

Supporting civil society with LIFT funds



AUGUST 2015

Ja Tum Seng
Matt Desmond
Sandar Myo

Supporting civil society with LIFT funds

August 2015

Ja Tum Seng

Matt Desmond

Sandar Myo

DISCLAIMER

This document is supported with financial assistance from LIFT's donors - Australia, Denmark, the European Union, France, Ireland, Italy, Luxembourg, the Netherlands, New Zealand, Sweden, Switzerland, the United Kingdom, the United States of America, and the Mitsubishi Corporation. The views expressed herein are not to be taken to reflect the official opinion of any of the LIFT donors.

CONTENTS

1	Summary and Recommendations	2
2	Method of the study	3
3	What's happening in LIFT	4
	- Strategy	
	- Style	
	- Systems	
4	What's happening in civil society	10
	- Ayeyarwaddy	
	- Uplands	
	- Dry-zone	
5	Supporting civil society with LIFT fund	16
	- Current mechanisms	
	- Strategic partnerships	
	- Small-grants funds.	

Supporting civil society with LIFT funds

1. SUMMARY

In recent years, there has been a decline in the amount of LIFT funding to support civil society. In 2015 a number of new LIFT-funded calls have been launched. This study considers these two developments, seeks civil society perspectives on them, and makes recommendations accordingly.

The study concludes that new mechanisms alone will be insufficient to provide effective support to civil society with LIFT funds. Shifts in strategic belief and organizational practice will also be required. These are discussed in Section 3 of the paper (p3 ff.).

The bulk of consultations for the study were with civil society actors in LIFT's new priority programme areas. Contextual starting points for LIFT engagement are provided in Section 4 (p10 ff.). Three dominant messages were conveyed:

- Come and learn about us and our work.
- Support our programmes.
- LIFT is not for nationals.

The study also concludes that the current funding streams cannot be adapted to meet LIFT's strategic intent for civil society, nor to address the civil society messages. In Section 5 of the paper (p15 ff.) we recommend two new funding mechanisms that we believe can address both.

1.1 Recommendations

- i. LIFT's strategic relationship with civil society is re-articulated and endorsed by all internal stake-holders.
- ii. The proposed performance indicator for LIFT's support to civil society is quantified.
- iii. In December 2016, LIFT commission a survey of "allocation of indirect-costs budgets" amongst CSO grantees or sub-grantees to contracts signed in 2015.
- iv. The time-horizon for civil society support is December 2021. Mechanisms should be designed with a view to potential bi-lateral adoption should LIFT close prior to this date.
- v. "Strategic partnerships" are formed with civil society organisations in 2015, 2016 and 2017.
- vi. Three small grants mechanisms are established for 2015-2018 corresponding to three of the LIFT geographical zones.
- vii. These new supports to civil society are conceived with a time-horizon of December 2021. This may well imply

2. METHOD OF THE STUDY.

The study team was formed on the basis of experience amidst Myanmar civil society in different parts of the country. The design and conduct of consultations were led by Ja Tum Seng and Sandar Myo. Overall design and reporting was led by Matt Desmond. The report is co-authored and co-presented by the three members of the study team.

Fieldwork for this study was primarily based on 36 CSO consultations in sampled Townships where LIFT will direct funds under its current three calls. Consultations ranged between 120-150 minutes. The topic-list is attached as Annex D.

For the sample, the study team considered not using LIFT's zonal or Township definitions. Civil society is located separately from state and donor boundaries. However, three main factors determined that the civil society fieldwork, and recommendations for funding, would be according to LIFT programme zones:

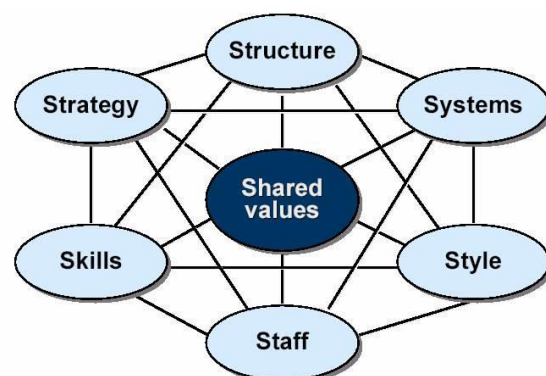
- The scope for civil society support is huge. LIFT's contribution will have to be geographically defined in some way.
- The "strengthening systems" dimension of civil society support is more likely to have impact if the other components are also being strengthened.
- In these localities there will be more access for civil society to LIFT-funded technical support, research and learning when requested.

It was intended that the sample include an equal mix of CSOs pre-identified by the team, by LIFT, and by third parties. The second two groups were underweight, and 33% of the sample was identified through local inquiry. LIFT can be assured that civil society is active in their selected Townships. A further 17 meetings were held with groups, teams and individuals in Yangon. These were selected either to inform and design the local consultations, or to follow-up and develop information that arose in the local consultations.

The LIFT-FMO office provided a very full set of programme studies and frameworks, Board papers and "Call" documents. These constituted the document review. Two members of the study team had conducted a related LIFT study in 2013. This provided a useful baseline.

3. WHAT'S HAPPENING IN LIFT?

Our Terms of Reference asked us to first establish LIFT parameters and necessary modifications for possible support to civil society. The 2013 review¹ used a frame for considering the organizational elements of both LIFT and the civil society partners. Using the same model we anticipated that modifications would mainly be necessary in operating systems. This study however concludes that the more significant modifications will be required in LIFT strategy and "style".



3.1 STRATEGY

The 2013 study "encountered a tension between the twin aims of (LIFT's previous) Output 5. LIFT aims to both strengthen CSO capacity to implement funded projects, and to support a more broadly-defined civil society as a critical long-term actor in assuring food and livelihoods security in Myanmar". This tension remains.

¹ "Effectiveness of LIFT support in strengthening civil society", Learning Edge-Empower, December 2013 p12.

The second aim remains largely un-operationalised, and in the past two years LIFT support for civil society’s contribution to the first aim has declined. LIFT is launching new activities in the Delta, Dry-Zone and Uplands and is committed to advancing both aims within these new windows.

Recommendation 1. LIFT’s strategic relationship with civil society is re-articulated and endorsed by all internal stake-holders.

The strategy is not widely known or understood amongst LIFT stake-holders. Of the study informants (approx. 150) we anticipated that around one-third would have sufficient knowledge or relationship with LIFT to broadly describe the strategy. Ten were able to do so. External informants that could not describe LIFT’s aims regarding civil society included long-standing IP’s, CSO grant recipients and civil society “beneficiaries” of sub-grants or capacity support. LIFT senior management also advised that the strategy was not embedded nor widely understood by some FMO staff at all levels. When we presented this finding to the FMO team², most appeared more surprised by the strategy than the finding. The study could not ascertain Fund Board perceptions, but it seems likely that full Board understanding and endorsement would have corrected this lack of awareness already. Minutes of the Board since start-2014 show one reference to “civil society”³. It is also improbable that the strategy will be implemented until it is known and internalised.

The study proposes three alternative representations of the strategy. Each has been tested with a few of the study’s informants and each found some resonance. The key will be to find a representation that resonates firstly with LIFT’s internal stakeholders, so that they are able to more confidently communicate and implement it.

3.1.1 It takes two wings to fly.

The twin aims are the two wings of the LIFT strategy on civil society. If either is neglected the bird will not fly.



