

# EPF Occasional Policy Brief

## CIVIL SOCIETY POLICY RECOMMENDATIONS

*Updated Summer 2017*

EPF has worked on civil society development for about 20 years, since its inception. In recent years, EPF implements the USAID-funded CSO Development Program (CSO DePo) as a lead agency and the EU-funded Bridge for CSOs project with AGBU as the lead agency. Both projects are focused on building the capacities of civil society.

Over the years of its work, EPF has done numerous studies of CSO development trends in Armenia and internationally; it provides such studies to CSOs, analyzes the existing ever-increasing literature on the subject and also uses its knowledge to build the capacities of CSOs in a variety of ways. As a result, EPF has developed the following set of policy recommendations for addressing the issues of CSOs in Armenia, which are pertinent to the situation with CSOs typical for 2016 onwards.

### CLUSTERING OF CSOs IN NETWORKS AND CONSORTIA

**ISSUE:** A large number of civil society actors having the same focal field of action such as culture, education, environment, inclusion of persons with disabilities into all areas of public life, etc. mostly compete with each other, rather than collaborate. Meanwhile the tendency in the developing world shows donors' inclination to fund consortia and networks instead of funding individual entities.

**RECOMMENDATION:** There is a need for CSOs to learn to work in consortia and become proactive in building mutually beneficial relations with various CSOs and civil society actors. Through consortia and networks, CSOs will be able to complement their capacities, as well as become more successful in fundraising and increase their sustainability.

**RATIONALE:** Clustering will allow common platforms for networking and consortium building. Also, such platforms will be to the benefit of newly created CSOs and for civil society actors such as university-foundations, writers' and artists' unions, etc., which are civil society actors de facto but are not involved in civil society developments and usually do not work on developing organizational capacities.

### LEGAL LITERACY FOR CSOs

**ISSUE:** Most of the CSOs (except the ones which exercise advocacy) are not aware of Armenian legislation regarding both basic laws such as the Labor Code, the Law "On CSOs", the Tax Code, etc., and specific legislation regarding their fields of activities such as the Law "On the Rights of the Child", the Law "On the Social Protection of Persons with Disabilities", the Law "On Provision of Equal Rights and Equal Opportunities for Women and Men", the Law "On Freedom of Conscience and on Religious Organizations" etc. Additionally, there is a need to sensitize CSOs on the procedure and peculiarities of drafting laws in Armenia (including the ones affecting CSOs and/or their stakeholders) and/or initiating legislative

changes and how they can be engaged in these processes. Moreover, there is a lack of awareness and understanding<sup>1</sup> among Armenian CSOs of Armenia's obligations under international law and vis-a-vis a variety of international organizations which Armenia is a member to. This knowledge would enable them to address many issues they identify during their day-to-day work before international bodies; it would allow them to use the international standards in their recommendations on draft laws developed by the state.

**RECOMMENDATION:** Develop legal consultancy and legal literacy packages, continuously amend the changes in accordance with legislation and communicate with the CSOs, inform CSOs of legislative amendments affecting their respective areas and support in drafting legislative recommendations to the state. This can become a specific service/consultancy direction.

**RATIONALE:** There is currently no such service for CSOs in Armenia. There are a number of CSO networks, CSOs and lawyers, which address the issues hindering smooth operation under Armenian legislation, but in terms of “legal literacy” most of the CSO employees, including heads of organizations, are not aware of national and international laws. In case of need, they seek the assistance of lawyers; however, they should be aware of the laws at their own level to be able to operate successfully and benefit from opportunities provided by legislation or question the problematic laws and advocate for their respective changes.

## SIMPLIFY CSO “CLOSING-DOWN” PROCEDURES

**ISSUE:** In Armenia, there are 4,499 public organizations, while a large majority of them have stopped their operations de facto or have never functioned for various reasons. Because the “closing down” procedure is too burdensome, CSOs prefer to cease operations yet remain registered legal entities. As a result, the numbers of CSOs in Armenia as well as all estimates regarding CSOs are inaccurate and statistics are biased.

**RECOMMENDATION:** The government should create a clear and simple administrative procedure for closing down CSOs. This procedure should be clearly communicated to the CSOs.

**RATIONALE:** Once inactive CSOs exit the market, it would be possible to have a clearer picture of the Armenian development actors – something that would be beneficial for the government, local and international support actors, and civil society.

## LOCAL GOVERNMENT (LG)-CSO COOPERATION

**ISSUE:** A number of CSO programs aim to build bridges between LG and communities, enhance democracy and participatory governance, strengthen the role of LG in the communities, etc. This kind of projects are often a result of CSO-LG partnership. But there is a need to take these partnerships to the next level: LGs should start supporting CSOs as key community actors and allocate resources for the smooth operation of CSOs on their territory, by channeling some community development funds through CSOs.

