

Final Report

Rapid Assessment of organisational grants in the Active Citizens Fund under the 2014-2021 EEA and Norway Grants

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EXECUTIVE SUMMARY

This document is the **executive summary of the Draft Final report for the Rapid Assessment of organisational grants in the Active Citizens Fund (ACF) under the 2014-2021 EEA and Norway Grants**, under Framework Agreement No. 2017-01. The assessment was delivered by Tetra Tech International Development Europe. It was launched following signature of the detailed contract and the kick-off meeting between the study team and the Financial Mechanism Office (FMO) on 15 May 2023.

The assessment explored the **relevance, efficiency, and effectiveness** of the organisational grants' modality in the ACF compared to project funding, and how its set-up contributes to the overall objectives of the ACF. It also aimed to provide **recommendations on the feasibility** of incorporating this modality as one of the standard options in the next programming period.

In total, the assessment covered **70 organisational grants spread across seven ACF programmes** piloting organisational grants in Croatia, Estonia, Greece, Latvia, Poland (National and Regional) and Slovenia.

The executive summary presents the **conclusions and recommendations** of the rapid assessment and provides an **overview of the methodology** applied.

CONCLUSIONS

Drawing on our answers to the seven assessment questions

- Q1: Does the organisational grants' modality constitute an adequate response to the needs of recipient organisations?
- Q2: How do the recipient organisations use organisational grants to address their needs?
- Q3: How appropriate was the setup (proposed by the FMO) for how the Fund Operators should manage and administer the organisational grants?
- Q4: To what extent have the organisational grants contributed to achieving the organisational, operational, or sectoral results of the recipient organisations?
- Q5: To what extent have the organisational grants enabled recipient organisations to achieve organisational, operational, and sectoral results in comparison to what they would have achieved via project funding and/or more flexible institutional support schemes?
- Q6: How well do the recipient organisations multi-annual strategies/work plans and internal monitoring and evaluation frameworks cater to measuring the results?
- Q7: How could the FMO better measure the results achieved by the organisational grant modality?

we present our **conclusions of the rapid assessment** by the assessment criteria **relevance, efficiency, and effectiveness** as follows:

Assessment criterion	Conclusion
Relevance	The ACF organisational grants contribute to the EEA and Norway Grants' strong focus on capacity building. They address specific needs of civil society organisations in sectors marked by limited funding opportunities for institutional development. These include strengthening organisations' financial, fund-raising, communication, and advocacy capacity, professionalising their approaches, and

	creating the foundations for ensuring their longer-term financial security. The ACF organisational grants also constitute a much-needed opportunity for organisations to focus on their strategic goals and societal impact through the requirement to formulate multi-annual strategies/work plans and define results and KPIs.
Efficiency	<p>The flexible set-up of the ACF organisational grants makes it possible to account for country-specific contexts and facilitates a bottom-up, highly individualised, and hands-on approach by Fund Operators, which is <u>the</u> key success factor in grant implementation. Administrative expectations and requirements of the grants also compare favourably to ACF project grants and comparable schemes of other funders, without this leading to any loss of efficiency.</p> <p>Nevertheless, there is room for improvement. Fund Operators feel there is currently room for misunderstandings with the Financial Mechanism Office on who the grants are intended to target, the purpose the grants are supposed to serve, and how to handle risk management if an increase in funding widens the circle of grant recipients to organisations that are less well known to the Fund Operators. This uncertainty led Fund Operators to interpret in different ways the freedom to adapt eligibility conditions to national contexts without it necessarily being clear that their national contexts indeed required the changes they introduced.</p>
Effectiveness	Given the timing of this Rapid Assessment and as some of the pilot programmes were less advanced in their implementation than others, it was not possible to draw definitive conclusions on the extent to which the ACF organisational grants have been effective in contributing to grant recipients' organisational, operational, and sectoral results, although the results this far point in that direction. The focus on institutional development does appear to have motivated recipients to formulate more ambitious goals and make important strides to becoming more sustainable in the future, with most having already spent the money as planned, and having achieved or partially achieved their objectives and KPIs.

RECOMMENDATIONS

We base our recommendations on our findings on the relevance, effectiveness, and efficiency of the organisational grants' modality. Drawing on feedback received from the Financial Mechanism Office, Fund Operators and Project Promoters, and our judgements as evaluators, we formulated nine recommendations as follows:

1. The organisational grants modality should be a permanent feature of the Active Citizens Fund.	
DETAILS	The consensus view of a 70/30 split between project and organisational grant funding seems well-founded.
RELATED CONCLUSION	Relevance: The ACF organisational grants contribute to the EEA and Norway Grants' strong focus on capacity building . They address specific needs of civil society organisations in sectors marked by limited funding opportunities for institutional development.
ADDRESSED TO	Financial Mechanism Office

2. Clarify the expected outcome.

DETAILS	While defining under which outcome organisational grants should fall in programme results frameworks might be seen as limiting the flexibility of Fund Operators, we advocate a consistent approach. This would also facilitate comparison of results. We recommend that the FMO provide guidance to Fund Operators that the organisational grants' modality should fall under the Outcome – Enhanced capacity and sustainability of civil society organisations and the sector (see also Recommendation 5).
RELATED CONCLUSION	Efficiency: Fund Operators feel there is currently room for misunderstandings with the Financial Mechanism Office on who the grants are intended to target, the purpose the grants are supposed to serve , and how to handle risk management if an increase in funding widens the circle of grant recipients to organisations that are less well known to the Fund Operators.
ADDRESSED TO	Financial Mechanism Office

3. Clearly define expectations on the type of civil society organisations to be targeted.

DETAILS	This rapid assessment looked at the case for expanding the scope of the organisational grants' modality to less established / grass-root organisations. The consensus view and our judgement are that this type of grant does not suit this type of organisation. However, there is a middle group compared with the well-established organisations that have received the grants so far – either, because funds were limited and they were best equipped to submit high-scoring bids, or, because Fund Operators used their discretion to tailor the call terms and conditions to national contexts in ways that produced this result (see also Recommendation 6).
RELATED CONCLUSION	Efficiency: Fund Operators feel there is currently room for misunderstandings with the Financial Mechanism Office on who the grants are intended to target , the purpose the grants are supposed to serve, and how to handle risk management if an increase in funding widens the circle of grant recipients to organisations that are less well known to the Fund Operators.
ADDRESSED TO	Financial Mechanism Office

4. Set a minimum and maximum time frame for the implementation of the grants.

DETAILS	Three years appears to be the optimum time frame for a grant recipient to achieve sustainable results. At the same time, there is merit in allowing organisations to determine what duration best meets their needs. We recommend a minimum of two years and a maximum of four. The second (third or fourth) year's funding would be dependent on submitting a satisfactory interim report and an updated workplan for each subsequent year.
RELATED CONCLUSION	Effectiveness: The focus on institutional development does appear to have motivated recipients to formulate more ambitious goals and make important strides to becoming more sustainable in the future, with most having already

spent the money as planned, and having achieved or partially achieved their objectives and KPIs.

ADDRESSED TO Fund Operators

5. Measure results.

DETAILS

A detailed approach to how the FMO could better measure results of the organisational grants is provided in our answer to question 7 in this report. In summary, it presents as follows:

- **Guidance be given for the organisational grants modality to fall under the Outcome – Enhanced capacity and sustainability of civil society organisations and the sector:** This will make it possible to establish outputs in a results framework that can be used as a baseline for the future and does not preclude supporting organisations to enhance their capacity and sustainability to work for other specific outcomes (such as increased support for human rights).
- **Determine which outputs under this outcome the organisational grants are expected to affect.** E.g., have the organisational grants led to improved management structures and financial stability of an organisation, more people reached, more collaborations concluded, more advocacy interventions, more funds raised, more web visitors, more social media followers, etc. – compared to what would otherwise have occurred.
- **Establish baselines and measure progress.** These could take the form of self-assessment of grant beneficiaries as part of the selection process (baseline) and final reporting (progress).
- **Assessment by Fund Operators of the magnitude of the change.** Based on the beneficiaries’ reporting and their own judgements from contacts with the beneficiaries, Fund Operators could report to the FMO at programme level through a similar self-assessment grid. In addition, the FMO could also consider making funding available to Fund Operators to conduct mid-term evaluations of the organisational grants using external evaluators with a sound understanding of the national context.

RELATED CONCLUSION

Effectiveness

ADDRESSED TO Financial Mechanism Office and Fund Operators

6. Provide guidance on risk management processes.

DETAILS

Any expansion of this modality will carry greater risk as lower-scoring bids from less institutionally developed organisations or organisations less known to the Fund Operators will obtain grants. This creates a need for a specific risk management approach for grants which cannot be measured by traditional output indicators (see Recommendation 5). We suggest that the FMO develop a simple risk management framework in consultation with the Fund Operators, and that this comprises the following elements:

- Interviews with shortlisted applicants: This approach was used in some pilots and both Fund Operators and Project Promoters noted important added value for both from this “know your customer” approach (including subsequently at the implementation).

- Ex-ante risk management framework, which might contain the following:

Ethical and reputation-related risks	
Risk	Despite having been selected, the Project Promoter does not share the values inherent in the ACF or deviates from the objectives of the programme and from the objectives of the call for proposals.
Likelihood	Higher if the applicant is not known or recognised by civil society and/or sectoral experts. Lower if the applicant has experience in working with the Fund Operator or has received EEA and Norway Grants in the past.
Sources of information	Application - presentation of the applicant’s experience; relevant background documents, websites and statutes; feedback during the selection interview with the applicant.
Delivery	
Risk	The Project Promoter does not deliver expected results.
Likelihood	Higher if the foreseen objectives are unrealistic compared with the resources available or the size of the grant and if there are unexpected issues occurring in the progress of project implementation.
Sources of information	Application - presentation of objectives against resources available; any evidence of similar issues in previous calls/projects; monitoring measures within this call.
Implementation	
Risk	The Project Promoter does not have sufficient human resources or skills available to deal with the workload leading to delays in project implementation.
Likelihood	High if there are weaknesses in the application in relation to the process of managing the project, the applicant is a low-capacity organisation with limited human resources, and the applicant has limited experience in managing similar projects.
Sources of information	Application - presentation of project management, resources, and experience; interview with the applicant; monitoring measures within the call
Risk	Project Promoter does not comply with rules on transparency, accountability and reporting, and grant management.
Likelihood	High if there are weaknesses in the application in relation to the process of managing the grant and/or applicant has track record of similar issues in past projects.
Sources of information	Application - presentation of project management; interview with the applicant; monitoring measures within the call.
Financial issues	
Risk	Financial management issues: Project Promoter has problems with cash flow
Likelihood	High if the applicant’s financial capacity has been assessed as insufficient or weak
Sources of information	Financial statement, interview with applicant, monitoring measures within the call
Risk	Fraud: Project Promoter commits fraud
Likelihood	High if there is evidence of any financial/legal issues the applicant had in the past
Sources of information	Any evidence that an applicant was blacklisted by any donor; monitoring measures within the call
Risk	Minor irregularities: Project Promoter makes minor, unjustified, erroneous or unauthorized expenditure or there are other irregularities during implementation Project promoter incurs single costs/expenses that are ineligible and/or the evidence submitted does not provide sufficiently reliable information
Likelihood	-
Sources of information	Interview with the applicant, monitoring measures within the call

