

Report

‘Analysis of donors* for the Slovene NGO Sector’

Introduction

The report is part of a project initiated by the Umanotera – Foundation for Sustainable Development, which has decided to undertake a study of domestic and foreign donors in the Slovene NGO Sector as part of their Trust for Civil Society Fund.

The main objective of the project is to achieve a better coordination of donors, in order to enhance financing towards the Slovene NGO sector, as well as avoid double financing of projects and inefficient disbursement of funds.

The project was divided into two phases;

- first phase would involve a short research and a study of the donors (only six well established donors were invited at this stage), while the
- second phase would involve a meeting of donors (a wide number of current and possible perspective donors were invited) where the situation of the Slovene NGO sector and the results of the donor study would be presented and followed by a discussion and possible future donor cooperation and coordination.

Therefore six donors* were invited to participate in the first phase, whereby the study was based on a questioner and supplementary interviews (see questioner as an Annex I).

The report will supplement the first coordinated meeting of donors (a number of domestic and foreign donors see the list of invited donors or prospective donors) that will take place on 11 July 2006 in Ljubljana (see conclusions Annex II).

This report aims to provide donors with an insight into current donor behaviour and will hopefully serve as an informative and supplementary document to donors who are embarking upon financing projects in the Slovene NGO Sector.

Although this report is limited (limited number of donors analysed), it can give an indication and be used as a basis for future discussion and coordination meetings.

* the following have been identified, apart from the Trust for Civil Society Umanotera ‘Dobra družba’, Ministry of Public Administration, Government Office for European Affairs + Norwegian Embassy (EEA Grants), Embassy of United States, British Embassy, Royal Netherlands Embassy, possibly Irish and Swiss Embassy. For information and coordination, the following will also be invited: Managing Authority and Intermediary Body for European Structural Funds (Government Office for local self-government and regional policy and Ministry of Labour, Family and Social Affairs) and a representative from the President Drnovšek’s cabinet - other government representatives as appropriate may also be invited). The following Embassies have been invited for the meeting: German, Austrian, Danish, Finish and Swedish. Please note that this is an open process if it continues and new donors may be invited to join at any time.

Donor and programme identification (in alphabetical order)

Foreign donors

The **British Embassy in Slovenia**, has a so-called 'Action Plan' programme that provides funding to non-governmental and governmental sector. The programme aims to enhance better implementation of legislation and provide know-how and knowledge.

The **EEA Grants** consists of two mechanisms the EEA Financial Mechanism which is supported by Norway, Iceland and Liechtenstein and by Norwegian Financial Mechanism, financed by Norway. The EEA Grants contribute to solidarity, opportunity and cooperation in the 10 new EU member states, as well as in Greece, Portugal and Spain. As part of the allocation in Slovenia, the designated **focal point (Government Office for European Affaires)** will also manage the NGO fund (approximately 10% of overall allocation). The NGO fund will be implemented second half of this year and in 2008.

The **Royal Netherlands Embassy in Slovenia**, has the so-called Embassy Small Projects programmes Matra Kap and Knip that enable annual funding for the NGO sector.

Trust for Civil Society in Central and Eastern Europe is an independent US public charity, which promotes the development of civil societies in CEE, including Slovenia (its **Technical Assistance in Slovenia is Umanotera**). The main aim of the funding, is to enhance and sustain vibrant and much needed civil society (partly through initiating and supporting establishment of local philanthropies). This is a three year programme 2004-2007 and it's divided into three main objectives (mentioned later on in the report).

The **US Embassy in Slovenia**, has an NGO Development Small Grants programme which is an annual programme (programmed annually) that aims to support project dealing with democracy and human rights, security issues and foreign policy and support for regional stability in South-eastern Europe.

Domestic donors

The **Ministry of Public Administration**, has a NGO financial mechanism (since 2005) that supports horizontal NGO activities, i.e. benefits for the whole sector. The Ministry also plays an important role in coordinating government bodies visa vie the sector and establishing a dialogue with the sector.

Financial Allocations for the NGO Sector from the above donors

The British Embassy (note: not only for NGOs)

2004: 80.000 British pounds (117.600 Eur)

2005: 75.000 British pounds (110.000 Eur)

2006: 59.000 British pounds (so far committed) (86.700 Eur)

The funding from March 2007 is uncertain and it currently looks as though it will no longer be available.

The EEA Grants

2004-2005: 5.7 million Eur (not only for NGOs but NGOs can participate)

2006, 2007, 2008: 2,8 million Eur

2006: 191.712.000 sit (800.000 Eur) just for NGOs

2008: remaining funds approx 800.000 Eur just for NGOs

Ministry of Public Administration

2004: none

2005: 22 000 000 sit (91.700 Eur)

2006: 41 150 000 sit (171 450 Eur)

2007: 40 000 000 sit (167.000 Eur)

No information for 2008.