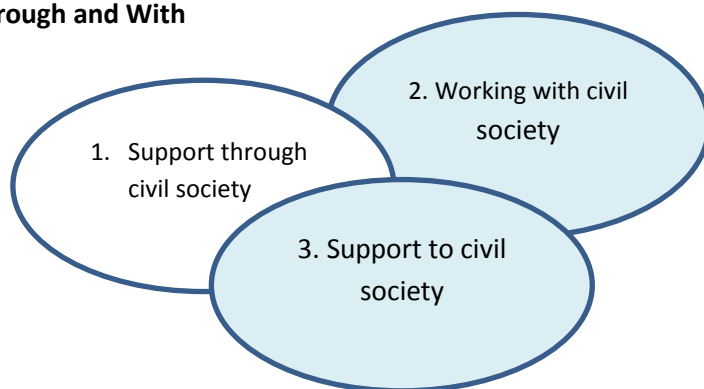
LIFT’s updated strategy precisely defines the two wings: “Strengthening civil society is an essential part of LIFT’s strategy. Social actors and civic action are key to improving the food and livelihoods security of poor and vulnerable people in Myanmar. LIFT will allocate specific resources to the strengthening of civil society organisations, partly because they implement many LIFT-funded projects, but mainly because civil society actors play a key role in encouraging an economic and political context that is conducive to rural poverty reduction and equitable economic growth”.⁴

² A group of 12 only – many were on leave or other duties.

³ In February 2015 the FB instructed that the Dry-Zone Framework’s language on support to civil society be strengthened. The references in the revised version are hardly strong, but presumably satisfied the Board members.

⁴ LIFT Strategy 2014-18, October 2014.

3.1.2 To, Through and With



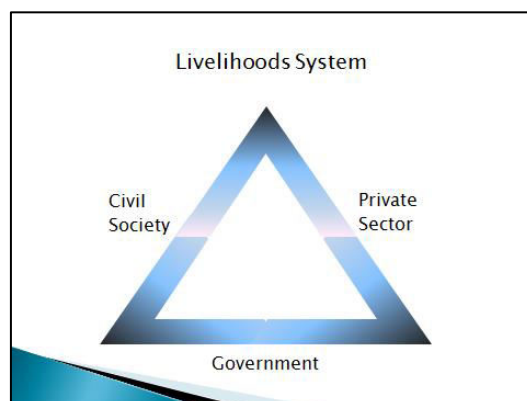
This representation is adapted from one often used by UNDP⁵. Donor-support relationships with civil society can have any or all of three dimensions. The weighting varies between donors. LIFT has traditionally prioritised the first dimension, and now intends to place increased weight on the 2nd and 3rd.

Support through civil society is when donors choose to work with civil society partners to deliver their programmes, services or operations – the concept of the “implementing partner”. *Working with civil society* refers to collaboration between donors and civil society for strategy, policy or institutional purposes. *Support to civil society* is donor support to develop a strong and independent civil society in its own right as a necessary agent for sustained social well-being. While often the stated intent, neither *support through* nor *working with* can be assumed to result in *support to*⁶ civil society.

3.1.3 Livelihoods support plus Livelihoods System Strengthening.

This representation is borrowed from the Collective Voices programme⁷ of the 3MDG Fund that contributes to the health system strengthening component of that Fund.

All LIFT’s partners (public, private, civic) work with LIFT to support immediate improvements in livelihoods and food security. All LIFT’s partners are equally necessary for medium-long term and sustained improvements, and a major LIFT contribution to these is through strengthening the livelihoods system. Since 2013 there has been evident progress on engagement with the government⁸ and with the private sector. Remarkably on this, one IP informant suggested “civil society is the orphan”.



A stronger system requires that all struts of the triangle are strengthened. This representation stresses that livelihoods are formed within social, economic, political and environmental contexts. As well as being a key systems player in all contexts, civil society has a particular role in affecting the social determinants⁹ of livelihoods and food insecurity. It recognizes civil society as the foundation on which governance and enterprise rest. This goes beyond the narrow and usually ascribed role of policy-monitoring (the “watch-dog”) to

⁵ e.g. “Donor civil society strategies and modalities”, March 2012

⁶ The shaded circles contain our main recommendations in this paper – sections 5.4 and 5.5 refer.

⁷ Refer “Learnings elsewhere within UNOPS”. Pxxx

⁸ LIFT Annual Report 2014 refers. p80.

⁹ A close-at-hand reference is the 3MDG analysis of the *social* determinants of health system strengthening as a key rationale for support to civil society.

incorporate the social capital dimension of livelihood assets and the social relations dimension of livelihood contexts.

3.2 STRATEGY – PERFORMANCE INDICATOR

For its support to civil society, LIFT intends to adopt an indicator that will track performance by measuring increases over time in LIFT funding support. The study concludes that this is a suitable indicator for now, can be readily adopted, and is much superior to measuring numbers of trainees or the rate of formation of project committees. It is much more likely to capture the *working with* and *support to* dimensions of LIFT's support. The following enhancements are suggested by informants and by the team's own assessment.

Recommendation ii: The proposed performance-indicator for LIFT's support to civil society is quantified.

- The indicator requires a specified baseline and targets for successive years. .
- The baseline could be informed by 2013 data, and from the costings implicit in this study's recommendations. Without full data we estimate the baseline will be 12-15%.
- The calculation would be based on direct grants (large and small) to civil society networks and organisations, sub-grants where these are transferred to civil society implementers, and the indirect-costs that are transferred to sub-grantees.
- LIFT or international contractor budgets for capacity support to civil society could also be included where the support is demand-driven. However, this break-down would be administratively complex and costly. It is suggested not to include.
- The measure would be based on the total LIFT grants figure. LIFT could then assess variances between programmes and re-spread programme targets as required.
- There were different opinions on whether the costs of granting should be included in the measure. While the information would be of value (section 5.5 refers), likely variances could distort the meaning of the indicator.

3.3 STYLE

"Style" refers to organizational culture and the behaviour that is determined by the culture. While the behaviour can be observed, its origin in organizational culture can only be inferred. With this proviso, the study noted signals that LIFT-FMO's current style may be working against its strategy, and may not be conducive to a LIFT relationship with civil society as a significant long-term actor. For many of the study's civil society informants the perception of the LIFT culture is "LIFT is not for nationals".

Civil society seems largely unknown to LIFT team-members. What is known is a cluster of NGOs, usually formed as part of the Nargis response, and almost invariably based in Yangon¹⁰. The LIFT team was unable to identify its share of the CSO sample for the study's fieldwork¹¹ for which LIFT *priority* Townships were selected. None of the 11,000 supported CBOs were referred to us nor any of the CSOs being supported by LIFT IP's beyond village-level apart from those based in Yangon.

Our enquiries, and other aspects of the assignment, were usually delegated to the Partnership Officer who does not have a Township or Zone brief and appears increasingly isolated. This component of LIFT's work is commonly seen as her responsibility, which is fatal for a cross-cutting aim. At the same time three team-members perceive that the current post-holder may be biased

¹⁰ After completing our consultations in the Delta, we learned that in August 2015 there had been some civil society mapping in two of the Delta Townships. Regardless, all the LIFT sample-suggestions were of Yangon-based organisations.

¹¹ One of the programme team provided very helpful introductions to Township Planning Officers (thank you SM). Yet building civil society relationships only through government cannot achieve LIFT's ambitions.

towards civil society. We think it unlikely that a similar charge of bias would be levelled at the teams responsible for financial inclusion, the Delta or contractual compliance.

LIFT's priority programme areas and Townships are based on extensive analysis and scoping studies. These studies barely considered the civil society landscape¹² of the Townships¹³. This has reinforced the "orphan" image in terms of both external perceptions and internal incentives. It remains unclear how LIFT intends to mobilise civil society partners for the new calls beyond the CFP process. A "yellow pages" approach is what CSOs are rejecting in their message "come and learn about us and our work", and we now sense a genuine unease about past out-sourcing of this relationship responsibility to INGOs.

On the other side of the relationship, we consulted most of the main civil society actors in the LIFT priority Townships we visited. Around a third of them had heard of LIFT and only half of these knew any LIFT specifics. All bar one of those who had attended LIFT information sessions in recent months drew the conclusion that the calls were not intended for civil society.

The study- team genuinely wished to accomplish some "marketing" on LIFT's behalf during our field-work, and had hoped to at least provide copies of LIFT Annual Report 2013 and the 2013 Household Survey. Only six Burmese-language copies remain of the former, and these are being held "for emergencies". The Household Survey has not been translated.

Further signals of this non-conducive "style" were noted by the study team. However, we want to emphasise this is not about individuals, but rather the ethos and organizational "atmosphere" that may be growing within the FMO. Perhaps it is conducive to other LIFT aims, but it will not support or sustain the intended profile or relationships with civil society.