RELATED CONCLUSION	Efficiency: Fund Operators feel there is currently room for misunderstandings with the Financial Mechanism Office on who the grants are intended to target, the purpose the grants are supposed to serve, and how to handle risk management if an increase in funding widens the circle of grant recipients to organisations that are less well known to the Fund Operators.
ADDRESSED TO	Financial Mechanism Office
7. Provide more guidance on calls, selection, implementation, and reporting.	
DETAILS	<p>The current set up of how the Fund Operators should manage and administer the organisational grants was appreciated as it allowed Fund Operators the flexibility to account for country-specific contexts in which the grants were implemented (in terms of eligibility criteria, application and selection process, support offered during implementation, and reporting), while at the same time promoting a bottom-up, highly individualised and hands-on approach to implementation, which was deemed by Fund Operators and Project Promoters a key factor in its success.</p> <p>However, in the context of the organisational grants becoming a standard funding modality under the next financial mechanism, and expanding beyond the seven pilot programmes, FMO guidelines for the call, application and implementation stage, as well as standardised monitoring expectations and tools would help alleviate any potential misunderstandings between the Fund Operators and the FMO, and aid comprehensive measurement and understanding of the extent to which organisations and sectors benefit from the grants across all programmes.</p>
RELATED CONCLUSION	Efficiency
ADDRESSED TO	Financial Mechanism Office
8. Provide centralised training of evaluators of project applications.	
DETAILS	Given that evaluators of organisational grants require a very different skill set than those of project grants (experts in strategic planning versus thematic experts), centralised training would ensure evaluators are sufficiently trained to select applications across all programmes.
RELATED CONCLUSION	Efficiency
ADDRESSED TO	Financial Mechanism Office
9. In cooperation with Fund Operators, introduce regular activities that would allow Project Promoters to share their experiences as recipients of organisational grants with the wider sector.	
DETAILS	Holding annual or bi-annual workshops where Project Promoters can exchange knowledge and learning from the organisational grants with potential

	<p>beneficiaries would address the need identified in many Beneficiary States of the civil society sector requiring a “culture shift” from project-based thinking towards organisational grants and strategic thinking.</p> <p>An additional aspect would be to promote exchanges with organisational grant holders in relevant fields in the Donor States, which would allow Project Promoters to learn from the experiences of more established and developed civil society sectors.</p>
RELATED CONCLUSION	Effectiveness
ADDRESSED TO	Financial Mechanism Office and Fund Operators

METHODOLOGY

Our methodology comprised of five interrelated tasks:

- **Desk research** of programme and project documents contained within the Grants Administration and Collaboration environment (GrACE).
- **Six scoping interviews** with FMO staff from the Funds and Horizontal Concerns Unit, Finance and Control Unit, and Results and Evaluation Unit.
- **Seven interviews with Fund Operators and 33 interviews with Project Promoters** across all seven pilot programmes. The sample of Project Promoters aimed at ensuring a balanced representation of thematic areas, geographic locations, grant amounts, and whether they received ACF project funding.
- **A survey of Project Promoters**, which was sent to all 72 Project Promoters in the seven pilot programmes, which achieved a response rate of 86% (62 respondents).
- **Benchmarking exercise** of EU4Health and the Citizens, Equality, Rights and Values operating grants – to date, this was conducted via desk research of published documents, a meeting between the Citizens, Equality, Rights and Values operating grants managers and the FMO Research and Evaluation Unit is planned for the first two weeks of October (exact date TBD).

1 INTRODUCTION

This document is the interim report for the Rapid Assessment of organisational grants in the Active Citizens Fund (ACF) under the 2014-2021 EEA and Norway Grants, under Framework Agreement No. 2017-01. The assessment is delivered by Tetra Tech International Development Europe. It was launched following signature of the detailed contract and the kick-off meeting between the study team and the Financial Mechanism Office (FMO) on 15 May 2023.

The assessment explores the relevance, efficiency, and effectiveness of the organisational grants' modality in the ACF compared to project funding and how its set-up contributes to the overall objectives of the ACF. It will also provide recommendations on the feasibility of incorporating this modality as one of the standard options in the next programming period.

In total, the assessment covers 70 organisational grants spread across 7 ACF programmes piloting organisational grants with unique structures in Croatia, Estonia, Greece, Latvia, Poland (National and Regional) and Slovenia.

This Draft Final report provides an overview of our methodology and answers to the assessment questions. Conclusions and recommendations were included in the Executive Summary.

The report is structured as follows:

- Chapter 1: Introduction
- Chapter 2: Methodology
- Chapter 3: Answers to the assessment questions

This report is accompanied by three annexes:

- Annex I: Survey of Project Promoters - Results
- Annex II: Fieldwork reports
- Annex III: Benchmarking – Desk research

2 METHODOLOGY

This section outlines our data collection activities completed during this rapid assessment, which included:

- **Desk research** of programme and project documents contained within the Grants Administration and Collaboration environment (GrACE).
- **Six scoping interviews** with FMO staff from the Funds and Horizontal Concerns Unit, Finance and Control Unit, and Results and Evaluation Unit.
- **Seven interviews with Fund Operators and 33 interviews with Project Promoters** across all seven pilot programmes. The sample of Project Promoters aimed at ensuring a balanced representation of thematic areas, geographic locations, grant amounts, and whether they received ACF project funding.
- **A survey of Project Promoters**, which was sent to all 72 Project Promoters in the seven pilot programmes, which achieved a response rate of 86% (62 respondents).
- **Benchmarking exercise** of EU4Health and the Citizens, Equality, Rights and Values operating grants.

2.1 Desk research

We reviewed programme and project documents contained within the Grants Administration and Collaboration Environment (GrACE), which is the system used for the management of the EEA and Norway Grants 2014-2021. In our review, we focused on:

- the programme implementation agreements, to assess similarities and differences in eligibility criteria between the Beneficiary States,
- details of the organisational grants' calls in each Beneficiary State (applications, selection, results),
- details of the project contracted in each Beneficiary State (amounts of the grants, the organisations' thematic area of work, location, and planned use of the organisational grants).

Our desk review provided us with a better understanding of the organisational grants' modality, its implementation in different Beneficiary States, and a mapping of projects for our sampling for fieldwork (see section 2.3).

2.2 Scoping interviews

During the inception phase, we conducted six scoping interviews with FMO staff from the Funds and Horizontal Concerns Unit, the Finance and Control Unit, and the Results and Evaluation Unit (see Table 1 overleaf) to collect first insights about the FMO's objectives for the organisational grants' modality, background information on the decision-making process behind the introduction of this modality, any risks anticipated or encountered, and lessons learnt to date. We also took the scoping interviews as an opportunity to discuss the interviewees' expectations for this assessment to ensure that our reports and recommendations are useful to the FMO.

Table 1. Scoping interviews

Organisation / Role	Name
Funds and Horizontal Concerns Unit	Hjörtur Sverrisson Bendik Elstad Sotiris Laganopoulos Anastasía Jónsdóttir
Finance and Control Unit	Mahesh Bhardwaj
Results and Evaluation Unit	Elena Christogeorgaki Maria Christophersen

2.3 Interviews of Fund Operators and Project Promoters

Our interviews with Fund Operators and Project Promoters took place between 16 June - 28 July 2023 and were conducted by country researchers in the local language. Overall, we conducted **7 interviews with Fund Operators** and **33 Project Promoters** across **all seven pilot programmes** (Croatia, Estonia, Greece, Latvia, Poland-National, Poland-Regional, and Slovenia). Fund Operators interviewed are presented in Table 2.

Table 2: List of Fund Operators interviewed

Country	Fund Operator
Croatia	Community Foundation Slagalice
Estonia	Open Estonia Foundation
Greece	Bodossaki Foundation
Latvia	Civic Alliance Latvia (CAL)
Poland-National	Stefan Batory Foundation
Poland-Regional	Jerzy Regulski Foundation in Support of Local Democracy (FRDL) Information Society Development Foundation (FRSI)
Slovenia	Centre for Information Service, Cooperation and Development of NGOs (CNVOS)

We selected a **sample of Project Promoters** (see Table 3) aimed at ensuring a balanced representation of thematic areas, geographic locations, grant amounts, and whether they received ACF project funding. We verified this sample with the FMO during the inception report meeting and confirmed it with all Fund Operators during the interviews.

Table 3: Sample of Project Promoters interviewed (order as listed in GrACE)

	Project Promoter	Thematic area of work	Amount of grant	ACF project funding	Location
CROATIA	Expansion of gender and media culture “Common Zone”	LGBT+ rights	EUR 60,000	yes	Zagreb
	Association Green Istria	Environment	EUR 60,000	yes	County of Istria
	Forum for Freedom in education	Young people	EUR 60,000	no	Zagreb
	Centre for Women War Victims ROSA	Women’s rights	EUR 60,000	yes	Zagreb
ESTONIA	Estonian Green Movement	Environment	EUR 100,000	yes	Tartu
	Estonian Human Rights Centre	Human rights	EUR 100,000	yes	Tallinn
	Federation of Estonian Student Unions	Education	EUR 100,000	yes	Tallinn
	Oma Tuba NGO	Women’s rights	EUR 100,000	yes	Tallinn

GREECE	Doctors of the World Greek Delegation	Social inclusion	EUR 150,000	yes	Athens
	Special Olympics Hellas	Social inclusion	EUR 110,000	no	Athens
	Diogenis NGO	Social inclusion	EUR 147,880	yes	Athens
	CALLISTO Wildlife and Nature Conservation Society	Environment	EUR 103,504	no	Thessaloniki
LATVIA	Baltic Human Rights Society	Human rights	EUR 100,000	yes	Riga
	Ascendum	Environment	EUR 100,000	no	Riga
	Papardes Zieds	Women's rights	EUR 100,000	yes	Riga
	Establishment Center Dardedze	Young people	EUR 100,000	yes	Riga
POLAND – NATIONAL	Polish Judges' Association "Iustitia"	Rule of law	EUR 89,000	yes	Warsaw
	Ocalenie Foundation	Migration	EUR 100,000	yes	Warsaw
	Association for Legal Intervention	Migration	EUR 100,000	yes	Warsaw
	Love Does Not Exclude Association	LGBT+ rights	EUR 100,000	yes	Warsaw
	National Federation of Polish NGOs	Capacity-building	EUR 100,000	yes	Warsaw
	The Committee for the Defense of Democracy	Democracy	EUR 100,000	yes	Warsaw
	Alliance of Associations Polish Green Network	Environment	EUR 100,000	yes	Warsaw
	Childbirth with Dignity Foundation	Women's rights	EUR 100,000	yes	Warsaw
POLAND – REGIONAL	Forum for Civic Initiatives Foundation	Young people	EUR 100,000	yes	Suwalski Krasnopol
	Foundation for the Collegium Polonicum	Social inclusion	EUR 100,000	yes	Slubice
	Non-governmental laboratory	Capacity building	EUR 85,218	yes	Koszalin
	The Center for Promotion and Development of Civil Society OPUS	Capacity building	EUR 100,000	yes	Lodz
	The Bureau of Social Initiatives	Capacity building	EUR 100,000	yes	Krakow
	TechSoup Foundation	Capacity building	EUR 100,000	no	Warsaw
SLOVENIA	Today is a new day, Institute for other studies	Democracy, Freedom of speech	EUR 90,000	yes	Ljubljana
	Friends of Youth Association for region of Goriska	Children's education	EUR 90,000	no	Nova Gorica
	Slovene Association of Journalists	Freedom of journalism	EUR 90,000	no	Ljubljana
	Institute for the Support of Civil Society Initiatives and Multicultural Cooperation Pekarna Magdalenske Mreze	Cultural advocacy campaigns	EUR 90,000	yes	Maribor

Fieldwork reports by pilot programme are presented in Annex II.

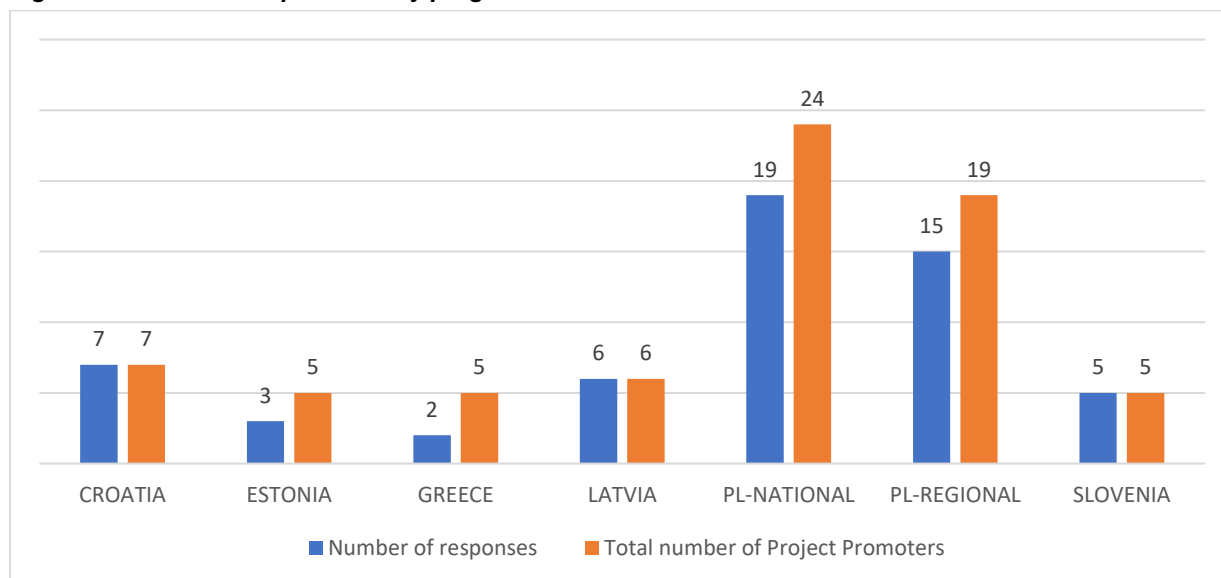
2.4 Survey of project promoters

As part of our assessment of the relevance, effectiveness, and efficiency of the ACF organisational grants, we conducted an **online survey** which was sent to all **72 Project Promoters in the six pilot programmes** – Croatia, Estonia, Greece, Latvia, Poland-National, Poland-Regional and Slovenia. The

survey went live on **19 June 2023 and remained open until 1 August 2023**. During that time, we sent bi-weekly reminders to Project Promoters via the SNAP survey platform.