The Royal Netherlands Embassy

Small Embassy Project Programme MATRA (abbreviation for Society Transformation) Kap and Knip

Total amount of the financing for the NGO sector in EURO (Kap and Knip):

2004: 123.000,00 Eur

2005: 93.000,00 Eur

2006: 62.000,00 Eur

2007: estimated financing 43.000 Eur

2008: /

Trust for Civil Society in CEE (Umanotera as part of their 'Dobra Družba' programme)

2004: 100.000 \$ (80.000 Eur)

2005: 254.000 \$ (203.200 Eur)

2006: 326.000 \$ (260.800 Eur)

In addition there was also funds reserved for management of the programme, which amounted to 170.000 \$ (136.000 Eur).

The next programme from second half of 2006 onwards, will be implemented by the Trust centrally (one of its offices in Warsaw or Sofia). The exact allocation of funding for Slovenia for the next programme is not known, however it will certainly not exceed 1 000 000 \$ (800.000 Eur).

The US Embassy in Slovenia

2004: 95.000 \$ (76.000 Eur)

2005: 60.000 \$ (48.000 Eur)

2006: 45.000 \$ (36.000 Eur)

The funding for the 2007 and 2008 can not be specified as it is approved and allocated on annual basis and it can not be guaranteed (it can only be presumed) that allocation for the NGOs programme will remain (with estimated 45,000\$ (36.000 Eur) to 50,000\$ (40.000 Eur)).

The Orientation of the Donors and their Programmes

The British Embassy

The priorities and themes are in line with annual Strategic Priorities, which are published every Spring. The programme orientation is thus in line with SP and local/country priorities, which are often quite general and can cover a number of themes. However, the programme does not cover social type of projects. Although the emphasis is on engaging British dimension in the project, they do accept other projects where it is argued that other regional/country dimensions are important. The emphasis is always on partnership between the government and non-governmental sector (good examples of partnership and dialogue).

The EEA Grants

The priority field(s) of the NGO fund will be in line with the objectives of the financial mechanisms to support social and economic cohesion and will not run against European Union objectives. The priority field(s) will broadly follow the priority areas of the financial mechanisms, and may include both projects in support of the priority areas, as well as grants to strengthen civil society as a whole, or individual NGOs, in the beneficiary state. NGO grants will be used to support actions that are in the public interest.

The following specific themes will be supported: protection of the environment, sustainable development, conservation of European cultural heritage, development of human resources, health and childcare, implementation of legislation in the field of internal security and border control, such as support for 'Schengen' action plans, regional policy and cross-border activities, implementation of *acquis communautaire* through technical assistance and academic research.

The EEA is based on the Memorandum of Understanding on the Implementation of the EEA Financial Mechanism 2004-2009 (signed on 12 May 2005) and on the Memorandum of Understanding on the Implementation of the Norwegian Financial Mechanism 2004-2009 (signed on 20 April 2005).

Ministry of Public Administration

The Ministry is the main Government contact point and coordinating body for the Slovene NGOs. In this respect, its programme is geared in line with its mission. Therefore, the main objective of the programme is to strengthen the civil society as a whole, by supporting service provision activities in the sector and by encouraging

dialogue with the Government. In this respect, the programme is based on the following core documents: Governmental Strategy for cooperation with NGOs, Draft Cooperation Agreement and the Article 8 of the Government guidelines/rule book.

The Royal Netherlands Embassy

MATRA Kap programme was developed by the Ministry of Foreign Affairs and is intended to support the social transformation process in Central and Eastern Europe. It further stimulates development of an open, pluralist, democratic society. There is no strategic programming for priorities (though there are selected 12 themes), the Embassy identifies the issues on an annual basis and according to the developments in the society. The usual 12 topics are: legislation / law; public administration / public order / police; information / media; human rights / minorities; environment / non-governmental organisations; environmental authorities; labour and social policy; culture; welfare; health care; housing; education.

MATRA Knip programme is oriented towards nature management in Central and Eastern Europe, towards the development of environmental issues - nature conservation issues. Therefore a special action plan was published from the Ministry of Agriculture, Nature Management and Fisheries from 2001-2004, which is still valid). In this programme respectively, the Embassy also identifies most of the relevant topics.

The most relevant issues for Kap in the past were: marginal group rights (same-sex issues), minorities (Roma, people from former Yugoslavia), children rights, education of youth, culture.

In the future, both programme priorities are very likely to remain as they were. However, the Matra financing mechanisms are very likely to end as of 2008.

Trust for Civil Society in CEE (Umanotera as part of their 'Dobra Družba' programme)

The main objective of the programme is to create and enhance civil society in countries of transition. As part of the objective, most of the funding is orientated towards creating local financial sources and promotion of philanthropy, which would aim to sustain long term funding for the sector. This falls under the third objective, of the three programme objectives.