3.4 SYSTEMS

Supporting CSOs with LIFT funds will require some adaptation and evolution of operational systems, especially within the recommended small grants windows. The study concludes however that that this will be a lesser challenge than the strategic and cultural adaptation. Our informants surprised us by referring to challenges of strategy and style far more often than to systems' issues.

Balanced compliance systems will require the addition of a "downwards compliance" capacity i.e. higher levels of the system being able to comply with lower levels' expectations and standards. Examples might include: assuring that community/CSO definitions of livelihoods are supported by higher-level systems, or fund-managers' definitions of risk informing FMO systems capability.

In 2014, LIFT instituted a feedback/grievance system. This has not yet taken root amongst some civil society stakeholders. The study team was presented with significant grievances which CSOs were reluctant to bring to LIFT's attention. LIFT's engagement with CSOs is likely to expand considerably over the next three years, and a credible and known feedback system will be essential.

The high value of systems adaptation is the ripple effect that comes from small adjustments. Four areas that could be tackled immediately are:

- Develop LIFT's capacity to contract and make direct payments in Myanmar Kyat¹⁴.
- Expand LIFT's contracting capacity to cover non-registered organisations and to bank through individual (or joint) account-holders.

¹² One of the Dry-Zone studies suggests (from Township authority sources) the possible presence of village-organisations in a sample set of villages. An Uplands study recommends that LIFT should focus on areas where CSOs are already active, but does not detail this. This study finds "almost everywhere".

¹³ We did not review the ToR's.

¹⁴ The current "dollarization" of the UN economy is already under scrutiny by government agencies.

- Develop alternatives to paper-based proposals - build programme staff capacity to facilitate and record CSO projects development¹⁵.
- More responsive approval and payment systems to allow “layered grants” which can be effective for some small grants in reducing risk to both the recipient and the funder.¹⁶

These system-capacities are currently out-sourced by LIFT to the banks, the IPs, or to the CSOs.

CSO consultations for the study – summary profiles

	Age (years)	> 5 staff	> 10 members or volunteers	Current annual budget (\$K)				Bank/cash			Livelihoods focus ¹⁷			Registered
				<15	15-30	30-100	>100	Cash	MYK	USD	HI	SU	SO	
1.	3	*					*		*	*		*		*
2.	5		*				*		*	*	*	*		*
3.	3		*		*				*		*			?
4.	3		*		*				*		*			*
5.	5	*	*		*				*		*	*		Co-operative
6.	1		*		*				*		*	*		*
7.	3	*				*				*	*			*
8.	3		*		*				*		*			*
9.	1	*	*		*				*		*			
10.	5	*	*				*		*		*			
11.	5		*	*					*		*			
12.	5	*					*		*		*			
13.	5	*					*		*		*			
14.	5	*	*			*			*		*			
15.	3	*	*		*				*		*			
16.	5	*					*		*	*	*	*		*
17.	5	*					*		*		*	*		*
18.	5	4	*				*		*		*			Co-operative
19.	3	*					*		*		*			
20.	2		*	*				*		*				
21.	5	*					*		*	*	*			*
22.	5		*		*						*	*		*
23.	2		*				*		*		*	*		
24.	1		*	*										
25.	5		*	*					*					
26.	3	1	*	*					*		*	*		In process
27.	2		*				*		*		*	*		
28.	5	2	*			*			*					
29.	5		*	*					*					
30.	3		*	*					*		*			In process
31.	3		*	*					*		*			In process
32.	4		*	*					*		*			In process
33.	1		*	*										In process
34.	1		*	*					*					In process
35.	1		*		*				*					*
36.	15	10	5				*		*	*	*			*

¹⁵ We suspect this will be welcomed by FMO national staff, only one of whom has written a proposal.

¹⁶ Layered or staggered grants (e.g. by monthly installments) are unworkable unless a system can turn around approvals and payments within 24-48 hours. Some LIFT IPs have this capacity. Their advantage is allowing both parties a window for continuous risk assessment rather than be-labouring the approval process. One of LIFT’s IPs reports that it has enabled them to make larger grants to newer partners than they would otherwise have done.

¹⁷ Using the LIFT terms: hanging in, stepping up and stepping out.

4. WHAT'S HAPPENING IN CIVIL SOCIETY

LIFT intends that much of its support to civil society will be organized around the defined agro-ecological zones. This makes sense to us from a civil society perspective as:

- The “strengthening systems” dimension of civil society support is more likely to have impact if the other components are also being strengthened.
- In these localities there will be more access for civil society to LIFT-funded technical support, research and learning when requested.
- The scope for civil society support is huge. LIFT’s contribution has to be defined somehow.

A summary profile of the study’s CSO informants is provided on the previous page. Despite the sample size and time limits of the study we are confident the following conclusions from these consultations are sound starting points for LIFT engagement in each zone. The over-arching importance of support based on “knowing the territory” came through in each of the study zones. We are also sure that these starting points will be expanded and improved as the territory becomes more known to LIFT and its partners.

4.1 CIVIL SOCIETY IN THE AYEYARWADDY REGION.

We had full-length consultations with 28 actors from eight CSOs in Bogale and Labutta and meetings with four other civil society actors working in LIFT’s priority Townships in the Delta. Findings relevant to this study and its recommendations follow.

In our first consultation we were told “**There are many CBOs and few CSOs in the Delta**”. This comment was supported by all the other informants we met. Interestingly, their definition of a CSO is a Delta-based organization that works beyond the village-level¹⁸.

There was no such consensus on whether the 2008 cyclone and the subsequent response has weakened or strengthened civic organizing. All informants had an opinion, but they were evenly split. We concluded that both are probably accurate. **The cyclone and the response have had different impacts on civic life.** Apart from communities where social and civic structures have yet to begin recovery from the destruction of lives and livelihoods, the Nargis response catalysed many sustained village-level groups, but crowded out (delayed) the formation of Township and District civil society. Despite the eventual influx of international agencies, the profile of first-responders¹⁹ was sustained. From them is emerging a vibrant Township and regional civil society.

Organic formation, voluntarism and constituency are features of Delta civil society. This applies not only to the more “livelihoods” focused groups we met, but also to the service groups we spoke with informally²⁰. External support has been more catalytic and linking than financial. The touch of Paung Ku, and perhaps of the 88 Generation, was evident in all but one of the groups we met. While all of them could do much more if funded, none of them are “dependent” on project funding to carry out their missions. While these CSOs have engaged with policy monitoring and influencing, they also retain strong commitments to community development. With little current access to funds, four of them reported that they “do more advocacy and awareness raising now because it’s cheaper and there are some small grants for this work”.

There may be **gaps in our sample, particularly with regard to project-initiated CSOs.** Apart from our consultation with the chair of the Ayeyarwaddy Fishers’ Network, no mention was made by the CSO informants or FMO staff of the groups established/supported within LIFT’s Delta 2 projects: the FPE

¹⁸ As opposed to VDO/CBO or NGO.

¹⁹ Generally village-based groups and some Yangon collectives/organisations.

²⁰ Both Townships and environs have active blood-donation networks, alternative education groups and free clinics.

Co-operatives supported by Mercycorps, the MSN stove co-operatives, or of GRET-supported CEADPs²¹.

Civil society in the Delta is going regional. Regional networks of farmers, women, youth and fishers are in various stages of formation. All were represented at the Regional Development Forum held in Pathein during this study.²² While engagement is most commonly at Township level, more than in any other state or region, civil society is creating policy engagement at the regional level. There is better physical access between towns in Ayeyarwaddy²³ and the serving Chief Minister has been supportive of engagement. At the same time civil society itself has also been very active in creating this space. All the CSOs we met are registered or in the process of registration. This is a further reflection of the relationship between civil society and local government.