Overall, 62 Project Promoters responded to the survey, achieving an **86% response rate**. Following download and cleaning of the dataset, we removed five incomplete responses¹, which did not provide answers past the first section (questions 1-4) that focused on the profile of respondents. The **final sample** for our analysis thus constituted **57 respondents**, which is a **response rate of 79%**. Broken down by country, all project promoters in Croatia, Latvia and Slovenia responded, close to 80% responded in Poland, 60% responded in Estonia and 40% responded in Greece (see Figure 1).

Figure 1: Number of respondents by programme



The survey consisted of **20 closed and 6 open questions** for respondents to complete on the following aspects:

- The **profile of their organisation** (number of years active, number of full-time employees, average annual income / turnover over the financial years 2020, 2021 and 2022), which was aimed at supporting our mapping of Project Promoters as part of our relevance assessment.
- **Needs addressed** by the organisational grants, which was meant to support our answer to Q1 “Does the organisational grants’ modality constitute an adequate response to the needs of recipient organisations?” under the relevance criterion.
- **Use of the organisational grants**, which was aimed at contributing to our answer to Q2 “How do the recipient organisations use organisational grants to address their needs?” under the relevance criterion.
- **Results of the organisational grants**, which was meant to inform our effectiveness assessment, namely Q4 “To what extent have the organisational grants contributed to achieving the organisational, operational or sectoral results of the recipient organisations?”, Q5 “To what extent have the organisational grants enabled recipient organisations to achieve organisational, operational or sectoral results in comparison to what they would have achieved via project funding and/or more flexible institutional support schemes?” and Q6 “How well do the recipient organisations/ multi-annual strategies/work plans and internal monitoring and evaluation frameworks cater to measuring the results?”

¹ Four from Poland-Regional and one from Poland-National.

- **Views on reporting requirements and Fund Operators' support**, which was aimed at feeding our efficiency assessment, namely Q3 "How appropriate was the setup (proposed by the FMO) for how the Fund Operators should manage and administer the organisational grants?"
- **Comparisons with other sources of organisational funding**, which was also meant to support our efficiency assessment, especially as regards the extent to which the operational and management processes put in place by the Fund Operators fostered or hindered efficiency.
- **Suggestions for improvements** to feed the forward-looking recommendations of this rapid assessment.

A survey report is provided in Annex I.

2.5 Benchmarking

We were unable to schedule interviews with manager of the EU4Health and the Citizen, Equality, Rights and Values operating grants, despite approaching established contacts in relevant European Commission Directorates. We were only referred to published documents on these grants, which we assessed during our desk research. We present our insights in Annex III of this report. A meeting between the Citizens, Equality, Rights and Values operating grants managers and the FMO Research and Evaluation Unit is planned for the first two weeks of October (exact date TBD).

3 ANSWERS TO THE ASSESSMENT QUESTIONS

In this section, we provide our draft answers to the rapid assessment questions set in the Terms of Reference for this assignment, based on the data we collected via **45 interviews** with the FMO (n=5), Fund Operators (n=7) and Project Promoters (n=33) from the seven pilot programmes (Croatia, Estonia, Greece, Latvia, Poland-National, Poland-Regional and Slovenia), a **survey of 57 Project Promoters**, and our **desk research**. The analysis in this section is based on a **triangulation of findings** from these sources.

3.1 Relevance

The evaluation criterion **relevance** looks at the **relationship between the needs and problems at the time of introducing an intervention and during its implementation**, as well as the relationship between the current and future needs and problems and objectives of the intervention.

In our rapid assessment of the ACF organisational grants, we explored the relevance of this funding modality as regards the **needs of the recipient organisations and the wider civil society sector** in the pilot programme countries (Croatia, Estonia, Greece, Latvia, Poland, Slovenia) (**Q1**). We also assessed the **ways in which the recipient organisations used the grants to address their needs** (**Q2**).

We draw in our answers on evidence collected via scoping interviews with the FMO, fieldwork interviews with Fund Operators and Project Promoters in the seven pilot programmes, as well as a survey of Project Promoters. We consider the **evidence** that we present in this section to be **strong**, meaning that our findings are demonstrated by several sources and constitute objectively verifiable evidence.

Q1: Does the organisational grants' modality constitute an adequate response to the needs of recipient organisations?

Answer:

Our rapid assessment finds that the organisational grants' modality constitutes an **adequate response to the needs of recipient organisations**. In the context of limited funding opportunities in civil society sectors across all six Beneficiary States, particularly as regards institutional support, the grants have addressed organisations' extensive and urgent needs to **strengthen capacity** and **professionalise their processes**, ensure their **longer-term financial security** and allow them to focus on their **strategic goals and societal impact**. This is in line with the objectives of the organisational grants as understood by the FMO to contribute to the **EEA and Norway Grants' strong focus on capacity building**.

Specific organisational needs that the grants addressed included **networking and building coalitions within the wider sector**, advocacy, professionalising management, awareness-raising, and staff training.

Moreover, the ACF organisational grants have inspired a **much-needed culture shift** in civil society sectors in several Beneficiary States, motivating many organisations to develop, adapt and/or implement **multi-annual strategic plans and monitor their results**, thus working more **purposefully** and oriented towards **longer-term goals** than before. In Poland, the organisational grants have also contributed to **organisations working on ACF priorities** being able to **maintain their representation in a civil society sector at risk of shifting towards far-right ideology**.

In our interviews across all seven pilot programmes, there was **consensus** among Fund Operators and Project Promoters that there were **limited funding opportunities** for the civil society sector in their respective countries, which posed **challenges for the capacity and sustainability** of many organisations working in areas prioritised by the Active Citizens Fund. In some countries, this was due to cuts in national and local government spending (Croatia, Slovenia), general lack of support by the government for the civil society sector (Greece), or ideological disparities between government priorities and organisations working on democracy, rule of law and human rights that had led to withdrawal of state funding from them (Poland).

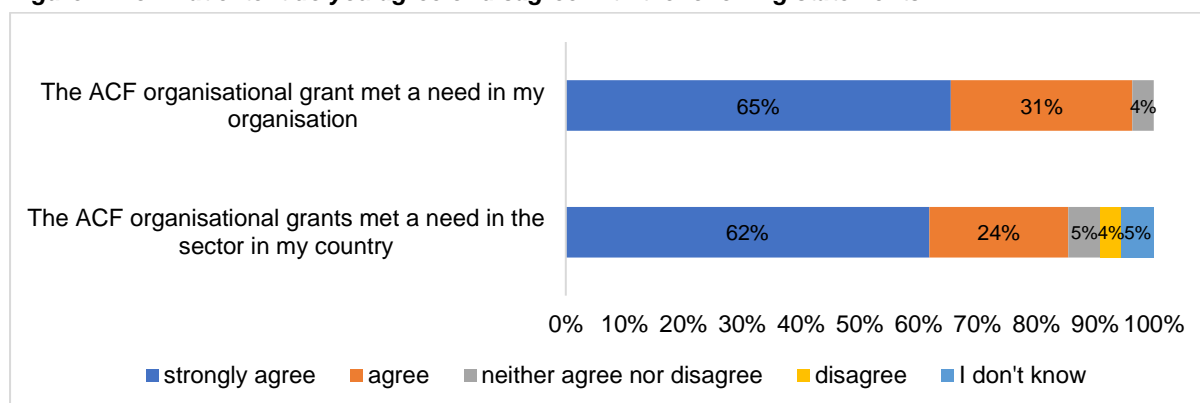
In terms of **opportunities for institutional support** that would be comparable to the ACF organisational grants, there was also **consensus** among our interviewees across all seven pilot programmes that these were **very limited**, with narrow eligibility criteria (Latvia, Poland), politically motivated selection processes (Poland), small grant sizes (Croatia, Estonia), or no such opportunities at all (Greece, Slovenia).

The ACF organisational grants were thus met with an **overwhelmingly positive response** across the seven pilot programmes, as they were found to **address extensive and urgent needs** in each sector to **strengthen capacity and professionalisation of processes, ensure longer-term financial security**, and allow organisations to **focus on their strategic goals and societal impact**, rather than outputs as is the case for traditional project funds. This is **in line with the objectives of the organisational grants** as they are understood by the FMO, aimed at contributing to the EEA and Norway grants’ strong focus on capacity building – helping organisations to establish themselves in a sustainable way at the end of each funding period.

Feedback from Project Promoters of the Poland-National programme also noted that the ACF organisational grants contributed to **maintaining the representation of organisations working on ACF priorities in the civil society sector in Poland**, since institutional support funded by the government tended to favour organisations whose work aligned closely with the government’s far-right views.

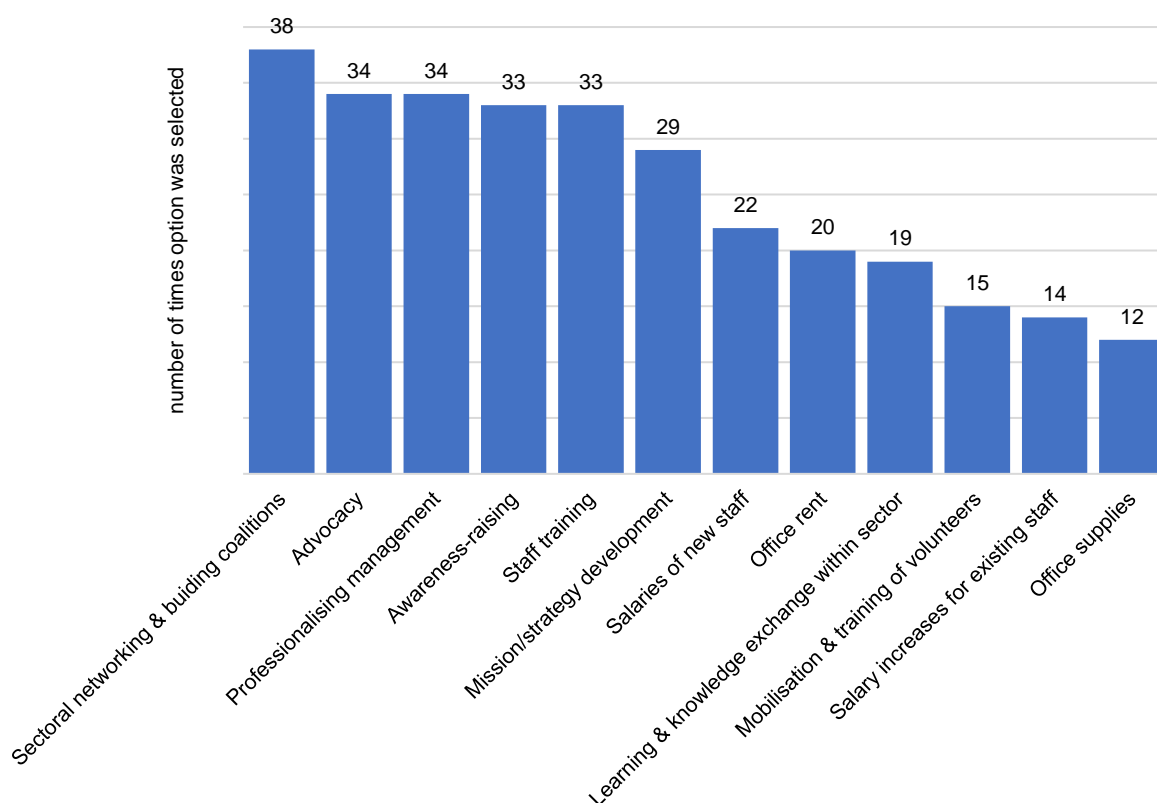
Our interview findings were confirmed by our survey results, where most Project Promoters **strongly agreed and agreed** that the grants had **met a need in their organisation (96%)** and that they **met a need in the sector in their country (86%)** (see Figure 2). We could not identify any pattern by programme as regards the 4% of respondents who “disagreed” with the statement that the grants met a need in the sector in their country.