The 2004-2007 programme is based on the three main objectives that are part of the Programme Strategy, which was agreed between the Trust and the Umanotera:

Objective 1: Creating a supportive legal, fiscal and political environment for civil society

Objective 2: Strengthening the non-profit sector (capacity building, advocacy, sectoral cooperation).

Objective 3: Enhancing the financial sustainability of NGOs

The next programme, from second half of 2006 onwards, will very likely be similar to other programme priorities that are planned for other countries, based on their current evaluation of the previous funding programme. There may be 4 priorities: 1.enhancing the accountability, transparency, and effectiveness of public institutions, 2.strengthening civic support for democracy, promoting democracy of citizens and engaging other stakeholders, 3. supporting civil society as a voice for other marginalised and vulnerable

populations, 4. creating a better and enabling an environment for civil society. In addition, as part of the programme for Slovenia, a 3 year project with Umanotera is also under discussion for financing a number of sectoral horizontal activities.

The US Embassy in Slovenia

The priorities financed by the NGO development programme, are broadly defined to include democracy and human rights, security issues and foreign policy, and support for regional stability in Southeastern Europe. Although social type projects are not a priority theme, they do accept to finance them, as long as they are broad and are not financed by Slovene social system funding. The US dimension in the project is preferred, however the programme also encourages projects that have a broad regional impact, that are done in partnership with international NGOs, that aim to strengthen the NGO sector, and those that address less developed areas inside Slovenia.

The programme was based on the Support for Eastern European Democracy Act 'SEED' until 2004 and is now based on the Fulbright Hays and Smith-Mund Act.

Procedure of the financing mechanism(s)

The British Embassy

The programme is decided locally (by the Embassy) and it takes country specific needs, however these are always in line with the Strategic Priorities, set by the British Foreign and Commonwealth Office. The Embassy, thus sets annual Post Objectives (based on Strategic Priorities), which take into account country specific needs (based on European Commission Reports, Slovene Development Strategy, EBRD Report, UNHCR, etc).

The programme is not based on any formal consultations with NGOs, but does try and cater for any current developments and their needs.

The British Embassy is the only donor that does not have an Open Call for Proposals, but it funds projects directly. In fact in most cases (80%), the Embassy initiates projects. However, one has to note that their programme does not only address NGOs.

The EEA Grants

The general principles of the programme are agreed in the two Memoranda of Understanding. The EEA is implemented locally by the National Focal Point (Government Office for European Affaires), however for the NGO Fund, the NFO can delegate some tasks to an Intermediate Body, thus there will be a selection of IB which will act as a Technical Assistance (organising the Open Call, administrative project selection procedure and monitoring projects implementation). The NGO Fund is decided and agreed by the NFO, its Steering Committee and the supportive Financial Mechanism Office in Brussels.

The selected Intermediate Body, i.e Technical Assistance, will ensure that the NGO Fund Open Calls for proposals will be published (second half of 2006 and in 2008). During the preparation of the NGO Fund programme there was no formal consultation with the NGOs, however during the EEA programming stage, a consultation with a number of parties took place.

Ministry of Public Administration

The financial mechanism is decided at the Ministry, with an informal consultation with other colleagues. In 2005, after the first Call was published, a formal consultation was organised with NGOs as well as an open discussion concerning the next Call. Thus, the 2006 Open Call took into account the outcomes of the formal consultations; they prolonged the service provision activities for another 2 years and introduced new pilot projects, which are quite successful. The programme is done only through the Open Calls for Proposals.

The Royal Netherlands Embassy

MATRA Kap and Knip programmes are run by the embassy in Ljubljana for and in Slovenia only and represent just one part of the series of MATRA programmes.

Besides these two, a lot of other MATRA programmes exist (according to the legal position of a country- EU member, EU candidate, non EU country) and are also a part of bilateral co-operation from the Netherlands. However, since Slovenia is an EU member, it is eligible only to Kap, Knip (both expire in 2008) programmes.

An open tender starts from the beginning of the year till March, when a first round of selection of eligible projects takes place. Afterwards, if there is room left in the budget, projects could be supported, but usually the funds are exhausted already by the end of March. The embassy receives annually the dedicated budget for the whole year. Indeed, every project (from Slovene or in Slovenia settled NGOs) is eligible according to the regulation stipulated in the brochures for Kap/Knip applications. The embassy in recent 3 years did not especially promote the programmes as we always received much more applications than we could finally support.

Trust for Civil Society in CEE (Umanotera as part of their 'Dobra Družba' programme)

The current 2004-2007 programme is decided and implemented locally (decentralised), however it is based on the Strategy Agreement with the Trust, which was agreed and signed by the Umanotera and the Trust. The Strategy was based and took into account the grass-roots level developments, i.e. at that time the Initiation of an NGO Strategy and establishment of a dialogue with the Government. It was tailored with the three Objectives, which have a number of elements; projects, technical assistance and open calls. The projects that are decided outside the scope of the Open Calls, are already described in the Strategy/Programme. If there are any changes or adaptations to the agreed Strategy/Programme, Umanotera does require a formal agreement from the Trust, however in most cases there is a scope of flexibility.

