted by Vincent Pradier in partnership with the Sorbonne Business School, took place between September 2021 and January 2022.

⁹ This may take the form of specific taxes levied on international aid actors, access to emergency situations conditional on military control, the exclusion of NGOs from certain intervention countries, etc.

¹⁰ Such as the "SLAPPs" (Strategic Lawsuits Against Public Participation) that are "legal cases brought with the intention of silencing or intimidating acts of public participation, including advocacy, activism and reporting in the public interest". See Greenpeace, *Sued into silence: how the rich and powerful use legal tactics to shut critics up*, 2020, <https://storage.googleapis.com/planet4-eu-unit-stateless/2020/07/20200722-SLAPPs-Sued-into-Silence.pdf>

These difficulties seem to be shared beyond the French context, as shown by the European comparative study on the right of initiative currently being conducted by *Coordination SUD*.¹¹ This study makes several observations. One of them highlights the fact that while there is a multitude of EU-wide NGO financing schemes, they have several factors in common. These schemes are primarily based on the existence of discussion forums – of varying degrees of institutionalisation – between funding bodies and NGOs. These forums are characterised by a large number of administratively restrictive procedures and are generally only open to national NGOs of sufficient size to manage these restrictions and carry out activities over several years. Furthermore, the focus of all these schemes is consistent with the priorities set by each country for its ODA. The study thus confirms the relatively long-standing trend we have been discussing: that aid is normalising, resulting in a process of NGO “managerialisation”, i.e. “leading them towards an increasing ‘rationalisation’ (of) [their] organisational processes according to a philosophy of efficiency”.¹²

The study does, however, reveal some notable differences. The Netherlands, for example, funds some forty NGOs through framework agreements whose focus is derived from a comprehensive multi-year strategy¹³ negotiated with all stakeholders (including NGOs). Even though these agreements are administratively restrictive, they establish NGOs as strategic partners in the -Netherlands’ external actions. Similarly, the Swedish International Development Cooperation Agency offers¹⁴ multi-year operating grants to seventeen major Swedish NGOs regarded as “Swedish strategic partner organisations”. However, while these funding modalities strengthen the influence of selected NGOs, they *de facto* favour large organisations – the only ones able to manage the demanding administrative procedures – to the detriment of the plurality of other actors.

Finally, the study shows that the concept of right of initiative is still difficult to characterise in concrete terms at -European level, mainly because there is no commonly shared definition or standardised, adapted support modalities. It is true that the mechanisms for strengthening civil society in the countries receiving aid are centralised in dedicated agencies. However, the degree of autonomy and influence given to NGOs – which are considered, in various ways, as intermediaries – is in reality very much linked to the democratic and political practices of each European state. The right of initiative as defined by *Coordination SUD* is thus understood – according to the intermediate conclusions of the study – more in terms of

¹¹ *Coordination SUD, Étude comparative au niveau européen sur le droit d’initiative et l’environnement favorable à l’action des associations de solidarité internationale*, a study to be published in 2022.

¹² Bruno Cazenave, Emmanuelle Garbe and Jérémy Morales (dir.), *Le management des ONG...*, *op. cit.*, p. 3-8.

¹³ Ministry of Foreign Affairs of the Netherlands, *Policy framework for strengthening civil society (2021-2025)*, 2019, <https://www.government.nl/documents/policy-notes/2019/11/28/policy-framework-strengthening-civil-society>

¹⁴ Ministry for Foreign Affairs, Sweden, *Strategy for support via Swedish civil society organisations for the period 2016–2022*, 2017, <https://www.government.se/4a5336/contentassets/6b134cf573374ca5a247cb721c4c3456/strategy-for-support-via-swedish-civil-society-organisations-2016-2022.pdf>

the support methods put in place by States with strong parliamentary, federal or multi-party traditions, which are more inclined to co-construction and dialogue with third parties.

A (new) role as intermediary for French and European NGOs?

These studies thus identify two major trends for French and European international aid-and-development NGOs. Thanks to their expertise and intervention capabilities, these NGOs – the largest of them at least – are increasingly regarded as strategic partners of States. As such, they are seeing a significant increase in their resources – and their related management responsibilities. It is therefore not unreasonable to assume that these tougher regulatory policies – not welcomed by the organisations, and rightly so – may be less the sign of a new trend in the normalisation of the sector (which, as discussed above, is not really a new idea¹⁵) than the emergence of new roles attributed to different types of NGO. In a variety of roles, they may be seen by these States as indispensable to the implementation of public development policies.