**RECOMMENDATION:** Enhance direct cooperation of LG agencies and civil society actors by promoting targeted initiatives of LGs to fund various CSO programs and activities, perhaps

1. <http://www.epfarmeria.am/en/current-programs/human-rights/assessing-the-involvement-of-armenian-csos-in-the-preparation-of-alternative-reports-for-un-treaty-bodies-and-the-upr/>

also via legislative means (allocating a budget percentage of LGs to CSO programs).

**RATIONALE:** Once LGs start funding some programs of CSOs, there is a high probability that the CSOs and LGs will increase their credibility and will gain trust in their communities. The funded programs will be better administered, because CSOs usually have a lower rate of inefficiency and corruption than other entities; therefore, their impact will be higher. The CSOs will report to the LGs, and the reports will be publicly available, resulting in an increase in transparency.

## CSO BRIDGING TO SOCIAL ENTREPRENEURSHIP

**ISSUE:** As the CSO market survey<sup>2</sup> and other research have indicated, CSOs face the issue of sustainability, which can be addressed by strengthening financial management capacities, enhancing entrepreneurial skills and helping them acquiring additional resources through social enterprises.

**RECOMMENDATION:** To develop realistic and locally-tailored methodologies and provide business trainings for CSOs to engage in social enterprise and enhance business thinking with the objective of encouraging those starting viable and successful social enterprises. This should include trainings in business psychology, marketing, etc.

Being civil society actors, CSOs and their leaders and personnel are sometimes distant from business thinking and skills which are needed in order to build up a successful profit-making enterprise, even if their profits will go to advance the CSO mission. Trainings conducted so far have been numerous but they sometimes have not focused on entrepreneurial thinking; and have not addressed contradictions in business versus non-profit approach. If the CSO works as a business, it should serve its clients and not comment on them. Its mission may happen to be in contradiction with some activities of the client, e.g. if the client is an oligarch. These issues have not been addressed yet in Armenia in a systematic manner.

**RATIONALE:** According to the new Law “On Civil Society Organizations,” which enters into force in the beginning of 2017, CSOs are eligible to conduct entrepreneurial activities. Once CSOs manage to build successful social enterprises, this will contribute to the implementation of their missions and will allow them to ensure an average of 10-20% of their CSO operational costs from a sustainable core source.

## EMPOWERING CITIZENS’ MOVEMENTS

**ISSUE:** In recent years, a number of citizen movements have taken place which have evolved in response to specific social, economic or political causes and have faded with time without their benefits being fully capitalized upon, studied and made more effective next time, and without keeping the institutional memory from the lessons learned. Thus, there is a need to build the capacities of potential social movement leaders and to build a database of their history, as well as to analyze them from an organizational behavior perspective.

**RECOMMENDATION:** A specific strategic approach should be developed to address the capacity needs of past and future citizen movements and informal active groups.

2. [http://www.epfarmeria.am/wp-content/uploads/2016/03/CSO-Market-Research-Summary\\_English-1.pdf](http://www.epfarmeria.am/wp-content/uploads/2016/03/CSO-Market-Research-Summary_English-1.pdf)

**RATIONALE:** There is a need to study the effectiveness of citizen movements, conduct discussions with the key participants and organize trainings for civil society actors on how to contribute or increase the effectiveness of citizen movements, how to make the movements successful in achieving their objectives. As a result, civil society actors will be better informed and equipped with tools to lead citizen movements rather than participating in them on an ad hoc basis or simply observing.

Movement leaders often do not want to be associated with institutional CSOs in order to avoid being coined as implementing the plans and policies of donors. At the same time, a lack of institutional capacities greatly affects the movements' efficiency. Therefore, trust building is needed between movement leaders and CSOs, and new methodologies should be worked out which allow for movements to acquire the means for efficiency and institutional memory without aiming at official institutionalization.

## CSO EDUCATION FOR MAKING THEM SUCCESSFUL STRATEGIC IMPLEMENTERS OF VALUE SYSTEMS CHANGE

**ISSUE:** Critical thinking and capacity to act effectively remain vital for civil society actors, so that they become the driving forces of social transformation and changes in value systems.

**RECOMMENDATION:** There is a need to strengthen the media literacy, decision making, critical thinking, conflict transformation and investigative journalism skills of CSO actors, as well as enhance the effective advocacy skills of local CSOs.

**RATIONALE:** While many CSOs have attended advocacy trainings and conduct advocacy programs, the CSO Market Research as well as other research demonstrates that the rates of successful advocacy of CSOs are low. This means that something is wrong with selecting targets, devising strategies and implementing them. CSO leaders need state-of-the-art knowledge in decision making, critical thinking and other such skills in order to be able to realistically select the targets and work in such a way as to achieve the aims of advocacy rather than to merely spend the resources. This need is intrinsically linked with the need for CSOs to be able to have international remit, i.e. to cooperate with international advocacy issues and platforms, as well as to rely on international support, including that of the state and intergovernmental actors which support reforms in Armenia, while advancing causes important for Armenia's development.