The next three year programme, will be centralised (decided and implemented by Trust, regional office in either Warsaw or Sofia). It will be likely that it will have similar elements in all CEE countries, however it may take into account Slovene specific civil society needs as an evaluation of the previous programme takes place. The programme will be done through an Open Call for Proposals, which is expected in September or October. The programme may also finance a horizontal three year project with Umanotera, which is currently under discussion.

The US Embassy in Slovenia

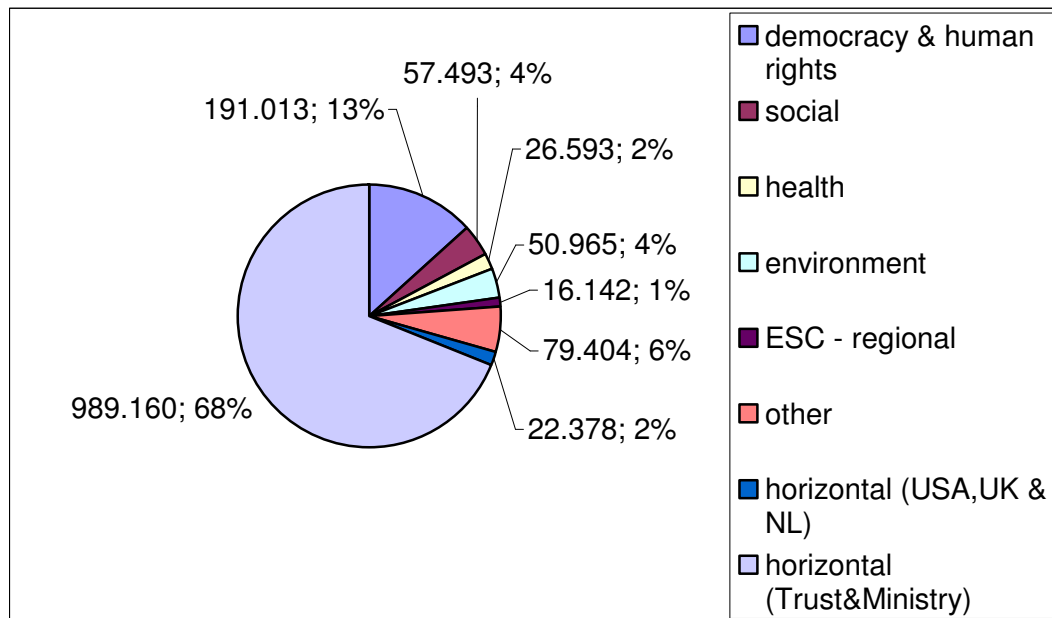
The NGO Development programme is decided locally, at the Embassy by its Committee, which takes into account country specific needs. During the preparation of the programme priorities, there is an informal NGO consultation which takes place. Thus the programme is country specific, however cooperation with other Embassies does take place, especially when regional projects are supported.

Identification of financed priorities and projects

The gathered data of projects for all donors (apart from EEA Grants NGO Fund) and for the past three years (where data was available), has been analysed (please note that this may have been subjective, thematically broad and that the results are just an informative and not in any respect official) in accordance with the following general priority themes:

- Democracy and human rights
(minorities, peace, refugees, children's rights, discrimination/tolerance, trafficking)
- Social
(disabled, women, sexual orientation, etc)
- Health
- Environment
- ESC regional (regional impact projects)
- Other
(cultural, EU, global issues, etc)
- Horizontal