In civil society terms, Bogale/Mawlamyinegyun/Labutta is not a natural cluster. CSOs from the first two Townships are more likely to connect with Labutta civil society through regional links (e.g. Pathein or Pyapone) than directly. This is probably a function of distance, and the somewhat distinct livelihoods' concerns in each Township. It reflects also the formal, administrative groupings. At Township level, Labutta civil society is noticeably stronger than in Bogale – as is the electricity and internet speed. This has implications for the staffing and management of the LIFT Delta “programme” and its civil society components²⁴.

Regional civil society has emerged from the bottom-up. This is not the more typical decentralizing effect. These regional structures are based on Township organisations, many of which came out of village initiatives. In the meantime, the branching-down process of Yangon-based programmes has faltered²⁵, probably due to its time limited and projectised character.

Further local knowledge would enhance the LIFT programme documents as a basis for civil society support²⁶. We could find little evidence of activity by the identified Bogale networks; the Bogale Agricultural Technical Working Group, and the Township Coordinating Committee. The farmers in the Farmers' Union²⁷ are generally very different from those in the Myanmar Farmers' Development Party²⁸.

Funding intermediaries have not endeared themselves to Delta civil society. Perhaps due to a hangover from the Nargis response and a reaction to the few INGOs that have remained in the Delta, most of the CSOs we met expressed a clear preference for direct relationships with donors. The most frequently-cited issues with intermediaries are: lack of budget transparency; disrespect for local priorities and knowledge; “too many deductions”; and little acknowledgement of the “core costs” of CSOs. For now, LIFT is seen as a donor.

Relative civil society capacity is medium to high. While they are clearly programme and mission-led, these CSOs all have sufficient experience of administration and finance to directly receive external funds through a small grants window. They are all active in strengthening the social aspects of livelihoods systems in the Delta. They are all engaged in both people-government and people-to-people work. The latter is an essential grants-component to build on their strengths of constituency, responsiveness and local-ness.

²¹ The team did meet one of the CEADP advisers at the Pathein Forum.

²² This was the first of its kind in Myanmar and attended by 60 CSO representatives from 30 CSOs.

²³ Within both Townships however, access to the poorest communities was raised in all consultations – particularly to the very coastal villages.

²⁴ Currently the LIFT field-officer is based in Bogale and visits Labutta once a month.

²⁵ Two of our consultations were held while the packers were literally moving out the office assets.

²⁶ Particular reference to the Delta 3 Concept Paper of Feb 2015.

²⁷ Or Ayeyawaddy Farmer's Network.

²⁸ Distinct again is the Pathein-based Myanmar Peasants, Workers, People's Party.

4.2 CIVIL SOCIETY IN THE UPLANDS

These conclusions are based on consultations with 29 civil society actors from 14 CSOs. LIFT has not (yet) identified priority Townships and it was agreed to sample civil society experience in Tedim-Kalemyo and Pinlaung-Pekon-Loikaw. Myanmar's uplands are a much larger geo-zone than the delta or dry-zone. While there are commonalities across rural production, livelihoods and markets, there is wide diversity in social, civic and governance contexts. The small sample is somewhat balanced by the team's prior knowledge of Kachin and Shan civil society, and the conclusions draw on this in addition to the study consultations.

Civic organizing is specific to location. We anticipated that the two small sample "bands" at either end of the uplands might be expected to share many commonalities. They didn't. There are also significant differences between them and civil society in the larger uplands states. Support for civil society will need to be targeted to local conditions, and supported by agencies with strong local knowledge and networks.

Civil society relationships with formal authorities are also very location-specific. In part this reflects the distinct, different authorities in these Townships. Most CSOs are negotiating with multiple authorities on behalf of communities, and to carry out even limited programming. This time is a major overhead cost for almost all the CSOs we consulted, as is multiple taxation in Kayah.

Access and security of civilians, food and of tenure remain significant social issues even within areas that may appear to have dynamic markets. The Townships we visited are beyond main market-centres although they have been incorporated into the "productive communities" (sub-programme 3). The five Townships more closely resemble the sub-programme 2 descriptor²⁹. These Townships are all very mixed economies. The point here is that even if the Uplands window can attract "stepping up" proposals for these areas, civil society's attention is more focused on issues of "remoteness, food insecurity and state/ethnic conflict" which is the sub-programme 2 description.

Effective civil society support will build on existing groups, initiatives and structures. In both the east and the west of the sample, local contributions of time and funds are more significant than external support. The uplands informants voiced most strongly that donors should learn the local contexts, build face-to-face relationships, and at this point support community-based initiatives. There were persistent challenges to much of the current externally-supported civic activity by "project-CBOs" which is replicated across villages. Some existing initiatives make little distinction between "livelihoods" and "welfare" activities. Most groups we met are engaged in both, and some are active intermediaries or advocates with the various authorities.

Though "newer", civil society in **Kayah has more in common with Kachin, Shan and Kayin** than with Chin State. As in other, less-centred, parts of Shan and Kayin States, there is a thin range of supported civic organising in Pekon and Pinlaung, largely shaped by leaders' prior experience within larger development agencies. Civic capacity in Kayah is more home-grown. Amidst the considerable new donor interest, concerns were frequently raised that some of this interest will prove to be predatory, extractive, or dismissive of local social priorities. There are already symptoms of consultation-sickness. The growing civic bustle in Loikaw has echoes of Myitkina or Taunggyi a few years back. While civil society networks are building, and could establish themselves quickly, they are now in a formative phase. Effective civil society support will be cognizant of the broader ethnic, political and cross-border alignments that can play out within civil society.

Township-level civil society is even "newer" in northern Chin than in the Delta or other parts of the uplands. It is largely off-the-map of donors, international agencies and Yangon-based CSOs. In Tedim

²⁹ Remote, food-insecure, "brown" areas.

(and Kalembo) there has been little exposure to formalized development programming. From anecdotal evidence this is generally true across Chin State. The capacity-support sought by CSOs is more generic and systemic here – initial programme and organization development – and more likely to be addressed collectively for the next few years. Chin social divisions will be both a challenge and an opportunity for the development of civil society networks.

Support mechanisms that are effective in Chin State are unlikely to be effective elsewhere in the uplands. Fund readiness and requirements, networking potential, capacity asks, and the governance context in Chin State resemble the dry-zone more than LIFT's other geo-zones. There is a strongly expressed need by CSOs for medium-term facilitator support and presence.

4.3 CIVIL SOCIETY IN THE DRY-ZONE.

We had consultations with 44 actors from ten CSOs in Yesakyo and Pakkoku, two government-coordinated clusters, and five CSOs from neighbouring Townships. The team also met with the Township Planning Officers in Pakkoku and Yesakyo.

Civil society is relatively more constrained. Groups are smaller and more localized. Contributing factors that were identified by informants included: the priority of household sustenance/survival, limited exposure to development approaches and capacity opportunities, village traditions of primarily relating to higher authorities rather than neighbouring villages, pervasive officialdom, and the dislocating effect of out-migration.

Most of the activity of most civic groups is related to social protection. We met CSOs who provide support and services such as: care to the elderly, support to disabled people, blood donation services, assistance for social activities at community-level, clinics, education-support for children, and funeral assistance. Many of these groups are member-based employing a welfare/protection approach where citizens organize voluntarily to protect and support others and each other. While members may contribute labour, leadership and funding tends to come from local business people and from remittances. Leaders of some groups are associated at Township and Regional level, and have been engaged with national actions (the Association Law, Plastic-free Campaign, Environmental Awareness, and Literature Talks).

One possible exception is grower groups. None of the above social protection groups were averse to more direct livelihoods-focused work but all felt less-than-confident to begin. The team was just starting to connect with grower/producer groups at the end of our visit. Interestingly, they were not proposed by Township officials, other CSOs, or FMO staff as being relevant to the study. While further exploration is necessary, organisations such as the Gram Pea Growers and the Thanaka Producers Group in Yesakyo may be fulfilling an important civic role in the livelihoods system. We could find no sign of the Magway Farmers Union in Yesakyo or Pakkoku. We doubt that our experience reflects the reality, and again further exploration is required.