There are at least three main strands to this idea. Firstly, the studies clearly show funding bodies' increasing use of "consortium-type" financing tools. With a view to simplifying management procedures, this type of scheme increases the sector's bipolarisation, whilst partly boosting certain kinds of collaboration between very large multi-mandate NGOs and small and medium-sized NGOs with specific expertise. Even though these alliances are sometimes counter-intuitive,¹⁶ they are increasingly structuring the sector around meta-organisations capable of "addressing complex problems."¹⁷ Secondly, this reconfiguration can also be explained by the rise of private for-profit stakeholders increasingly involved in the development and humanitarian aid sector.¹⁸ Often competing with NGOs, and arguing that they are more profitable and efficient, these International Development Contractors are indirectly urging NGOs to be more transparent and accountable, and to reassert their specific characteristics.¹⁹ Lastly, the dynamics of aid localisation, and the place left to CSOs in aid-giving countries, with particular regard to access to public funding, also have their part to play in this reconfiguration. Thus, Belgium and France, for example, have been experimenting since 2022 with dedicated schemes for these organisations which, for several years, have been eligible as partners or direct beneficiaries of most European funds.

¹⁵ Bruno Cazenave, Emmanuelle Garbe and Jérémy Morales (dir.), *Le management des ONG...*, op. cit, p. 29-51.

¹⁶ Frédéric Apollin, et al. et Groupe Initiatives, « Le consortium, outil pertinent ou piège à haut-risque? », *Traverses*, n° 49, mai 2021, <https://www.coordinationsud.org/wp-content/uploads/TRAVERSESES-49-avec-fiches-WEB.pdf>

¹⁷ Domenico Dentoni, Verena Bitzer and Greetje Schouten, "Harnessing wicked problems in multi-stakeholder partnerships", *Journal of Business Ethics*, vol. 150, no. 2, 2018, pp. 333–356, <https://link.springer.com/article/10.1007/s10551-018-3858-6>

¹⁸ In 2021, the three main recipients of US ODA were Chemonics International, DAI Global and Deloitte, i.e. three commercial enterprises.

¹⁹ *Coordination SUD, Quelle place pour les ONG demain ?*, to be published in 2022.

This trend for regulatory tightening in access to public funds is therefore certainly indicative of the transformation of the role of NGOs in a sector which itself is reconfiguring. This is not just about non-profit organisations. Whether it is about companies' "duty of care", the *Contrat d'engagement républicain* (republican commitment contract) or the organic law of "moralising political life", all organisations are now being called upon to be more transparent and responsible when carrying out their missions. NGOs are no exception.

Yet given the specific nature of their purpose (international aid and development and the unconditional nature of aid), their ethos (non-profit) and the territories in which they work ("the last mile"), the terms of this transparency and responsibility – in other words their accountability – certainly need to be looked at afresh. Given their "organisational biodiversity"²⁰, the challenge to be retained is to move away from an approach that is all too often confined to the instrumental dimension of accountability. This would therefore mean moving towards a broader understanding, which would entail this same accountability being viewed as deeply political, both externally and internally, ascending and descending, i.e. as "a promise to perform and a moral or legal responsibility to provide an account of it."²¹

The authors express themselves here in a personal capacity, based on their own research work. The analyses and points of view expressed do not necessarily reflect those of Coordination SUD, its governance and member NGOs and collectives.

Translated from the French by Derek Scoins

Biographies

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²⁰ Alberto Guerreiro Ramos, *The New Science of Organizations: A Reconceptualization of the Wealth of Nations*, University of Toronto Press, 1981.

²¹ Ericka Costa, Tommaso Ramus and Michele Andreaus, "Accountability as a managerial tool in non-profit organizations: evidence from Italian CSVs", *Voluntas*, vol. 22, no. 3, 2011, pp. 470–493.

of humanitarian aid NGOs, the increasing vulnerabilities they encounter when working in the field, and their crisis-response capabilities. At *Coordination SUD*, he coordinates OngLAB and its various studies, including the 2022 study on the development of socio-economic models of NGOs between 2016 and 2020.

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