Chart 1: period 2004-2006



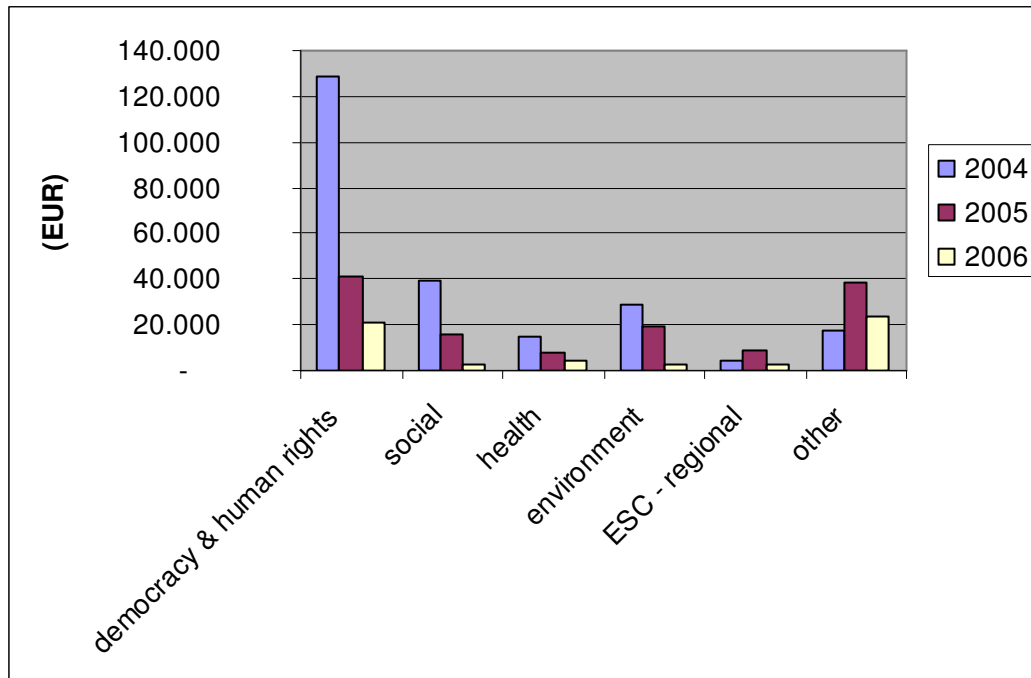
Source: Data received from the donors

The above chart indicates that most of the funding in the past three years, has indeed gone towards funding horizontal activities, activities that benefit the whole sector. This is due to the horizontal priorities of the two larger donors (Trust and the Ministry).

While, if we look at the horizontal funding by others, this is not a priority as only 2% of all projects were horizontal. In addition, this study did not take into account all the thematic donors (line Ministries, EC and any others), does the thematic proportion is much lower.

The big ‘thematic donor’, mechanism is the EEA Grants (see under ‘What is planned under future financing’), which will be implemented this year and in 2008.

What themes have been financed through the three years?



Thematic financing

In general, the ‘thematic donors’ (the three Embassies) have in the past three years decreased their funding and two of them (British and Dutch) have even said that their funding may end as of next year. Thus, the chart to some extent indicates this trend, as the purple and white columns are much shorter than the blue ones.

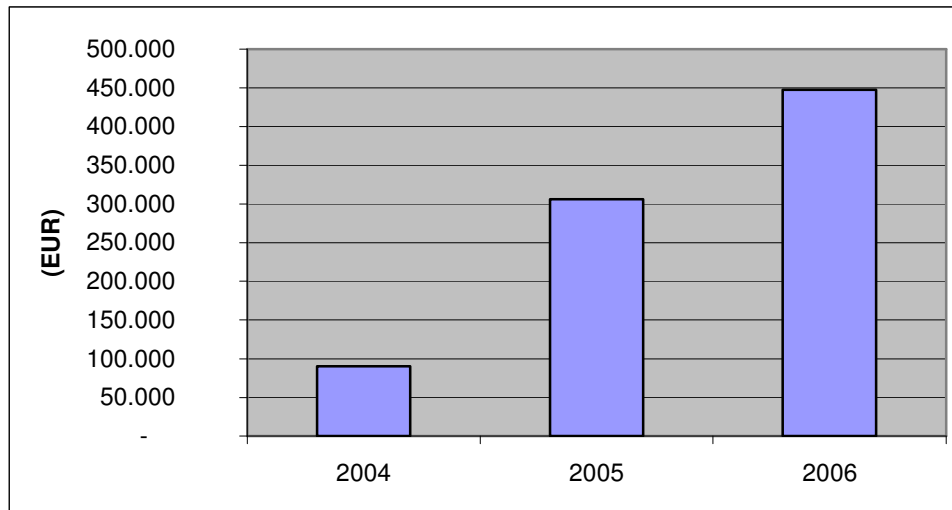
As indicated above, under programme priorities and themes, most donors finance a range of themes and a generally open for any good project ideas and proposals that fit into their general programme.

Thus, the interpretation of the data can be as following: projects funding is diverse, as Calls are Open and best projects win, thus it is difficult to regulate which sectors really do have a priority?

The only donor that has explicitly stated that it does not finance any social projects, was the British Embassy. Although, the US Embassy has also expressed that they generally do not finance social type of projects, they do finance them only if they have a broader effect and are by no means financed under Slovene public funds. On the other hand, the Royal Netherlands Embassy finances a number of social projects.

The above results and specific projects can be used in order to plan future financing programmes, as they are a good indication on what has been done and achieved. For instance, it is quite clear from the chart that democracy and human rights projects have decreased since 2004 (Copenhagen criteria accomplished, Slovenia EU member?). While, the Economic and Social Cohesion, regional projects have to some extent increased and under 'Other', cultural and more specifically EU orientated.