There are a few “development-oriented” CSOs in these Townships based around past international programmes. These voluntary groups are mainly young and very aware of income-generation possibilities both for the communities they come from and for their own operations. Most are attracting some external support in the form of short-term project funds (\$3.7-15k). The team noted a clear generational difference between dry-zone CSOs with the younger groups more proactive, connected and networked. While heartland Myanmar is the seed-bed of traditional and centralized authority, it is also the nursery of major social and political movements. We were interested to learn about the reach of the student's movements into these Townships, but could find little evident linkages to date. This is a likely development in the near future and the CSOs we met will be the natural connecting point for student-Township relations.

As well as international programmes there are several **CSOs based elsewhere in the dry-zone or nationally who are active in these Townships**. These have been formed by ex-UN or INGO staff and have a higher capacity in programme and organization development. Their support is generally of a technical nature, and was described appreciatively by the local CSOs we met. We conclude that there remains a need for the active support of CSOs based elsewhere in the dry-zone, or the country.

The role of local government is a key influence on the development of civil society. These Townships were very different from the others we visited. Most donors (including LIFT) access civil society through the Township Planning Officers or TDCs. The term “CSO” was used by different informants to describe the TDC, the TDC clusters and the more active GONGOs. None of the local CSOs³⁰ are yet registered in their own right, though most have applied³¹. They are more likely to be implementing activities of the “Senators’ Fund”, “Mya Sein Yaung” or the Ministry of Co-operatives than of donor-supported programmes. Again we conclude a very valid role for out-of-town civil society in providing alternative umbrellas for CSOs, and alternative voices and experiences for both civil society and government actors.

5. SUPPORTING CIVIL SOCIETY WITH LIFT FUNDS.

5.1 CURRENT MECHANISMS

There are currently four mechanisms for directing LIFT support to civil society.

- a) Capacity-support from LIFT contractors to civil society.
- b) Direct grants to CSOs or civil society networks as LIFT implementing partners.
- c) Sub-grants from international contractors to their CSO implementing partners.
- d) A 6% indirect-costs budget attracted by CSOs under c) above.

Through these, civil society has accessed a considerable share of LIFT funds. The bulk of this support is attributed to a) capacity-support. In 2013 we calculated that “around 9% of all LIFT funding had been committed to the output *“Capacity of civil society is strengthened to support and promote food and livelihoods security for the poor”* and that almost 50% of all grants included a component of this output”.³² Most of these funds were being allocated on civil society’s behalf by LIFT’s international contractors providing capacity-support to their local partners. The second largest block was to CSOs and CSNs as direct contractors to LIFT for their own programmes, although new contracts of this type declined markedly between 2012 and 2015. More difficult to quantify, many CSOs have received project or activity grants through their international “implementing partner”. Finally, since 2014 these CSOs have also attracted the 6% indirect-costs budget associated with their project/activities. Our (contested) estimate in 2013 was that up to 17% of all LIFT funding had found its way to civil society by 2013, although data for on-grants was and is difficult to extricate.

Almost all of these funds have been allocated in support of LIFT-funded programmes. While initially these were often conceived and designed by LIFT IP’s, sometimes based on CSO-partner strategies, they are now largely shaped by a programme-wide log-frame and, more recently, by zone frameworks. Using the terms in Section 3.1 of this report, these funds have supported the *first wing* of the LIFT strategy for civil society, and may have been very effective in doing so. They have been *support through* rather than *support to*. While this fits well with the trajectory from a Fund to a Programme, the same trajectory increases the dominance of *wing 1*.

³⁰ Our definition “voluntary associations of citizens”

³¹ In the Table on page 10 the CSOs consulted in the dry-zone are #23-36. The registration column refers. .

³² “Effectiveness of LIFT support in strengthening civil society”, December 2013.

WHAT'S HAPPENING WITHIN UNOPS – of interest to LIFT's intent.

The CV Programme: Over a year ago, the 3MDG fund began design of a CSO “collective voices” programme, and 3 months’ ago the first grants were made. The first round grant is a maximum \$50,000. This is not for delivering services, but for organisational/technical capacity-development, support to CSO’s partner organisations, building relationships with communities, networking, community consultations, engagement with local authorities, concept development etc. Eligible/lead CSOs are required to have at least three civil society co-applicants. Six CSOs were identified from a competitive call for proposals, none of whom were previously known to 3MDG. After six months a second grant can be awarded up to \$200k for more programmatic work based on the CSO’s prior work with partners, communities and concept-development. This support is additional to direct contracts with (different) CSOs, and to a further group of CSOs who are partners of contracted international organisations.

While this 3MDG experience is not entirely replicable by LIFT, there are key learnings from within the UNOPS environment.

- This way of working with civil society is HR intensive if not fund-intensive. A team of four coordinates and manages the programme – along with their other cross-cutting responsibilities. Capacity-development services are contracted out and it is expected that the service-provider will be in monthly engagement with each partner. CSOs are invited to contract further capacity-development support (usually “technical”) as a grant-item.
- This is an example of the second wing of LIFT’s civil society strategy. These are not service-delivery grants. They contribute to the “Health Systems Strengthening” component of the 3MDG Fund. They are based on an assessment that civil society is a key player in any strengthened health system.
- The funding mechanism varies considerably from the traditional window approach. This funding is not provided through an open call – it is dedicated to CSOs. The parameters are based on the “systems-strengthening” rationale e.g. partners must have partners. Granting is founded on considerable support, time and outreach for concept and proposal development.
- Civil society is often best-positioned to work on the *social* determinants of poor health, livelihoods etc. The collective voices programme is sharply focused on these.
- A comprehensive strategy is likely to include components that are the niche of public or private or civic actors. The harm-reduction work within Component 2 of the 3MDG Fund is civil society work. While this part of the window is not restricted to CSOs it follows that most grantees are CSOs.
- Such mechanisms may not be as effective if they simply transplant the systems used for larger windows and grants. In the 3MDG case, there are some distinct provisions for reporting and cash-management. The grants are overseen by a team formed for the purpose. Customised criteria for risk assessment have been developed.

In 2013, the CSOs we case-studied were able to attribute growing strength to LIFT support, although their measures were often not appearing through LIFT indicators. In 2015, those LIFT-supported CSOs we consulted who were willing to describe themselves as “considerably stronger” were unwilling to attribute this to LIFT funds or other support. None of our Yangon informants, including in the FMO, would point to a CSO-partner that is clearly stronger. We can point to a few who are demonstrably weaker, and some who may not see Christmas. None of this belies the possible effectiveness of the funds in implementing the LIFT programme and projects, and the larger CSOs we spoke to were all adamant that they have every intention of competing with all-comers for large grant opportunities. This would include all those CSOs listed in LIFT’s 2014 Report.³³ What is demonstrated though is the need for distinct mechanisms to achieve *wing 2* of the strategy at local level and beyond and beneath the national policy-influencing work already supported “enabling LIFT to allocate appropriate sums of funds to (local) CSOs as part of LIFT’s new programmes.”³⁴

One exception may be the indirect-cost budget in (d) above. Given its unrestricted nature, CSOs may allocate it to their felt longer-term requirements. It’s early days for this, and we were unable to find an example of this allocation. Scrutiny of recently short-listed proposals will give some indications³⁵ and we recommend follow-up as a source of valuable reportage.

Recommendation iii. In December 2016, LIFT commission a survey of “allocation of indirect costs” amongst CSO grantees or sub-grantees to contracts signed in 2015.

5.2 FROM STRATEGY TO FRAMEWORK TO PROPOSAL TO CONTRACT

Strategic frameworks for the three new zonal windows have attracted a large number of proposals from civil society organisations, but these have generally failed to make the grade.

12 June	Proposals received	Total long-listed	Total CSO received	Total CSO long-listed
Dry Zone	33	15	11	1
Delta 3	29	x	9	0
Uplands ³⁶	35	17	8	2

LIFT team-members attribute this result primarily to: unclear project conceptualization or coherence; lack of proposal “fit” with the framework; or doubts over CSO technical capacity to implement the proposal. Our review of four CSO proposals supports this assessment. The result is clearly not acceptable to LIFT. Remedial action is being taken. The third call (uplands) has been designed as a two-step process. Four of the Delta CSO proposals have been invited to re-submit. We doubt that these remedies will address the potential lack of local contracts.