Figure 2: To what extent do you agree or disagree with the following statements?



In terms of **specific needs** that the organisational grants addressed, survey respondents indicated most frequently **“networking and building coalitions within the wider sector”**, followed by “advocacy”, “professionalising management”, “awareness-raising” and “staff training”. The least frequently indicated options were “office supplies”, “salary increases for existing staff” and “mobilisation and training of volunteers” (Figure 3 overleaf).

Figure 3: What needs of your organisation are the organisational grants addressing?



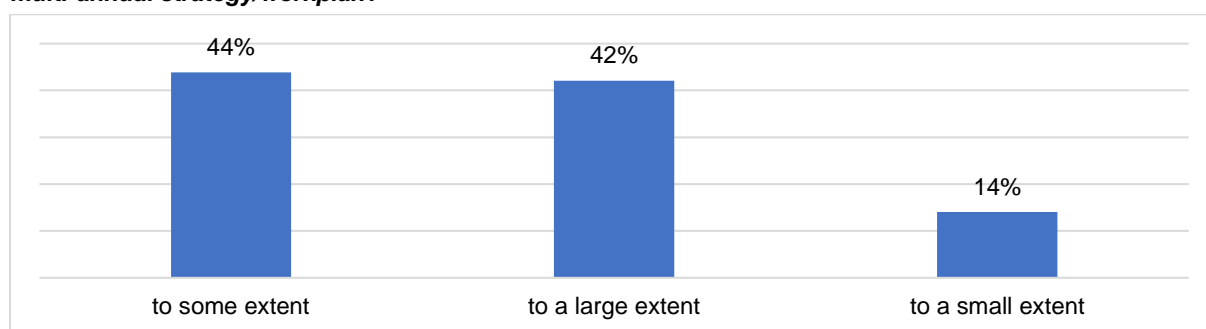
In open comments, 29 respondents elaborated on these needs, and specified:

- staff recruitment, retention and increase in salaries (driven especially by the current inflation),
- improving the organisation’s communication (e.g., strategic plans, branding, dedicated staff, campaigns),
- improving management processes (e.g., process development, procurement of software),
- strengthening the cooperation with the wider sector (local, national, and international) and other entities (e.g., media, local government, businesses),
- enhancing flagship programmes through additional activities,
- renovation of offices.

According to Fund Operators from Greece, Poland-National and Poland-Regional, the ACF organisational grants had also sparked a **much-needed shift in the mindset** among applicants and supported organisations about the importance of a multi-annual strategy and how it **should constitute the basis** for the work of civil society organisations. This motivated many to either develop their first strategy, or adapt existing strategies with ambitious yet achievable goals, and – most importantly – **reflect and draw on these strategies continuously throughout their work**, which was a process many expected to continue even after this funding ends.

This finding was also confirmed by our survey results, with most Project Promoters (86%) indicating that they had adapted their multi-annual strategies/workplans to fit with the eligibility and selection criteria of the organisational grants “to a large extent” (42%) and “to some extent” (44%) (see Figure 4 overleaf). Most respondents who indicated “to a large extent” participated in the Estonian and Poland-Regional pilot programmes, while most of those who indicated “to some extent” were from Croatia, Latvia and Slovenia. Respondents from Poland-National and Greece were split, with half responding “to a large extent” and the other half “to some extent”.

Figure 4: To what extent did the organisational grant motivate you to adapt or develop your organisation's multi-annual strategy/workplan?



In open comments, 51 respondents elaborated on their answer, with most noting while it was a statutory obligation of their organisations to have a strategy or workplan in place, the organisational grants had motivated them to **evaluate and revise these strategies/plans** in detail and **set goals in more ambitious ways with an eye towards capacity-building**. Some respondents mentioned that they were able to **develop new aspects** in their strategies, such as communication strategies, monitoring approaches, recruitment systems (e.g., internship programmes) or work more extensively on implementing or fine-tuning appropriate management procedures and codes of conduct. In the words of three respondents:

“We developed a strategy as part of our other activities, but thanks to the grant this strategy is alive and being implemented and monitored on an ongoing basis.” (PL-Regional)

“We have been drafting strategic plans for years, this organisational support enabled us to achieve some goals that we were almost ready to give up on.” (Croatia)

“Creating multi-year strategic plans is a regular practice for us. Even before the application, we already had a plan in place, but after we received guidelines from the ACF, we saw them as enabling us to create the highest quality strategic plan ever.” (Croatia)

Others noted that they had only had **annual strategies** in place, and the organisational grants gave the **impetus for thinking more long-term and more strategically across the whole organisation**.

“The organisational grant has allowed us to accelerate the work of developing a multi-year strategy for the work of our organisation. It has motivated us not to drag out this process and to complete it faster than anticipated.” (PL-Regional)

“We already had a strategy in place, but thanks to the organisational grant we revised it, made it multi-annual and somehow internalised it. This is particularly apparent when we apply for new projects, where we first and foremost consider our new multi-annual strategy before going into developing our projects. This is certainly something new for us. But the strategy allows us to have a much better overview of our own results and the achievement of our objectives than before we received the organisational grant.” (Slovenia)

Six respondents (spread across programmes) noted that the organisational grant was the **reason for creating their organisations' first strategies**, which they might not have created otherwise. Example statements included:

“For the purpose of obtaining the grant, we developed a strategy in our organisation for the first time.” (PL-Regional)

“The process for applying for the grant meant the development of the strategic plan, which has been of great practical value for us as an organisation.” (Estonia)

In the view of one Fund Operator, the **philosophy of the EEA and Norway grants** is an equation:

Strategy + People + Action = Impact

The organisational grants were seen as having given the **much-needed opportunity** for organisations to **fulfil this equation, especially in terms of strategy**. Similarly, to visualise the ways in which ACF organisational grants addressed the needs of civil society organisations, one Project Promoter (Poland-National) likened **civil society organisations to “octopuses”**, with **“many, many tentacles that make up project grants, but the core of the octopus – that is covered by organisational grants; without a strong core, the octopus is not able to carry and use its tentacles effectively.”**

Q2: How do the recipient organisations use organisational grants to address their needs?

Answer:

Considering the three areas of institutional development – operational, organisational, and sectoral, recipient organisations spent the **largest share** of organisational grants on **operational costs**, followed by organisational costs and lastly by sectoral costs. However, it is **not possible to clearly distinguish between these three areas in terms of results**, as funds dedicated to operational and/or organisational aspects strongly fed into strengthening **sectoral work**, showing **measurable improvements**.

Specific examples of operational costs included salary increases of existing staff and salaries for new staff, office rent and renovation of offices; of **organisational costs** – recruitment of managers and staff training, professionalisation of communication and diversification of funding; and of **sectoral costs** – organisation of events, roundtables and debates with the wider sector, testing of new approaches to cooperation within the sector, and creation of knowledge-sharing infrastructure for sectoral stakeholders.

The knowledge acquired through training opportunities and through work with experts and professionals on many aspects of the organisations’ work (e.g. fundraising, capacity-building, advocacy, communication), which were funded through the organisational grants, was expected to **benefit the organisations for many years to come**.

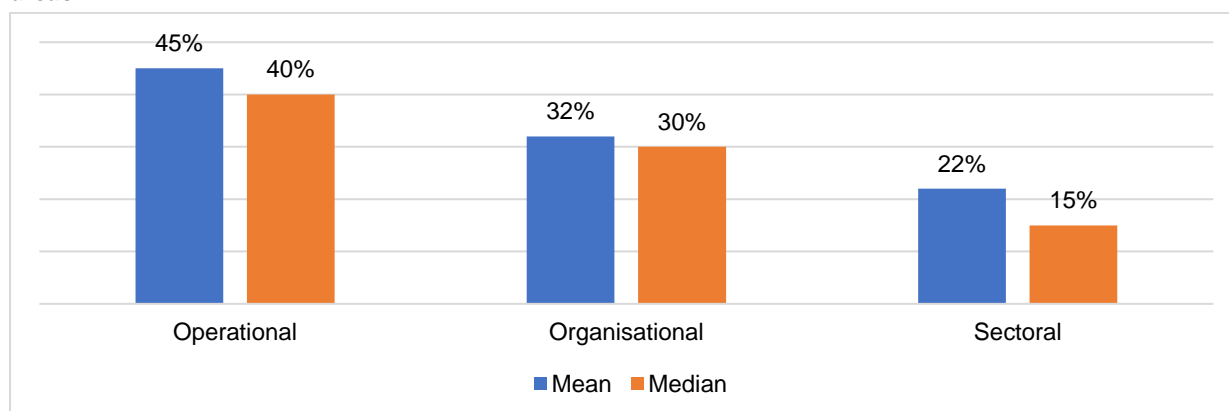
To assess the ways in which the recipient organisations used organisational grants to address their needs, we asked Project Promoters about the **share of funding** used to cover activities related to **the three areas of institutional development**:

- **operational** (e.g. activities related to the mission of their organisation, covering overhead costs, such as offices, salaries, supplies, etc.),
- **organisational** (e.g. strengthening governance mechanisms, developing human resources (recruiting and professionalising staff, mobilising, and training volunteers),
- **sectoral** (e.g. creating forums to identify common issues / build shared perspectives, building coalitions to advocate for key sectoral issues, creating processes for learning from sectorial experience).

Our survey results show that the **largest share**, on average, was spent on the **operational aspects** (45% mean and 40% median), with five organisations indicating that they dedicated 80-90% of the grants to this area. The **second largest share**, on average, was dedicated to **organisational aspects** (32% mean and 30% median), with six organisations indicating that they dedicated 60-70% to this area.

The **smallest share** was dedicated to **sectoral aspects** (22% mean and 15% median), with seven organisations indicating that they dedicated 50-75% to this area (see Figure 5).

Figure 5: What share of the organisational grants did/do you use to cover the activities in the following areas:



However, in our fieldwork interviews, many Project Promoters across the pilot programmes struggled with answering this question, noting that a **clear separation of these three areas was impossible**, as some grant funding spent on operational or organisational aspects, for example, fed strongly into strengthening sectoral work. It was also in the **sectoral area** that most organisations interviewed noted **measurable improvements** as a result of the organisational grants, even if the outputs for which they allocated funding in the first place better matched the operational and organisational areas.

A useful example to illustrate this is **Greece**, where, in interviews, Project Promoters confirmed that they mainly spent the organisational grants on **operational aspects**, such as salaries of existing staff and salaries of new staff that were hired to support the accomplishment of specific objectives in the strategic plans. However, they noted that this investment in operational aspects was done with the aim of achieving **results in organisational and sectoral areas**. For example:

- One organisation hired their first communications manager to lead on media engagement and public relations, digital campaigns, crowdfunding campaigns etc. which in turn was linked to results regarding the visibility of their flagship programmes, enhanced networking within the sector, and financial diversification.
- One organisation hired three managers (Head of Communication, Head of Programme, Head of Funds and Partnerships) to develop and lead three different departments of the organisation and collaborate to advance the organisation’s professional approach to its work, which in turn was expected to lead to diversification of funding and enhanced networking at national and international level.
- One organisation hired a manager to professionalise the volunteering programme and lead on the development of dedicated training courses for volunteers, and in doing so expand the organisation’s flagship programme to the national level, “*in every area – even villages*”, leading to new partnership opportunities with other NGOs, funders, and companies.