Financing horizontal activities for the NGO Sector



The horizontal financing has drastically increased with the appearance of two new donors, new since 2004 (Trust) and 2005 (Ministry of Public Administration). However, the 'thematic donors' (mainly US Embassy and Royal Netherlands Embassy) have also financed some good horizontal projects.

It can however be stated that, the two donors (Trust and the Ministry) focus exclusively on the horizontal financing of the sector, as their main objective is to enhance the sector as a whole, rather than specific themes (in Slovenia, each line Ministry also has a fund for its NGOs). In addition to the thematic support, some of the other donors have also financed some horizontal activities for the sector. The horizontal projects, capacity building projects for the NGO Sector that have been indicated by other donors amount to approximately 1M € for the three year period.

The Trust for Civil Society, Umanotera and their programme 'Dobra Družba' has focused its funding in the following areas:

Community Foundations: 405.600 \$ (324.500 Eur)

Capacity Building: 42.500 \$ (34.000 Eur)

Promotion: 93.500 \$ (74.800 Eur)

Dialogue support: 58.400 \$ (46.700 Eur)

NGOs in elections: 74.200 \$ (59.360 Eur)

The Ministry of Public Administration has focused on two specific horizontal activities:

- 1) Service provision for NGOs: 15,271,000 sit (in 2005), 30,000,000 sit (in 2006), 34,650,000 sit (in 2007) – together: 79.921.000 sit (333.000 Eur)
- 2) Encouraging dialogue between Government and NGO Sector: 6,665,000 sit (in 2005), 12,000,000 sit (in 2006), 5,350,000 sit (in 2007) – together: 24.015.000 sit (100.060 Eur)

It was indicated that service provision in the sector is lacking behind compared to the service provision abroad (in Europe). It was also indicated that capacity building in the sector is a must in order to achieve professionalism, hence it is good to see that horizontal funding is increasing.

Good examples?

The Trust (Umanotera) mentioned their ‘inspiring 6’ programme, whereby the six best presented NGOs get free training, a prize and most importantly media attention. This has resulted in a better awareness raising of the sector as a whole.

The Ministry of Public Administration has mentioned their successful pilot projects, which are currently implemented and serve as a preparation for the Slovene EU Presidency.

The Royal Netherlands Embassy indicated the following good horizontal projects, where a number of NGOs were able to participate and benefit:

“Patient participation in health policy development” (drafting of a position paper on the involvement of patients/consumers in health policy development and implementation), by CNVOS, and the “civil society’s strategic plan for regulation of pornography in Slovenia and booklet on the policy paper of the regulation”, by Association against sexual abuse (finally in cooperation with more NGOs).

Bad Examples/Experience – What to do about it? What is needed?

It was identified that there have been difficulties in financing horizontal service type of activities, as this part of the sector is underdeveloped and lacks capacity. The sector is underdeveloped, also in terms of employment and professional opportunities, thus a needs assessment for employment in the sector, would be needed and perhaps welcomed.

On the other hand, specialised thematic projects flourish and are successful. However, it is unfortunately very difficult to achieve project partnerships and broad project consensus among NGOs and other partners. Although at times, this may be possible by a third party is more or less an exception to see such projects. This was indicated by a number of donors.

There is a lack of knowledge about the sector itself and its needs. For instance, there is a lack of experts, who would have a capacity to write a good Strategy. There is a clear need for foreign experts/consultants, transfer of know-how.

What is planned for future financing?

There were only two donors that indicated future financing for the Slovene NGO Sector. These two are the EEA NGO Fund (in addition the EEA Grants will also be open to NGOs through their individual project financing, see page 3) and the Trust for Civil Society.

The only certain future financing that is planned is the EEA NGO Fund, which is expected in the second half of this year and in 2008.

The EEA NGO Fund priority themes are the following:

- protection of the environment,
- sustainable development,
- conservation of European cultural heritage,
- development of human resources,
- health and childcare,
- implementation of legislation in the field of internal security and border control, such as support for 'Schengen' action plans,
- regional policy and cross-border activities,
- implementation of *acquis communautaire* through technical assistance and
- academic research.

It is also almost certain that the Trust will have an Open Call for Proposals for its next programme in September and October, however while the general objective of the programme will very likely remain the same, i.e. strengthening civil society generally, one can only presume if the priority themes will be the same for Slovenia as they are planned for Bulgaria, Romania and Slovakia. If the Open Call for Proposals will be the same or similar, one can expect the following general priorities:

1. Enhancing the accountability, transparency, and effectiveness of public institutions,
2. Strengthening civic support for democracy, promoting democracy of citizens and engaging other stakeholders,
3. Supporting civil society as a voice for other marginalised and vulnerable populations,
4. Creating a better and enabling an environment for civil society.

In addition, as part of the programme for Slovenia, a 3 year project with Umanotera is also under discussion for financing a number of sectoral horizontal activities.