The study team met with four of the CSOs who submitted proposals. They attributed the rejection (or recall) of their proposal primarily to: a highly complex and cross-matrixed framework; lack of LIFT “fit” with civil society programmes; and a lack of resources (time, multi-stakeholder spaces, funds³⁷, proposal-facilitation). All were willing to identify quality issues within their own process. It was striking that these CSOs were often talking about their own strategies rather than LIFT’s frameworks. They were effectively assuming that the civil society wing of the strategy had been somehow

³³ LIFT Annual Report 2014, p75.

³⁴ LIFT Annual Report 2014, p77.

³⁵ This is not currently included as a criteria in the proposal-evaluation checklists.

³⁶ The team’s guesstimate.

³⁷ Extrapolating from the four we met, we conservatively estimate that more than \$30,000 has been spent on CSO proposal-preparation.

incorporated into the frameworks. This is clearly not the case, and none of the four could identify framework-text that supported their assumption.

Two had attempted to build a full programme-design exercise into the proposal-writing window. The writing of the proposal was a rushed activity at the end of the design process. Overall, the reviewed CSO proposals entailed far more community-consultation (or coalition consultation) than did those of the international agencies – often of little final value to the proposal per se. LIFT frameworks tended to be squeezed to fit programme strategies that had been developed over time. Contrary to the FMO assessment, two of these CSOs have “learned” that it is more important to employ an English-language writer, than a technically-proficient writer who does not have English as a first language. These CSOs had initially welcomed the calls as encouraging them to expand into sectors where they had not worked before, yet their proposals were critiqued on the basis of “unproven capacity”.

The one shared response to the results of the call process was “LIFT/CSOs did not appreciate how much CSOs/LIFT has changed since the previous calls.” The LIFT frameworks for the calls represent a significantly higher level of programme linkage than the previous Country-wide and Delta calls. The proposing CSOs are each very different organisations than they were when they first encountered LIFT 4-6 years ago.

5.3 ADDITIONAL FUNDING MECHANISMS

A different future outcome is very possible. By way of overview, the study team concludes that the LIFT legacy³⁸ to its donors and to Myanmar society, even by December 2018, could be:

- Multiple, documented patterns or models for donor-civil society relationships.
- Functioning “livelihoods systems” in priority Townships (business, government, civil society).
- Standard donor practice of ensuring that “core grants” budgets reach all local implementing organisations in their programme structures.
- At least one tested, functioning, civil-society-endorsed, small-grants system.
- 3- 5 civil society partners equipped to work in strategic relationships with international actors.

The first three are programmatic outcomes. We understand that LIFT practice-intentions already embrace them. The last two are recommended new mechanisms and are detailed below.

5.3.1 Time-framing

Recommendation iv. The time-horizon for LIFT’s civil society support is December 2021.

The current strategy, and known life of the Fund, runs to December 2018. While much can be achieved between now and then, it is too short an impact timeframe. Factors include the pioneering nature of LIFT’s intent, likely lead-in time, the “readiness” of civil society in some areas, the 4-5 year nature of strategic partnerships and the need to grow new partners (5.4 below). LIFT-funded research in Dawei points to 4-year impact, and civil society support in the Delta after Nargis is now coming to fruition.³⁹

While a “beyond-LIFT” timeframe is recommended, the only assurance of post-LIFT support will be the quality of the institutional work over the next few years – livelihoods systems, tested small-

³⁸ During the study, the meme “What’s left after LIFT?” took root.

³⁹ The current Pyoe Pin evaluation (after 7 years) will also be instructive.

grants funds, strategic partnerships, state-private-civic platforms, policy channels and capacities, and civil society networks. On the LIFT Donor Consortium sit the same donors who will support this work into the future. A legacy time-frame will presumably fit with their interests.

5.4 STRATEGIC PARTNERSHIPS

Recommendation v. LIFT enters at least one strategic civil society partnership in each of the years 2015, 2016 and 2017.

Based on the CSO consultations and international practice, the team suggests the following elements. Strategic partnerships (SPA⁴⁰) move the LIFT/CSO relationship from one of funder/implementer to a more committed organisational partnership based on common development objectives and knowledge sharing. They facilitate greater engagement between the partners at a strategy and policy level. In the terms used in Section 3 (3.1.1 and 3.1.2) of the paper, SPAs are focused on the 2nd and 3rd wings: working *with* civil society and support *to* civil society.

Each partner supports the other's efforts to be as effective an organisation as possible. Strategic partnerships provide LIFT with direct access to civil society analysis from an executive level, and to local civic actors. For these reasons, strategic CSO partners must have reach and credibility within civil society and a commitment to strengthening beyond their organizational boundaries. The strategic relationships are with the both the Board and the FMO. More incidentally they also help compensate for the lack of Myanmar voices on the Fund Board⁴¹. They provide the CSO partners with technical, policy and perhaps organizational resources that are otherwise difficult to access within Myanmar. SPAs are typically for 5 years with a significant start-up (partnership-embedding) period. The 2018 implication is that a LIFT donor must be willing in principle to see out each SPA that is agreed.

LIFT support should also include core, non-earmarked funding. An SPA resources the CSO partner to make the decisions about how best to apply LIFT funds in pursuit of development outcomes as agreed continuously throughout the partnership. Funding is not tied to activities or outputs, but focused iteratively on outcomes and impact over time, especially in more "edgy" areas of livelihoods not covered within the frame-worked programme. SPAs with civil society actors complement other LIFT support for Government programmes and private sector initiatives in enhancing livelihoods systems. They provide CSO partners a beyond-project space to develop strategy, organization and linkages.

There is ample knowledge amongst LIFT donors of such approaches – their key partnerships with home-country INGOs increasingly take this form⁴². In Myanmar we can only find two possible precedents: Oxfam NOVIB-Metta and Paung Ku-SDC.

This recommendation was discussed in just over one-third of the study's consultations. For reasons of scale, credibility, vision and reach the study concludes there are few civil society candidates as yet for SPAs. LIFT will need to "grow its own" CSO partners for future years, possibly through the small-grants funds. Three potential strategic partners were raised repeatedly⁴³: KMSS, FSWG and the Metta Foundation.

We recommend that LIFT begins discussions with Metta now with a view to a first SPA. Potential impact areas might be: alternative approaches to small-holdings, crop replacement in the dry-zone,

⁴⁰ Usually referred to as strategic partnership agreements (arrangements), or PPA's by some donors.

⁴¹ Alternatively, strategic CSO partners would sit on the Senior Consultation Group.

⁴² AusAID (DFAT) also has invested in "partnership brokerage".

⁴³ No other candidate was suggested more than once.

strategic renewal including organizational income-generation, a second wave of organizational decentralization, and promoting a values-driven base for Myanmar civil society⁴⁴.

We were unable to meet with the KMSS team (Yangon HQ), but would have wanted to learn whether their new strategic autonomy extends beyond their humanitarian programme. The FSWG is an obvious SPA candidate once its institutional future is clarified.

5.5 SMALL GRANTS FUNDS

Recommendation vi. Three small-grants mechanisms are established for 2015-2018 corresponding to three of the LIFT zones.

The study recommends a fund in each of the three LIFT zones – Delta, Uplands and Dry-Zone. It is not strategically necessary for small grants to follow the same geography as “large grants” but there are potential advantages in the initial years. Nation-wide dispersal of grants frustrates learning and increases costs. The component of “livelihoods systems strengthening” is likely to have more impact when there are potential linkages between civil society support and support to government and private sector initiatives. An active field presence will be necessary that could synergise with a more decentralized FMO⁴⁵.