Based on our interviews with Project Promoters in the other pilot programmes, the main ways in which the organisational grants were spent to address organisations’ needs can be summarised as follows in terms of **operational costs**:

- salary increases of existing staff and salaries for new staff, with the aim of filling shortages, responding to high inflation, and alleviating burnout of staff and volunteers (Croatia, Estonia, Greece, Latvia, Slovenia),

- office rent and renovation of offices, particularly considering staff returning to offices following the COVID-19 pandemic (Estonia, Poland-National and Poland-Regional).

In terms of **organisational costs** covered by the grants, Project Promoters highlighted the following:

- recruitment of managers to professionalise staff (Croatia, Estonia, Greece, Latvia, Poland-National and Poland-Regional),
- staff training (dedicated training for volunteers, training on fundraising and capacity-building, study trips to Norway to learn from advanced civil society sectors) (Croatia, Poland-National and Poland-Regional, Slovenia),
- professionalisation of communication (visual identity and branding, development of social media presence, improvements to websites, awareness-raising and promotional campaigns / activities) (Croatia, Estonia, Greece, Poland-National, Poland-Regional, Slovenia),
- diversification of funding (exploration of new funding channels at EU and international level, cooperation with companies, incl. development of codes of conduct) (Latvia, Estonia, Greece, Poland-National and Poland-Regional).

As mentioned above, operational and organisational investments were understood by many Project Promoters to contribute to results in the **sectoral area**. However, some noted specific “**sectoral costs**” covered by the grants, which included:

- organisation of events, roundtables, and debates on advocacy with the wider sector (Estonia, Latvia, Poland-National and Poland-Regional),
- “testing” of new approaches to cooperation within the sector (Latvia),
- creation of knowledge-sharing infrastructure for sectoral stakeholders (Poland-Regional).

According to most Project Promoters, the knowledge acquired through training opportunities and through work with experts and professionals on many aspects of the organisations’ work (e.g., fundraising, capacity-building, advocacy, communication), which were funded through the organisational grants, **will benefit the organisations for many years to come**.

3.2 Efficiency

The evaluation criterion **efficiency** considers the resources used by an intervention compared to the changes generated (which may be positive or negative). In our rapid assessment, we explored the efficiency of the ACF organisational grants as regards the **appropriateness of the set up** (proposed by the FMO) for how the **Fund Operators should manage and administer the grants (Q3)**, in terms of risk management, application and selection, reporting, and support received from Fund Operators.

In our assessment of the **clarity and burden of the administrative and reporting requirements**, we also **drew comparisons with project grants** based on findings from our recent **evaluation of the management and control systems in the EEA and Norway Grants** (December 2022).² Finally, we also considered the extent to which the operational and management processes in place compare with **similar grant schemes of other funders**.

We draw in our answers on evidence collected via interviews with the FMO, fieldwork interviews with Fund Operators and Project Promoters in the seven pilot programmes, the survey of Project Promoters,

² [MCS Evaluation Final report \(002\).pdf \(eeagrants.org\)](#)

and our desk research. We consider the **evidence** that we present in this section to be **strong**, meaning that our findings are demonstrated by several sources and constitute objectively verifiable evidence.

Q3: How appropriate was the setup (proposed by the FMO) for how the Fund Operators should manage and administer the organisational grants?

Answer:

The setup for how the Fund Operators should manage and administer the organisational grants, which was proposed by the FMO, is **appropriate** insofar as it allowed Fund Operators the **flexibility to account for country-specific contexts** in which the grants were implemented (in terms of eligibility criteria, application and selection process, support offered during implementation, and reporting), while at the same time promoting a **bottom-up, highly individualised and hands-on approach** to implementation. This approach constitutes the **key to the success** of the organisational grants, with **underperformance or “non-performance” currently not posing a risk** in any of the pilot programmes. However, it was pointed out that expanding organisational grants to smaller or grass-root organisations should be carefully considered, as the current approach of only funding organisations with **some level of maturity, capacity to develop multi-annual strategic plans and experience in managing project grants** appears to be the main reason for low risk. Expanding the grants could therefore be counterproductive for all stakeholders involved, as less established organisations might require a lot more support at every stage of the process, starting with writing a technically sound application, and might therefore be better targeted with lower risk microgrants aimed at capacity-building.

While none of the Fund Operators felt that the organisational grant approach constituted a burden, even if the number of recipient organisations were to increase, there is **scope for more guidance from the FMO** on the following aspects:

- the **goals and target group(s)** of these grants, to support Fund Operators in better understanding the management and reporting requirements and clarifying the selection process,
- **risk management**, especially if in the next funding mechanism significantly more funds were to be allocated to organisational grants, as Fund Operators might receive high-scoring applications from organisations less known to them.
- the **call, application, and implementation stage** to alleviate any potential misunderstandings between the Fund Operators and the FMO, and speed up these processes.

There is also scope for the FMO to consider introducing **standardised monitoring mechanisms** across all programmes, with tools and guidelines for Fund Operators, as well as **standardised budget forms and templates for strategic plans**, as this would aid comprehensive measurement of the extent to which organisations and sectors benefit from these grants across all programmes and facilitate the evaluation process when comparing strategic plans that significantly vary in length. Moreover, the FMO might consider introducing **centralised training for evaluators** of organisational grants, given that these require a very different skillset than those of project grants (strategic planning versus thematic expertise).

Overall, the organisational grants were **very well advertised** in each pilot programme, and the **application and selection process** was **straightforward**. The administrative and reporting

requirements were **less burdensome than for project grants**, particularly as regards the absence of financial reporting, submission of timesheets, attendance records at events, etc.

The ACF organisational grants were also found to be **less burdensome** in terms of the processes involved than **similar grant schemes of other funders** (EU, national and local government funds, international foundations, private funds).

We structured our assessment of the appropriateness of the set up proposed by the FMO for how the Fund Operators should manage and administer the organisational grants as follows:

- risk management
- application and selection process
- reporting (incl. comparisons with project grant reporting)
- comparisons with administrative expectations and requirements of other funders
- support received from Fund Operators
- suggestions for improvement.

Risk management

According to the FMO, the organisational grants modality requires **a lot of trust** at the level of donors, the FMO, and the Fund Operators because of a **perception of higher risk**. Particularly, since organisational grants are typically provided as lump sum payments, with less emphasis on detailed scrutiny of individual expenditure items, this approach could present some challenges in maintaining a comprehensive understanding and overview of how recipient organisations allocate and utilise the funds. For this reason, the modality was first **piloted with a small number of organisations**, focusing on organisations that are **well-established** and have a **multi-annual strategy or workplan** outlining their mission in place.

Safeguards that were put in place by the FMO concerned the **amount of the grants** (max. EUR 500,000), which was deemed “small enough” to constitute a low risk for the pilot, as well as the **eligibility criteria**. In terms of the latter, all programme implementation agreements stated that:

- organisations had to have been **registered for a certain amount of time**, which was agreed between the FMO and Fund Operators: at least 3 years (Latvia, Poland-Regional), 4 years (Croatia, Greece) or 5 years (Estonia, PL-National, Slovenia),
- organisations had to have had a **specific minimum average annual income** in the year prior to application, which was also agreed between the FMO and Fund Operators: for Greece, this was EUR 300,000, for Poland-Regional EUR 100,000 and for Croatia and Latvia EUR 80,000; in Poland-National, the amount was lower than in other programmes, at EUR75,000; **Estonia and Slovenia** not only included a minimum of EUR 100,000, but also a **maximum ceiling of EUR 500,000**.
- Organisations had to have presented a **multi-annual strategy / workplan** in an area of activity relevant for the ACF.

However, Fund Operators were given **some flexibility in setting eligibility criteria** to account for **country-specific contexts**. Most used this flexibility to **implement further risk mitigating measures**, aimed at ensuring that organisations were experienced in working on ACF priority areas, had capacity to implement the organisational grants appropriately, and showed proof of transparent operating structures. For example, in Croatia, Estonia and Slovenia, eligibility criteria stated additionally that

organisations must have implemented or be implementing at least two (Estonia) or three (Croatia and Slovenia) projects that were relevant to ACF themes as of January 1, 2017 (Slovenia) and January 1, 2018 (Croatia). Other differences included:

- To be eligible in Croatia, organisations were required not to have received organisational grants for the period 2022-23 from any other donor and to have had at least one employee based on an employment contract for a minimum of 12 months before the submission deadline.
- In Latvia, applicants were expected to show evidence of transparent operating structures and to have had experience with implementing a workplan/strategy for at least one year prior to submitting their application, as well as evidence of implemented activities in line with the workplan/strategy; organisations were not eligible if the overall ACF funding for the organisation, including the planned organisational grant or existing project grants exceeded EUR 138,000.
- In Estonia, the Fund Operator limited the eligibility criteria to advocacy, not service provision. Organisations were also asked to provide a description of their role in society, their policies on transparency and openness, and evidence of their administrative capacity exceeding the average of a third sector organisation.
- In Poland-National, applicants were obliged to present a preliminary balance sheet and profit and loss account for 2021, as well as letters of recommendation from at least seven organisations (including informal organisations / grassroot organisations / informal groups); according to the Fund Operator, this approach was not only a risk mitigation measure, but also aimed at ensuring that the results of the organisational grants would be beneficial for the wider sector, considering that grant recipients were selected based on the extent to which they worked “for the sector”, and not only “for themselves” (hence the letters of recommendation).

Across all seven pilot programmes, Fund Operators pursued a **highly individualised and “hands-on” approach** to monitoring progress of the recipient organisations, through dedicated project officers, regular meetings, and being immediately available to support in case any issues emerged. Other than that, and as specified in the programme agreement, Fund Operators monitored the implementation of the organisational grants through the **analysis of interim and final reports** submitted by the Project Promoters, which include the **results framework**, as well as **monitoring visits and potential audits**. However, Fund Operators emphasised that they pursued a **bottom-up approach** to supporting organisations with implementation, aimed at **listening to organisations** first and foremost about their needs and expectations, and then **co-creating solutions** with them. They viewed their role on the organisational grants much more in terms of **“support and guidance” rather than “control”**, especially when compared with project grants.

Fund Operators generally considered themselves to be the **“guardians” of the successful implementation** of the organisational grants and noted that **underperformance or “non-performance”** of recipient organisations **did not constitute a risk**. This was because they found that these organisations were **sufficiently well-established** to implement the grants appropriately. Some Fund Operators (Croatia, Latvia, Slovenia) also emphasised that very strict financial audits of civil society organisations were carried out by the respective governments.

However, there was **consensus** across all pilot programmes that organisational grants **should not be expanded to less established/grass-root organisations**, since these would require a lot more support at every stage of the process, starting with writing a technically sound application. Smaller organisations were also found to often work in less strategic ways. Fund Operators noted that expanding the grants to such organisations would be **counterproductive for all stakeholders involved** (FMO, Fund Operators and the Project Promoters themselves). Only civil society organisations with **some level of maturity and experience in managing project grants** were deemed

to be able to implement organisational grants. They suggested that smaller organisations could be targeted with lower risk microgrants aimed at building their capacity instead.

Application and selection process

Across all seven pilot programmes and all applications received, 24% of projects were awarded grants and contracted; this proportion is highest in Poland National (48%, compared with ca. 14% of project grants), Estonia (36%, compared with ca. 30% of project grants) and Latvia (32%, compared with ca. 25% of project grants), and lowest in Greece (10%, compared with ca. 19% of project grants) and Croatia (15%, compared with ca. 20% of project grants). The difference in number of applications received, rejected and projects contracted in some programmes is due to some projects being put on reserve lists.