The next Trust funding programme may also entail some thematic priorities.

The Ministry of Public Administration has already committed most of its funds for 2007, however they may use the remaining funds towards a Call, which would support active participation and training of NGOs in the policy and legislative preparation process.

Other donor programmes are approved and decided on annual basis, and as such, the donors could not commit to their future programme and their priorities, themes or projects.

Sustainability of donor coordination and donor participation

All of the analysed donors have expressed an interest in a possible continuation of this project, particularly the 'donor' coordination process (i.e. quarterly meetings). Thus they are all keen to take on the role of alternatively chairing meeting(s). However, please note that two donors may end up leaving the process; Umanotera complete its programme in March 2007 and the next

programme will be done by Trust itself, thus a new programme officer may join the group, while the British Embassy has no indication of the continuation of its programme beyond March 2007.

All the donors have indicated that they would have some flexibility in their programming, thus their future Calls for Proposals or direct project financing could take into account any relevant outcomes or recommendations of the donor coordination meetings. Although, most of them would require a formal approval, this would not result in time consuming bureaucracy changes (mostly decided at a local level).

A good example of using flexibility in its mechanism was mentioned by Umanotera, through the Trust Fund, whereby they could adopt their mechanism to the appearing needs of the NGOs. The Government was preparing National Development Plan and some other Strategic Programming Documents, thus there was a need for the NGOs to participate in the process and the financial mechanism was adopted and created an Open Call that was timed in accordance. Thus, civil society participation in decision making process was ensured.

Suggested open questions for discussion at the first donor meeting

In order to strive towards coordinated approach and synergies, the meeting and open discussions could be based on the following questions:

What is the context of the development of the NGO Sector?

Which are possible priorities for the sector (short-term, mid-term, long-term)?

How to achieve a maximum impact with limited funding?

What would be i) benefits and ii) expectations of donor coordination meetings?

Who and when will chair the next meeting?

This is an example of a possible discussion question and answer.

How to achieve a broad consensus and wider effect of projects?

The answer can be encourage partnership! – which most donors do but here is a very good example:

projects funded by the British Embassy are all encouraged (almost forced, by contract and monitoring) to have an element of partnership (government and civil society partnership). A project that was provided as an example, was a project implemented by the Police on 'Child abuse', whereby other parties such as Judiciary and NGOs also played an important role and had to cooperate.

Concluding remarks

In this paper, we have strived to analyse the six current donors in the Slovene NGO sector, in order to provide a general picture that could be used as an analysis for future donor cooperation and future aid orientation.

The exercise has proven to be quite difficult, since we ended up with a number of diversities among donors; currency differences (difficult to analyse), different aid

orientations (themes and activities), different implementation procedures and different timings, different beneficiaries, not all addressed NGOs, etc. Please note, that the data was gathered and interpreted by the consultant, thus it can not be taken as an 'absolute truth'.

It can be said, that most of the aid is indeed disbursed and scattered (as it deals with a number of general thematic priorities and horizontal activities for the sector) and that there are not that many similar objectives, programmes or projects. Perhaps if one analysed all the other existing donors (line Ministries and the EC funding, etc) there would be more thematic projects with similar objectives and activities.

Although there are some similarities (encouraging dialogue between NGOs and Government) between the two donors that explicitly, more or less finance horizontal activities (Trust and the Ministry of Public Administration), even here, we find that the two donors have different means of achieving what appears to be a similar broad objective.

Their broad objective is to enhance the civil society, while their means, i.e. programmes are quite different. Although it is good that they are not focusing all their aid in similar initiatives, there could indeed as it has happened to some extent, perhaps be more synergy between them. A good example of their cooperation, was the initiative that the Trust is financing a complimentary scheme to service provision for NGO representatives to participate in the European wide platforms. Another example is a horizontal project financed by the US Embassy on 'Development of NGOs and Increase of Public Awareness', which could be linked to projects financed by Trust (like the 'inspiring six') as well as by the Ministry (objective 1.2.4 Education and Training for NGOs').

In this exercise, we have not come across a double-financed project (same title, same beneficiary NGO), however this does not mean that donors are lucky enough to avoid double-financing. Perhaps, the reason for this outcome, is that all the donors use different methods of implementation procedure (different application forms) and at different times of the year, hence it is less likely that the applicants would submit an existing application/project. However, as can be expected, we have seen a number of similar project titles and a number of similar beneficiaries, NGOs.

At the same time, it would be welcomed to see that certain priority projects are financed by more than one donor. This has been encouraged by some donors, in particular the US Embassy has made this as a one of the preferred aspects in their programme guidelines, whereby they state that project proposals should:

'Demonstrate clear, sustainable, and innovative plans for obtaining matching funds and cost-sharing''. (NGO Development programme, Guidelines for Applicants, US Embassy)
In this respect, the projects would not only benefit financially but also in terms of their recognition and weight.