5.5.1 Summary of proposed funds.

	Fund-facilitator	Initial fund \$m (2 years ⁴⁶)	Grant-window \$	Eligibility	Critical mass
Dry-zone	INGO or CSO	1.5	10-15k	TS/District/regional CSOs	5 per TS
Delta	FMO	1.5	30-100k	CSOs/CSNs based in Ayeyarwaddy	10
Uplands	CSO or INGO	3.5	15-100k	Uplands CSOs working in the priority areas.	10 per State
Chin	INGO/CSO	0.3-0.5	5-15k	Community/TS CSOs	4 per TS

5.5.2 Operationalising the funds – overall.

Our analysis of the study’s consultations results in overall conclusions for operationalizing the funds.

- The CfP frameworks are insufficiently geared for civil society support. The small-grants funds cannot operate within the “big window” frameworks. The funds may need to be separated out from component 8 of the Uplands call, component 7 of the Dry-Zone call, and Package 8 of the Delta call⁴⁷.
- These funds are mechanisms for “supporting civil society with LIFT funds”. There should be no assumption of an e.g. capacity-building or policy-advocacy outcome.

⁴⁴ This text not yet endorsed by the Metta SMT.

⁴⁵ There is currently a LIFT field-officer based in Bogale. The option of field-staff in the dry-zone is being considered.

⁴⁶ Given the set-up phase this is effectively 2.5 years. Facilitation costs have not been estimated – these could vary considerably between facilitators and approaches.

⁴⁷ These are described respectively as “support for CSOs and migrants possibly including a small-grants window”; “capacity-building (possibly incl small grants)” and “complementary support including a small-grants window”.

- “Call processes” that are entirely paper-based and distance-based⁴⁸ will continue to frustrate both LIFT and its potential civil society partners.
- These windows would stay open. Support would not be offered through occasional “calls”. Repeated cycles of support without bridging requirements are viewed as an indicator of success.
- Implicit in the recommendation is that there will be differences between the three funds resulting from the approaches, the designs, and the organizational culture of the fund-facilitators. Once selected, fund-facilitators would be given maximum space for their own design.
- This is new territory. Cross-learning between the funds is essential. Over time, preferred governance models, approaches and systems may emerge.
- The parameters proposed (5.5.1) could be re-negotiated, but only on the basis of more comprehensive civil society consultation or feedback.
- The funds target local, constituency-based civil society, particularly at Township (multi-village or beyond-village) level. CSOs in the region/state would also be eligible in their work that engages Township-level civil society.

5.5.2 Operationalising the fund: Ayeyarwaddy (Delta)

Our ToR ask “*should UNOPS manage or outsource the small grants funds?*” Our answer is yes and yes, if the first yes means the LIFT FMO⁴⁹. The FMO should facilitate the Delta fund. A hands-on role is a path to LIFT’s new engagement with civil society actors and issues, a learning-ground for future “large-grant” processes and relationships, and the basis for future strategic partnerships.

Grants will be larger and fewer in the Delta and LIFT has a history of livelihoods programming in the Delta. There is already considerable civil society receptiveness and capacity to engage with the private sector and local government, thus an immediate potential for livelihoods-system-strengthening.

The majority of support should be to Township-level CSOs. Given that civil society is “going regional” the regional networks (CSNs) may also have a growing importance for the targeted Townships, and would thus be eligible for small-grants support.

Capacity-support in the Delta would be demand-driven and generally CSO-specific. Any generic support is more likely to be initiated by the networks than the CSOs. There are some indications that technical support from outside the Ayeyarwaddy region would be sought, including from out-of-region CSOs. Any funding required for this would be held by the grantee.

It is also recommended that the FMO convenes the learning-process across the three fund-facilitators⁵⁰ to share successes, jointly problem-solve, and track the effectiveness of the different approaches. This might include differences in fund “governance”, approaches to civil society engagement, grants-processes, comparative facilitation costs, intensity of accompaniment, balance between upwards and downwards compliance, portfolio risk-appreciation, cycling of repeat grants, support for increased self-reliance etc. Given the FMO’s central place in the LIFT portfolio, it is also well-positioned to lead the sharing of Delta livelihoods-system-strengthening experience with the other funds.

⁴⁸ Informant (Delta proposal): “What’s the point of having a LIFT office in Myanmar when it felt the same as dealing with Brussels (for the EU’s NSA call)?”

⁴⁹ The MMOH does not have the capacity nor possibly the interest (p 17 refers).

⁵⁰ This might also engage with other appropriate actors.

5.5.3 Operationalising the fund: Dry-zone.

The six priority Townships should be the focus for at least the first 12 months of the fund. We estimate that a “critical mass” would be reached once 30 CSOs were being supported. At this point the support would become something more than individual projects or organisations, and significant joint-action, joint-learning and viable civil society networks would be initiated⁵¹. Networks will not be effective if imposed, or as one of our dry-zone informants stated “conscripted”.

During the second year, the fund should extend its reach to cover the 14 Townships of the three Districts – Myingyan, Meikthila and Pakkoku. District-level engagement, especially across the regional boundaries, is aimed to support a more independent civil society contribution to the livelihood system by reducing dependency on Township or regional administrations.

Generic programme and organizational capacities, and networking opportunities will be demanded by CSOs in the dry-zone. Supporting this will be a major role of the fund-facilitator.

5.5.4 Operationalising the fund: Uplands

No fund-facilitator can provide the required level of presence and support across the entirety of Myanmar’s uplands⁵². At the same time we recommend that any fund-facilitator must include uplands’ areas beyond their current programme geography. LIFT’s portfolio-selection of uplands’ concept-notes will further clarify the scope of this fund.

CSOs eligible for support would be from the upland states and working in the targeted areas (belts, zones, Townships etc.).

The state of civil society is very different in Chin than in the other four States we considered. A separate support mechanism is required. Generic programme and organizational capacities, and networking opportunities will be demanded by CSOs in the dry-zone. Supporting this will be a major role of the fund-facilitator.

Certainly in Kayah, and perhaps in Kachin, regional civil society structures may be able to take on the fund-facilitation role by the end of the initial two-year phase. Being available to support this development would be a function of the fund.

Capacity-support from this fund (apart from in Chin) would be demand-driven and generally CSO-specific. Any generic support is more likely to be initiated by the networks than the CSOs. There are some indications that technical support from others parts of Myanmar and the wider region would be sought, including from CSOs. Any funding for this would be held by the grantee.

5.5.5 Operationalising the funds - potential fund-facilitators.

The study team identified six INGOs and three local organisations against criteria agreed with the FMO.

- demonstrates a commitment to CSO-led programming.
- has already managed or is managing small-grants funds.
- has some ideas on how they would ascribe the monitoring/mentoring functions.
- has a particular niche or network in one of the LIFT zones (uplands, delta, dry-zone).

⁵¹ Within a month of the CSO consultations, the team has been approached for advice on forming flood-response CSO networks.

⁵² The initial fund estimate in 5.5.1 is for Kachin, Shan, Kayah and Kayin States.

- has experience in modelling/piloting and learning from civil society support.
- is open to balancing project-by-project risk with whole-of-portfolio risk.

One was not interested, five were interviewed, and the team was unable to schedule meetings with three of the interested organisations (refer Annex C). All the organisations we met were cautious that the LIFT Fund Board may impose restrictions on the funds which would endanger civil society strengthening (as they see it). Substantial further discussions will be required. Because of the learning-pilot character of the funds, design should be left in the hands of the selected fund-facilitator and the differences between them will be of critical value.

***Metta** has extensive experience in small-grants and capacity support to local organisations in both the Delta and the Uplands. They see a clear fit for additional fund-facilitation within their strategic objective to “strengthen Myanmar civil society”. All of Metta’s grants are supported through a CSO “accompaniment” process and this would be the approach used for any LIFT-funded grants. Their registration status provides them with permission for activities and funding on a nation-wide basis. Metta would be interested in further discussions on an uplands fund⁵³.*

Action Aid’s interest is in a mix of funding and non-funding support. Relationship-building and partnership appraisal would be non-negotiable features; AA may consider matching funds for some of the capacity-support they would offer. They are not interested in simply contracting for grant-management services. Their own experience is that this type of investment is best directed at organisations with local constituencies – originally at village-level, increasingly at Township. The current programme has a strong local-development-planning and governance focus. AA tends to work closely with local authorities, has a strong working relationship with Pakkoku Township, and would not expect major difficulties with “permissions”. AA is interested to discuss further a dry-zone fund.