Programme	Amount available	Decision date	Selection results			
			Applications received	Applications rejected	Projects contracted	% contracted
Croatia	€ 420,000	20.07.2022	46	36	7	15%
Estonia	€ 500,000	10.03.2022	14	9	5	36%
Greece	€ 661,387	17.05.2022	52	41	5	10%
Latvia	€ 700,000	15.11.2021	19	13	6	32%
Poland-National	€ 2,257,835	20.07.2022	48	23	23	48%
Poland-Regional	€ 1,846,340	12.08.2022	87	67	19	22%
Slovenia	€ 450,000	30.04.2021	25	18	5	20%
TOTAL	€ 6,835,562		291	207	70	24%

Overall, Fund Operators interviewed noted that the **application and selection process** did not involve **any notable challenges**, except for **Poland-National**. There, the Russian war of aggression in Ukraine had started only a few days after the call for proposals was announced, which might have had a significant impact on the number of applicants, i.e. potential applicants might not have submitted their applications due to having been forced to invest time and human resources in responding to the crisis rather than working on a funding application or having had to broaden their target audiences and amend the organisation's priorities in response to the crisis, even if only temporarily. Such sudden changes would have been extremely difficult to explain in an application form that required a long-term strategy and workplan.

The Fund Operator from **Latvia** also noted that here had in fact been scope for seven organisational grants (the overall budget was EUR 700,000). However, they assessed that some of the shortlisted applicants showed **insufficient links to the planned outcomes of the ACF** with regards to democratic culture and human rights.

Considering that most Fund Operators expected that applicants would find the development of multi-annual strategic plans and results frameworks challenging, they offered **workshops at pre-application stage** (Croatia, Greece, Slovenia) and **mentors and consultants** to short-listed candidates (Greece, Poland-National, Poland-Regional). In Estonia, Greece, Poland-National and Poland-Regional, short-listed candidates also underwent an **elaborate interviewing process** with the evaluation panel, which both the recipient organisations and the Fund Operators considered very beneficial as it allowed for a better understanding of the strategies and refinement of approaches. In Slovenia, the Fund Operator indeed suggested **including interviews as an additional step in the selection process** in the future,

to enable the evaluating panel to get to know the applicants better and for applicants to better understand the requirements of organisational grants.

In terms of **organisations selected**, Fund Operators from Croatia, Latvia, Poland-National, Poland-Regional and Slovenia emphasised that they had focused on organisations that were **“very mature”** and whom they could trust in implementing the grants appropriately and take the **“next step” in professionalising their work**. By contrast, Fund Operators from Greece, Estonia and Slovenia took a slightly different approach:

- In Greece, the Fund Operator noted that they **prioritised organisations that were mid-level**, had a **certain degree of capacity** but not necessarily the biggest organisations. Doctors of the World are large, but at the time of the call they were going through the process of revising their strategy, which was meaningful for the aims of the organisational grant. They gave the example of an organisation that was rejected at selection committee stage, despite receiving high scores, as it was very large and the Fund Operator was aware that they had an extensive amount of unrestricted funding available³, so they did not feel that the grant would mean much change for that organisation. This experience meant that for any future, the Fund Operator will make it an **explicit criterion** that priority would be given to organisations that **do not have large amounts of unrestricted funding**.
- By adding a **ceiling to the annual turnover** (the eligibility criteria list an annual turnover of EUR 100,000-500,000), the Fund Operator in Estonia aimed at supporting organisations that were **established but slightly smaller in size**. In their opinion, this made the grants more impactful than had they been used for supporting large organisations.

However, as one Fund Operator emphasised, if the organisational grants were to become a standard funding modality, the FMO would have to come to a **common understanding of who they should target**. They mentioned the example of American donors, who have used organisational grants as a reward to support outstanding organisations that have proven themselves and their work as indispensable. The Fund Operator did not feel that this approach reflected the aims of the ACF organisational grants, and instead suggested focussing on organisations that are **sufficiently mature and have the skills to develop a strategic plan and can deliver on organisational grants without the safety net of project funds**.

One Fund Operator also noted that the **skills needed for evaluators** of applications of organisational grants were **very different** to those of project grants. While in the latter case these would be mainly thematic experts, for organisational grants they needed **people who understood strategic planning**, and they conducted training with selected evaluators with relevant backgrounds to ensure common ground. They felt that this was something that the FMO could support in the future with **central training on the evaluation of organisational grant applications**.

Across all seven pilot programmes, Project Promoters noted that organisational grants had been **very well advertised** in their sectors and considered the application and selection process straightforward and easy to complete. The process was generally deemed a **positive experience** overall, which motivated them to **reflect on their strategies and develop ambitious goals that they “wanted to achieve” rather than less ambitious ones that they “knew that they would achieve”** (which some mentioned to be the case in applications for project grants). While most interviewees found that this process was laborious and time-intensive, they considered this time well spent, particularly as often the **entire team of an organisation was involved in the process**, which meant that their mission and vision was defined and understood at all levels of the organisation. It also meant that oftentimes **all members of the team took ownership** of the successful implementation of the grants.

Only some Project Promoters in the Poland-National programme noted that one of the eligibility criteria, namely obtaining recommendations from seven civil society organisations in the sector, might have

³ While there are very limited funding opportunities for the civil society sector in Greece overall, this particular organisation was one of the few with strong capacity for raising unrestricted funds from the general public through various fundraising actions.

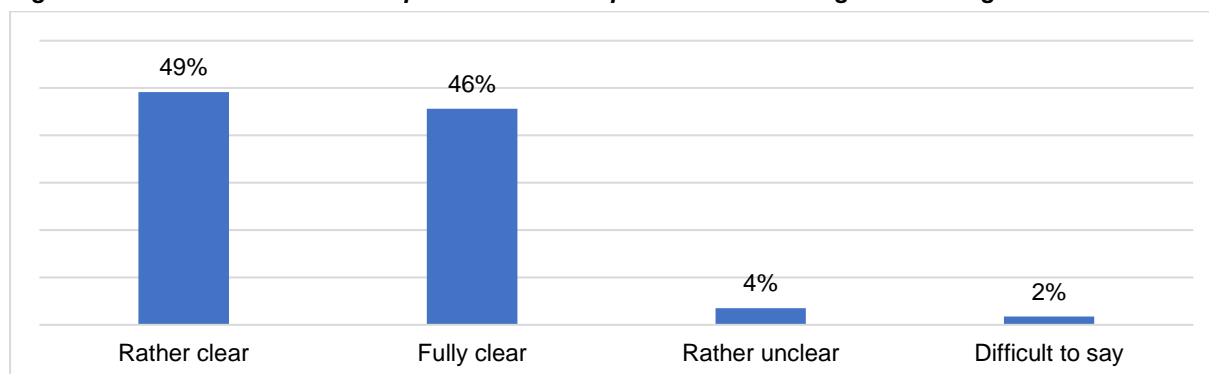
been “excessive”. While manageable, they felt that it was “awkward” to obtain recommendations from other organisations that were also applying for the organisational grants, and that the recommendations sometimes differed significantly in quality and depth. As explained above, the thinking of the Fund Operator for Poland-National was to ensure that the grants were spent on strengthening organisations with established and wide-ranging work that benefits other civil society organisations rather than just themselves.

Reporting (incl. comparisons with project grants)

Considering the differences in dates on which the pilot programmes were agreed between the FMO and the Fund Operators, some Project Promoters already had experience with submitting interim reports (Croatia, Estonia, Greece, Latvia, Slovenia), while others were only in the process of delivering them (Poland-National and Poland-Regional). In interviews, those who had submitted interim reports already, could not identify **any specific challenges** with this process, noting **clear guidelines** and a **straightforward approach**.

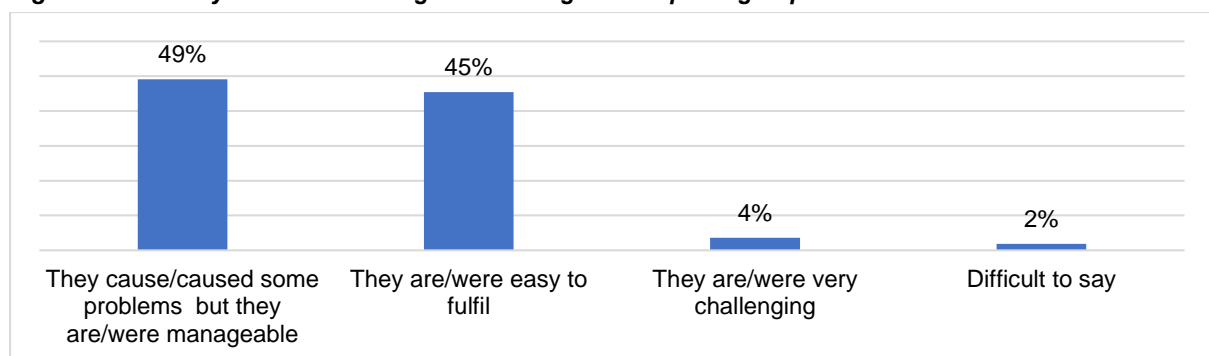
However, our **survey results** show a more **nuanced picture** as regards the **clarity of the administrative expectations and requirements** of the organisational grants: 49% of respondents indicated that they were “rather clear” and 46% indicated that they were “fully clear”. Only 2% found these expectations and requirements to have been “rather unclear” (see Figure 6). We could not identify any trends by programme as regards these responses.

Figure 6: Are the administrative expectations and requirements of the organisational grants clear?



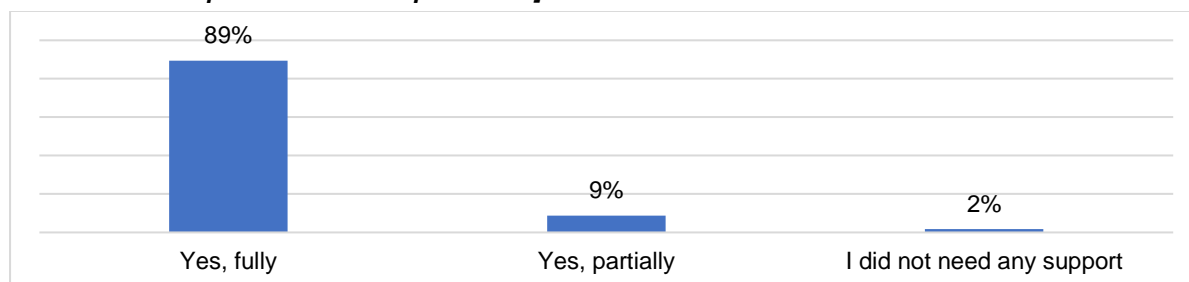
Respondents were also **split on how they assessed** the organisational grants’ **reporting requirements**. **Almost half (49%)** indicated that they had **caused some problems**, but that these were manageable, while **45%** indicated that they **were easy to fulfil**. Only 4% of respondents indicated that they were “very challenging” (see Figure 7). We could not identify any trends by programme as regards these responses.

Figure 7: How do you assess the organisational grants’ reporting requirements?



Most respondents (89%) also indicated that the Fund Operators had **fully provided them with the necessary support in understanding the administrative expectations and requirements**. Most of those who responded that this support had been **partial** participated in the Poland-Regional programme (see Figure 8). However, we could not identify any reasons for this assessment in our interviews with Project Promoters from the Poland-Regional programme, who all also emphasised the excellent support they had received from the Fund Operator.

Figure 8: Has the Fund Operator provided you necessary support in understanding them [the administrative expectations and requirements]?

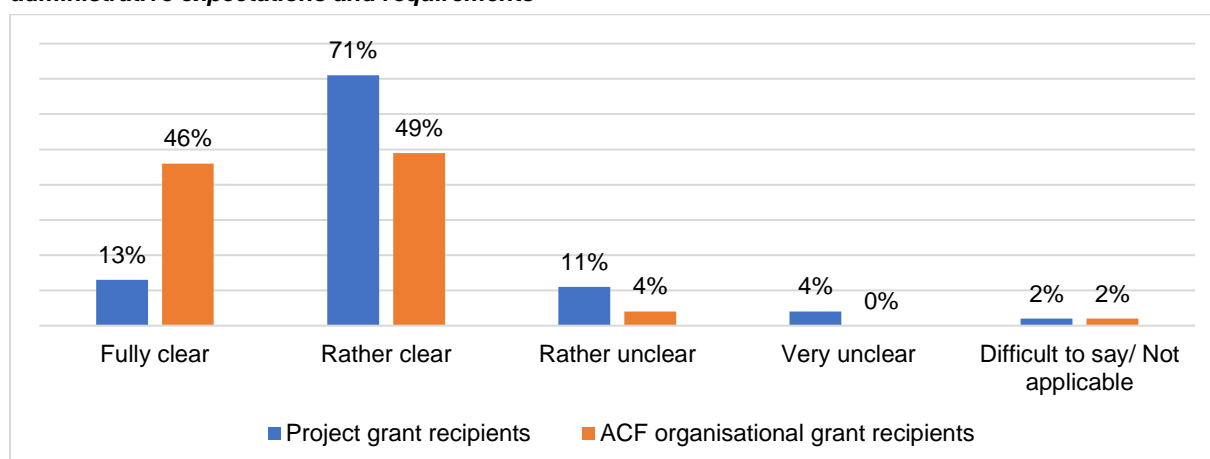


In interviews, there was **consensus** among Project Promoters across the pilot programmes that the **administrative and reporting requirements** of the organisational grants were **easier to fulfil** than for project grants, as they **did not require extensive financial reporting, timesheets, attendance sheets at events**, etc. They also noted that the organisational grants, unlike project grants, were not limited by log frames on specific activities, allowing for **flexibility** in terms of adjustment.