In order to strive for a better and more effective funding approach towards the sector, as well as avoid double-financing, it would be recommended that donors coordinate with

each other as well as with the sector. Informal donor coordination has already taken place among some of the Embassies during preparation and implementation of their programmes and all the donors have expressed an interest in coordination. Therefore, perhaps open to any donors, formal, quarterly coordination meetings could serve as a good tool for exchange of information among donors. Indirectly, the NGO Sector would also benefit as donor synergies and consultations could lead to better and in some cases much needed projects.

Annex I

Questioner

Donor and programme identification

- 1) Name of the donor:
Name of the financing mechanism/programme(s) for the Slovene NGO sector:
Total amount of the financing for the NGO sector in EURO
2004: 2005:....., 2006:.....
Estimated financing for the NGO sector in 2007:....., 2008:.....
- 2) What is the orientation of your financial mechanism towards the Slovene NGO sector? What type of policies and/or activities are considered as priorities by your mechanism, please identify them for each year separately (2004, 2005, 2006, 2007, 2008). Please also specify, if there is a legal base and/or a strategic programming document that identifies the priorities of the financing document.

Procedure of the financing mechanism

- 3) How and where is your financial mechanism/programme(s) decided? Does it take into account the Slovene NGO grass-root needs or is it decided centrally and is a horizontal programme that deals also with other countries?
- 4) Please describe the implementation procedure for your financing mechanism. Is it done through an open Call for Proposals, is it restricted, or any other method of selecting projects.

Identification of financed priorities and projects

- 5) Please specify projects (if available) by the recipient NGOs, themes, activities and financial contribution that were financed by your mechanism in 2004, 2005 and 2006.
- 6) Have you financed any horizontal activities in the sector (capacity building or legislation) and would you be able to share with us 'good or bad lessons learned'?
- 7) If available, please identify priorities or even projects of your financial mechanism for 2006, 2007 and 2008.

Sustainability of donor coordination and donor participation

- 8) Would you be interested to actively participate in this 'donor' coordination process (including alternative chairing of a meeting(s))?
- 9) Would you have a scope of flexibility in aid distribution of your financial mechanism if the coordination group would identify that other themes and priorities would arise as needed by the Slovene NGO sector in the future or if it was a question of avoiding double financing?
- 10) Will you be able to attend the coordination meeting on 11 July at 10 am in Center Evropa?

Please add any comments, suggestions and ideas that you feel we should take into account. Thank you.

Annex II

Conclusions from the first Donor Coordination meeting that took place on 11 July in Center Evropa, Ljubljana

Present donors:

British Embassy

EEA Grants (Norwegian Embassy and Government Office for European Affairs)

Ministry of Public Administration

Office of the President of RS

Royal Netherlands Embassy

Trust for Civil Society (Umanotera)

US Embassy

Swiss Embassy

Finish Embassy

Irish Embassy

Following an open discussion and focused group work, the following ideas have been presented.

Which are possible priorities for the sector?

In terms of horizontal support, priorities would be supporting networking, partnership and strategic partnerships (between NGOs as well as between the non-governmental sector and other sectors). Other priorities that would be needed, would be promotion of the sector, work with media, supporting public awareness and lobbying. In terms of thematic support, priorities could be set by obtaining information from the NGO sector (maybe in a form of a think-tank or a foundation). In terms of current and future developments, the priorities could include: Slovene EU Presidency, Tax Reform, Employment Policy and Structural Funds.

How to achieve a maximum impact with limited funding?

One of the ideas was to initiate 'pilot projects', i.e. sample what there is and then finance that which is most effective and efficient. Support partnerships, NGO coalitions as well as NGO and other coalitions in order to ensure wider effect and consensus (international cooperation partnerships). Once again an idea about a possible 'think-tank' came up as an information provider and as a cooperation body between NGOs and the donors. A good source of information is also the European Foundation Center, they are a useful source of information and they have an upcoming interesting conference in Belgrade in September. It was also indicated that measuring impact is difficult and that there is a need to evaluate projects in order to assess the impact.

What would be i) benefits and ii) expectations of donor coordination meetings?

Benefits: enhance financing towards the sector through exchange of information and in appropriate cases finding common objectives and synergies. By exchanging information, better share in funding and avoid double-financing. There was an idea that an NGO

participation would also be welcome at donor meetings, similar to findings in the above two questions. The NGO partner could also serve as a service provider: not just information, but also project evaluation and programme implementation.

Expectations: networking among donors on regular basis, information and experience sharing (Calls for Proposals expected, projects financed, etc), obtaining new knowledge, ideas and priorities. In the long term, the process could lead to a more sustainable and efficient implementation of funds.

Who and when will chair the next meeting?

The next meeting will be chaired by the Ministry of public Administration and will take place end of September.