People in Need have a civil society-based programme in Myanmar, combining organizational and project (small) grants with support for networking and capacity. The programme focus and experience is in local governance and advocacy, mainly in the southern Shan “triangle”, as well as in Kayin State and Mon State. They are planning to expand their civil society networks and would be potentially interested in facilitating grants-funding in 3-4 additional parts of the uplands.

Swissaid has previously partnered with LIFT in Kachin and southern & eastern Shan. As a fund-facilitator, they would add one other area of the uplands. Their programme strategy is based on strengthening civil society through funding and non-funding support to CSO partners, and this would be their rationale and approach for fund-facilitation. Swissaid would want to consult with the FMO on using the LIFT mantle for funding support to CSOs outside their current MoU. They have considerable experience of (small) grants within their own programme and were part of the inception/design of both the Paung Ku and Thuka Taman funds. Swissaid is interested to discuss further an uplands fund.

***PACT’s** cross-cutting strategy in Myanmar is capacity development, initially with Village Councils and more recently with CSOs. They have a significant presence in the dry-zone with 20 sub-offices including Yesakyo, Pakkoku, Mahlaing and Taungta, and regional offices in Magway and Mandalay. Systems for supporting local organisations appear well-developed, and their risk-management approach is primarily based on CSO accountability to beneficiaries. They have scope for enhancing any LIFT funding/non-funding support. Further discussion would be required on unregistered CSOs*

⁵³ This text not yet endorsed by the Metta SMT.

use of the PACT “umbrella” for their funded activities. PACT is interested to discuss further a LIFT dry-zone fund⁵⁴.

6. RESTATEMENT OF RECOMMENDATIONS

- i. LIFT’s strategic relationship with civil society is re-articulated and endorsed by all internal stake-holders.
- ii. The proposed performance-indicator for LIFT’s support to civil society is quantified.
- iii. In December 2016, LIFT commission a survey of “allocation of indirect-costs budgets” amongst CSO grantees or sub-grantees to contracts signed in 2015.
- iv. The time-horizon for civil society support is December 2021. Mechanisms should be designed with a view to potential bi-lateral adoption should LIFT close prior to this date.
- v. “Strategic partnerships” are formed with civil society organisations in 2015, 2016 and 2017.
- vi. Three small-grants mechanisms are established for 2015-2018 corresponding to three of the LIFT zones.

⁵⁴ This text not yet endorsed by PACT management.

Annex A. Informants to the study.

Consultations – Townships.

Director (2)	Radanar Ayar
Executive Committee (2)	Green Wave
Board (6)	Ah Lin Dan
Board (4)	Regional Development Organisation (RDO)
Steering Group (6)	Share Ayeyarwaddy
Management committee (5)	Swan Saung Shin
Labutta Project team (2)	Ar Yone Oo
Chair, Working Committee	Ayeyarwaddy Fisher-folk Network
Chair, Office Coordinator, (+3)	Karenni State Farmers' Union (KSFU)
Chair, General Secretary, former chair	Karenni Youth Group Network (KYGN)
Director (+1)	CSSDD, Kayah Phuu Baptist Association
Director (+1)	CSSDD, Kayah Baptist Association
Director (+ 2)	Local Development Network (LDN MAS)
Coordinator (+2)	Karenni Earth Right Network (KERN)
Operation Manager	DEAR Myanmar
Director (+3)	Shwe Kanbawza (SKBZ)
Director	KMSS Kalay
Director (+3)	Chin Land Natural Resource Watch Group (CLNRWG)
President (+2)	Tedim Youth Fellowship
Supervisor (+2)	Tedim CSO Network
President (+ 4)	Ka Zai Hta
Project Manager (+ 3)	CORAD – GRET
Chairperson	Pakkoku Township Development Committee
Administrator (+1)	Pakkoku Youth Network
Youth Development Unit Leader (+3)	Thugati Saytanar Foundation
Chairperson (+ 16)	Shwe Nyar Thu Township Leading Group
EC Member	Yesakyo TDC/ Farmers Cluster
Chairperson (+2)	My Land
Chairperson (+6)	Phyu Sin Social Services
Coordinator (+2)	KYDO _ Kamma Youth Development Organization
Coordinator (+2)	PYN_ Pauk Youth Network
Coordinator (+2)	MYDO_ Myaing Youth Development Organization
Coordinator (+2)	Pyan Pyo Let
Coordinator (+2)	Lan Pya Kyai (Guiding Star)
Chairperson (+2)	GLAD_ Green Life Alliance for Development
Project Manager (+2)	Chan Myay Metta Association

Conversations - Townships

Director	Pan Taing Shin (Mawlamyinegyun)
Adviser	Community Agro-economic Development, Bogale
Chair, Working Committee	Labutta Farmers' Union
Township Planning Department Officer	Township Planning Office, Pakkoku
Township Planning Department Officer	Township Planning Office, Yesakyo
Officer In Charge	OISCA.
Program Manager (+2)	PACT, Yesakyo Office

Consultations - Yangon.

Adviser	Paung Ku
INGO Director	People in Need
INGO management team (3)	PACT
INGO management team (2)	Swiss Aid
INGO Director	Action Aid
International Interest Group (6)	on Civil Society
Fund Director	LIFT
Projects Support Officer	3MDG
Accountability programme-team (2)	3MDG
Programme Officer	MMOH, UNOPS.
Grants team (2).	LIFT
Partnership Officer	LIFT
Programme Team (9)	LIFT
FMO staff (12)	LIFT
Director	CDEC (Thadar)
Director	Ar Yone Oo
Management team (4)	Metta

Conversations - Yangon

INGO Director	Helvetas
CSO Director	Paung Ku
Project Management Unit	Thadar

Annex D.

LIFT CSO consultation topic list – areas of inquiry - June 2015

1. Introductions to the CSO, the study and the team. Identify common relationships.
2. Brief CSO profile.
 - *Date of formation*
 - *# members/volunteers/staff. Main contact details.*
 - *Areas of work – location and sector*
 - *Current annual budget*
 - *Banking and registration arrangements.*
 - *Hanging in, stepping up, stepping out*
3. CSOs overview of civic space and activity in this/your area (“area” to be defined by CSO informant .. Township, road, market corridor, District, region-state)
 - *What are the main needs of the people/communities in this area?*
 - *Which of these can best be met by civil society actors?*
 - *Are there other groups/organisations here that have similar activities to you?*
 - *Do you meet with other CSs/CBOs? How often?*
 - *Do the CSOs here sometimes collaborate?*
 - *What are the main challenges to carry out your work (gov, funds, physical access, internal issues, community factors, etc.)?*
 - *Which CSOs find it easy to operate here?*
 - *Are there INGOs or donors supporting CSOs here?*
 - *What levels of government is it useful/necessary for you to engage with?*
4. CSO history/experience with international agencies.
 - *Entry/method of introduction*
 - *Received experience (capacity-support, technical support, networking and funding support)*
 - *Transmitted experience (local introductions, participation in surveys/baselines/studies, facilitation support, implementation of international programmes).*
 - *Quality of relationship*
 - *Any experience of proposing or designing for an international agency?*
- 4a. Knowledge of LIFT (where relevant).
 - *Knowledge of overall strategy, people, programme, partners.*
 - *Perceptions of LIFT intentions for civil society.*
 - *Perceptions of LIFT relationship with civil society.*
 - *Do you have any idea of what might be an EFFECTIVE % of LIFT funding that would need to go to civil society? Why?*
5. Recommendations for external support to civil society (in this area).
 - *Communications? Languages?*
 - *Criteria and process for establishing support-relationship*
 - *Banking and registration requirements.*
 - *Support for programme design, or support discussion, or proposal-writing.*
 - *Frequency of contact during relationship (implementation support)*
 - *Capacity support – which areas? Technical support – which areas?*
 - *Networking support – with whom?*
 - *Funding support – for what (activities, fixed costs, organizational development, research)?*
 - *Direct or intermediary relationship?*