We confirmed these findings by drawing **comparisons between the survey responses of ACF organisational grants recipients and those who received EEA and Norway project grants**. We derived the data on the latter from our recent **evaluation of the management and control systems in the EEA and Norway Grants** (December 2022). Our results show **notable differences** in responses between project grant and ACF organisational grant recipients in terms of the **clarity of administrative expectations and requirements** of the grants (see Figure 9 overleaf):

- **46%** of ACF organisational grant recipients indicated that these were “**fully clear**” compared with just **13%** of project grant recipients,
- **11%** of project grant recipients indicated that these were “**rather unclear**”, compared with just **4%** of ACF organisational grant recipients,
- **none of the ACF organisational grant** recipients indicated “**very unclear**”, compared with **4%** of project grant recipients.

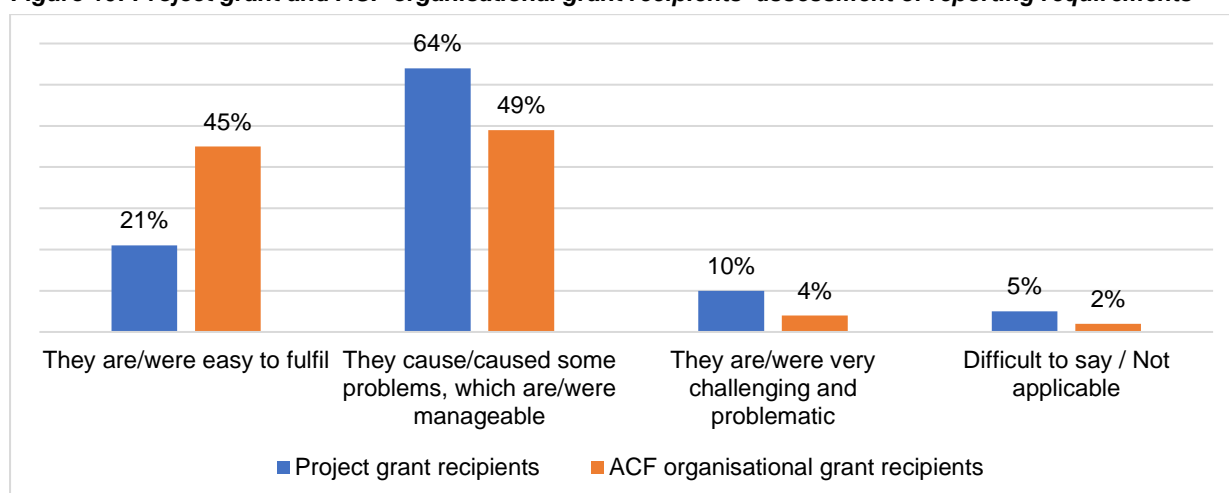
Figure 9: Project grant and ACF organisational grant recipients' assessment of the clarity of administrative expectations and requirements



Our comparison of survey results also shows **notable differences** as regards project and ACF organisational grant recipients' assessment of the **reporting requirements** (see Figure 10):

- **45%** of ACF organisational grant recipients indicated that **“they were easy to fulfil”**, compared with **21%** of project grant recipients,
- **64%** of project grant recipients indicated that **“they caused some problems, which were manageable”**, compared with **49%** of ACF organisational grant recipients,
- **10%** of project grant recipients indicated that they were **“very challenging and problematic”**, compared with just **4%** of ACF organisational grant recipients.

Figure 10: Project grant and ACF organisational grant recipients' assessment of reporting requirements



Comparisons with administrative expectations and requirements of other funders

Our assessment also considered the extent to which the **operational and management processes in place compare with other grant schemes** of which Project Promoters had experience.

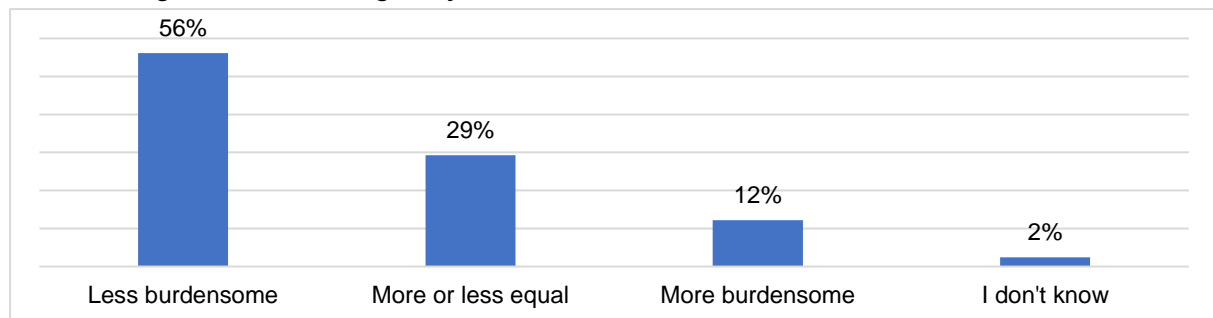
According to our survey results, most respondents (75%) had received this type of funding from other funders. Examples of such grants provided in open comments included:

- EU funds (Erasmus+, European Social Fund, the Citizens, Equality, Rights and Values programme),
- National and local government funds and partnerships,
- Foundations such as Civitates, European AI and Society Fund, European Climate Foundation, European Media and Information Fund, Global Fund for Women, Heart & Hand Fund, Limelight Foundation, the National Endowment for Democracy, Open Society Foundation, POWER FUND, Sigrid Rausing Trust
- Private funds, such as Google,
- International organisations, such as the United Nations, World Health Organization, UNICEF.
- Funds from the German Ministry of Foreign Affairs, the Dutch Ministry of Foreign Affairs, the Nordic Council of Ministers (Nordplus) and the US State Department.

Our desk research yielded only limited results as regards the information available on reporting requirements of other funders. However, compared with Erasmus+⁴, the National Endowment for Democracy⁵, and the Sigrid Rausing Trust⁶, the reporting requirements appear similar to those of the ACF organisational grants – regular progress / interim reports and a final report detailing progress, challenges and financial utilisation. The Sigrid Rausing Trust also reserves the right to conduct site visits to understand grantees’ work first hand and gain insights into local human rights challenges. International grantees are also encouraged to visit the Trust’s UK offices. This approach was taken to ensure that the Trust stays closely engaged with grantees and well-informed about the evolving local human rights landscape.

In the survey of Project Promoters, **56% of respondents** indicated that they found the processes involved in the ACF organisational grants to be “**less burdensome**” than those of schemes implemented by other funders. Twelve percent of respondents indicated that they were “more burdensome” (see Figure 11).

Figure 11: How would you assess the processes involved in the ACF organisational grants compared with other organisational funding that you indicated above?



In open comments, 32 respondents elaborated on their answers, **overwhelmingly noting the clarity and ease of the application process** compared with other funders, and the **benefit of having to prepare a multi-annual strategic plan** for the organisation in the long run – an approach to organisational support which they did not see as common for other funders. They also emphasised the **support received from the Fund Operator**, which was also rated very positively compared with other funders, as were **less burdensome reporting requirements** – especially as regards financial reporting.

“Far less onerous than applying for EU funding.” (PL-Regional)

⁴ https://2014-2020.erasmusplus.org.pl/wp-content/uploads/2018/12/Multibeneficiary_grant_agreement_Special_Conditions_2020.pdf

⁵ [Proposal-Guidelines-1.docx \(live.com\)](#)

⁶ [charity-search \(charitycommission.gov.uk\)](http://charity-search.charitycommission.gov.uk)

“Financial reporting is kept to a minimum, which shows trust in the organisation and thus prompts the organisation to manage the grant in a reliable way, which is a huge improvement compared to other donors, where reporting and minutiae take up the most time. [...] The ACF organisational grants mean that the organisation can get on with important work for its community or recipient group, as while the ACF’s requirements are very meticulous anyway, the reporting is simplified.” (PL-National)

“The complex financial disclosures of other funds make it very difficult and inflexible to act when situations, technologies and needs change.” (Latvia)

“Very flexible support, application and reporting relatively simple and clear, communication with the donors fast and friendly.” (Estonia)

Those respondents who indicated that the ACF organisational grants were more burdensome than such grants from other funders noted a **demanding application process**, and **adherence to strategic goals and indicators**, which they felt created an additional burden at times.

“Each donor has different requirements. For the ACF organisational grant, a rigid requirement to be fulfilled by a certain date is to meet specific indicators, write a comprehensive report with extensive documentation and a financial audit. These are all valuable things for an organisation, but also very demanding and time-consuming. In the event of possibly large-scale unforeseen events (such as a large part of the team falling ill), there is not much room for manoeuvre. The question is whether these requirements are proportionate to the size of the grant.” (PL-National)

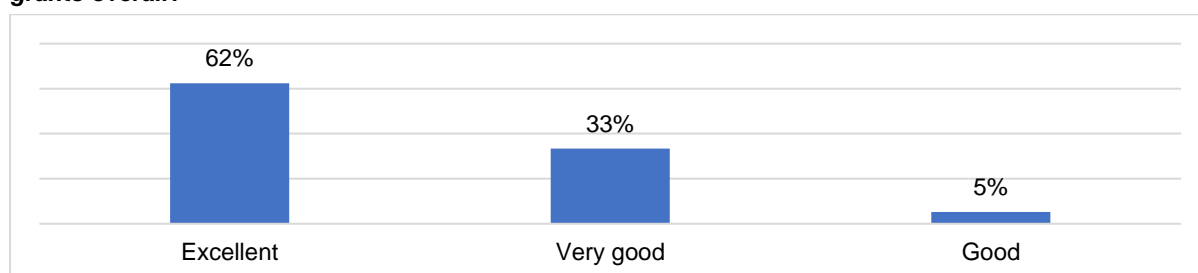
“I marked more burdensome because there is a big difference between application and reporting. The application process was quite labour-intensive and demanding. It unfavourably coincided with the heightened period of activities in response to the war in Ukraine which also meant that our strategy, for example, had to be rewritten at that point, which complicated the writing of the application itself. [...] As far as reporting is concerned, it is very clear and minimised, so here I have no comments.” (PL-National)

Support received from Fund Operators

There was **consensus** among all Project Promoters interviewed that the **role of the Fund Operator was the most important aspect in the successful implementation of the organisational grants. All Fund Operators were considered responsive, informative, and supportive.** Moreover, all Fund Operators were appreciated for their **close contact and hands-on approach** to monitoring Project Promoters’ progress in implementing the grants and being **readily and directly available** to offer solutions in case any problems emerged.

This was also confirmed by our survey results, where most Project Promoters (**95%**) rated the **support that they had received from Fund Operators** as **“excellent” (62%)** and **“very good” (33%)** (see Figure 12 overleaf). The largest proportions of those who responded “excellent” were from Croatia, Estonia, Greece, Latvia, Poland-National and Slovenia. Those who responded “good” participated in the Poland-Regional programme. However, we could not identify any reasons for this assessment in our interviews, where all interviewees from Poland-Regional expressed very positive opinions about the support they had received from the Fund Operators.

Figure 12: How would you rate the Fund Operator's support with the implementation of the organisational grants overall?



Fund Operators emphasised that they appreciated the opportunity given by the organisational grants to pursue a **truly bottom-up approach to institutional development** - to invest in people, organisational cultures, and support organisations in developing their leadership structures and good governance practices by sharing their own knowledge and experience. **None of the Fund Operators** felt that this support constituted **undue burden**, and most noted that they would **continue with this individualised support** even if the numbers of grant recipients increased. The best example is **Greece**, where the Fund Operator recently received additional funding from the FMO and will double the number of organisational grant recipients. The Fund Operator confirmed that they would **continue to support all new recipient organisations in the same way** as those who had received the funds in the first instance and did not find this burdensome in any way.

The most frequently mentioned **examples of support** received from Fund Operators, which Project Promoters felt constituted **good practice**, included:

- frequent and direct contact with the Fund Operator,
- training sessions and webinars at application and selection stage, and capacity-building and advocacy workshops during implementation,
- making advisors and consultants available to Project Promoters for the development of strategies and results frameworks,
- making advisors and consultants available to Project Promoters the event of any questions that emerge during the implementation of the organisational grants.

Suggestions for improvements

While there was **consensus** among Fund Operators and Project Promoters that the organisational grants were **extremely useful and needed by civil society organisations** in all Beneficiary States where this modality was piloted, interviewees **highlighted some areas for improvement as regards its set-up**, which we have grouped by general suggestions, application and selection, and reporting, indicating each time at what level these suggestions would require to be implemented:

	Suggestion	Expected benefit	Level
General suggestions	Extending the timeline of the organisational grants to at least three years and/or allowing organisations to re-apply even if they had been grant recipients in the past.	This would ensure sustainable and meaningful organisational development. This would also allow the Fund Operator to implement a new structure for the management of organisational grants, and fully integrate this funding modality into their operations, as currently it was more of an “ <i>add-on</i> ” as per the existing programme implementation agreement.	FMO
	Establishing clear goals for these grants and target group(s).	This would aid the help Fund Operators better understand the management and reporting requirements and clarify the selection process.	FMO
	Providing clearer instructions and guidelines for the call, application, and implementation stage.	This would alleviate any potential misunderstandings between the Fund Operators and the FMO and speed up the call and application process.	FMO/FO
	Introducing standardised monitoring expectations across all programmes, providing tools or guidelines for Fund Operators.	This would aid comprehensive measurement and understanding of the extent to which organisations and sectors benefit from organisational grants across all programmes.	FMO
	Introducing regular activities that would allow Project Promoters to share their experiences as recipient organisations with the wider sector.	This would address the need identified in many Beneficiary States of the civil society sector requiring a “culture shift” from project-based thinking towards organisational grants and strategic thinking.	FMO/FO
	Promoting exchanges with organisational grant holders in relevant fields in the Donor States.	This would allow Project Promoters to learn from the experiences of more established and developed civil society sectors.	FMO
Application and selection	Providing guidance on risk management processes.	If in the next financial mechanisms significantly more funds were to be allocated to the organisational grants, Fund Operators might receive high-scoring applications from organisations that are less known to them. Additional risk management processes would ensure that organisations are selected with the lowest risk of underperformance, non-performance or mismanagement of funds.	FMO

	Implementing standardised budget forms and templates for strategic plans across all programmes	This would ease the evaluation process as comparing strategic plans with, for example, three pages and those with 300 pages is challenging.	FMO
	Providing centralised training for evaluators of organisational grant applications.	Given that evaluators of organisational grants require a very different skill set than those of project grants (experts in strategic planning versus thematic experts), centralised training would ensure evaluators are sufficiently trained to select applications across all programmes.	FMO
	Introducing face-to-face interviews as standard.	In programmes where interviews were conducted, both Fund Operators and Project Promoters noted the great benefit of this process. Fund Operators who did not interview applicants also suggested that this approach should be taken in the future.	FMO/FO
	Conducting workshops at pre-application stage on strategy development and formulating results and KPIs, specifically in the context of capacity-building.	Project Promoters who had participated in such workshops found them extremely beneficial, and one Fund Operator noted that this approach contributed to a “culture shift” in their Beneficiary State, with many organisations being able to develop and further their strategic approaches, even if they did not receive organisational grants in the end.	FO
	Avoiding the holiday period for calls for proposals.	This would ease the process of collecting all relevant financial information for applications, in particular.	FO
Reporting	Aligning applications and reports in terms of structure.	This would ensure that there is a more “logical flow” from the application process to reporting.	FO
	Allowing more flexibility to adapt or replace indicators and outcomes linked to local and national governments.	This would safeguard against “non-performance” or “underperformance” in the case of new governments coming to power and de-prioritising the areas of interest of an organisation, thus making the achievement of certain outcomes impossible.	FO

3.3 Effectiveness

The evaluation criterion **effectiveness** considers how successful an intervention has been in achieving or progressing towards its objectives, which factors drive or hinder progress and how they are linked (or not) to the intervention. An effectiveness analysis also looks at the benefits of the intervention as they accrue to different stakeholders.

In our rapid assessment, we analysed the extent to which the organisational grants **contributed to achieving the organisational, operational, and sectoral results** of the recipient organisations (Q4), also compared with what they **would have achieved via project funding** and/or more flexible institutional support schemes (Q5). We also assessed how well the recipient organisations' multi-annual strategies/workplans and internal monitoring and evaluation frameworks cater to **measuring the results** (Q6), and how the FMO could better measure the results achieved by the organisational grants modality (Q7).

We draw in our answers on evidence collected via fieldwork interviews with Fund Operators and Project Promoters in the seven pilot programmes, and the survey of Project Promoters. We consider the **evidence** that we present in this section to be **strong**, meaning that our findings are demonstrated by several sources and constitute objectively verifiable evidence.

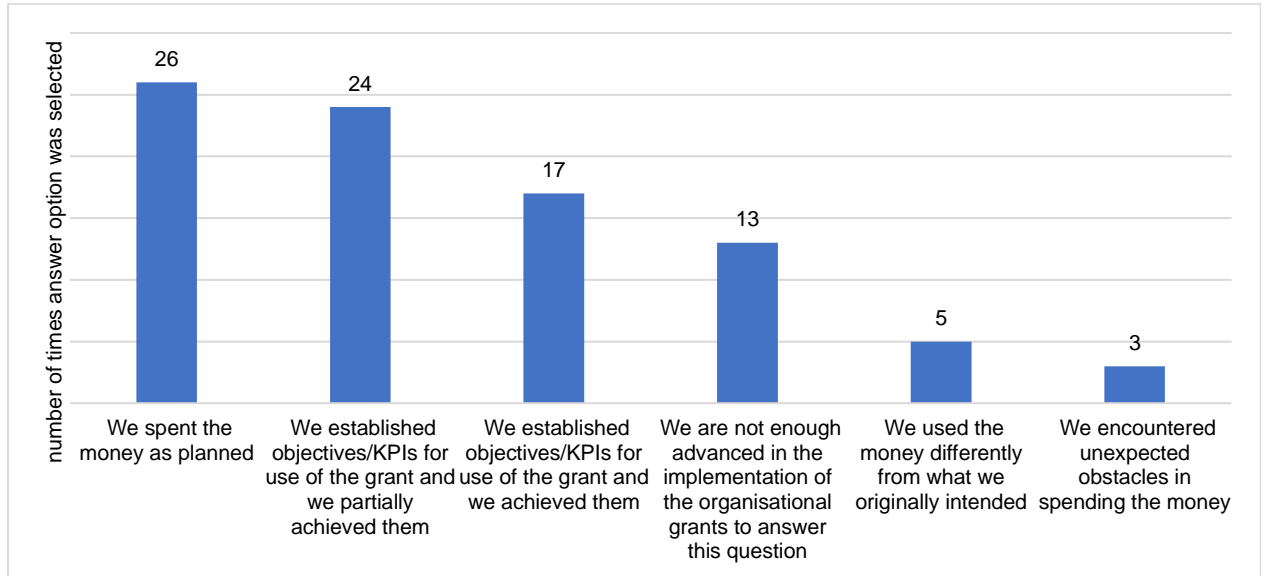
Q4: To what extent have the organisational grants contributed to achieving the organisational, operational or sectoral results of the recipient organisations?

Answer:

Considering that this rapid assessment took place at a time when all pilot programmes were still in the process of implementing the organisational grants, with some Project Promoters yet to deliver their first interim reports, it was **not possible to fully assess** the extent to which the organisational grants have contributed to achieving the organisational, operational, and/or sectoral results of the recipient organisations. However, **most organisations have spent the money as planned and had already achieved or partially achieved their objectives/KPIs**, and we could not identify any instances where the organisational grants did not contribute to progress and/or results in terms of institutional development.

To assess the **effectiveness of the organisational grants** in terms of the extent to which a **direct relationship** can be established between the recipient organisations' organisational, operational, and sectoral **results and receipt of the grant**, our survey asked Project Promoters about the **results that they had achieved from the organisational grants to date**. The most frequently indicated answer option was that respondents had **spent the money as planned** and that they had **partially achieved their objectives/KPIs** (noting that the programmes had not concluded yet) (see Figure 13 overleaf). The least frequently selected answer options were that they had used the money differently from what they originally intended and that they had encountered unexpected obstacles in spending the money. We could not identify any trend by programmes in the answers to this question.

Figure 13: What “results” did you achieve from the organisational grants? Please tick all that apply.



In open comments, 41 respondents elaborated on their answers noting that it was still **too early to report any results** from the organisational grants, but that some **positive developments** were already evident at interim stage in that they had already **partially achieved their objectives**.

Those survey respondents who indicated that they **had spent the money differently from what they originally intended** highlighted that this was mainly due to **improving the quality of existing activities**, rather than introducing new activities (as initially planned), **utilising the flexibility** of the grants to adjust them to needs as they emerge, and **responding to unexpected developments**, such as government spending cuts:

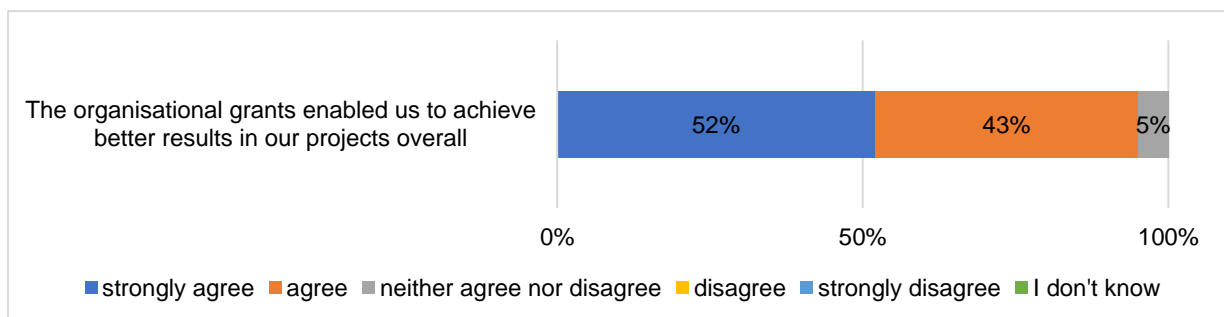
“Initially, we planned to spend more money on more activities, but being aware of our resources, we reduced the number of activities, which in turn allowed us to increase their quality.” (Latvia)

“The grant application was written in early 2022. Thanks to the flexibility of the spending rules, we were able to adapt the expenditures incurred to meet changing needs on an ongoing basis in order to best achieve our objectives.” (PL-National)

“While we spent most of the money as planned, the last two years have seen a sharp reduction in government funding in the field of culture and youth, forcing us to use more of it than planned to co-finance certain programmes and, as a result, we are investing less in strategic development and training of staff than initially planned.” (Slovenia)

Overall, **95%** of survey respondents **strongly agreed and agreed** that the **organisational grants had enabled them to achieve better results in their projects overall** (see Figure 14).

Figure 14: To what extent do you agree or disagree with the following statements?



This was also confirmed in interviews with Project Promoters and Fund Operators across all pilot programmes, who noted that **all organisations were on track on achieving their results**, with some who had already achieved them.

Q5: To what extent have the organisational grants enabled recipient organisations to achieve organisational, operational and sectoral results in comparison to what they would have achieved via project funding and/or more flexible institutional support schemes?

Answer:

Compared with traditional project funding (in general and under the ACF), the organisational grants have allowed recipient organisations to **focus significantly more on institutional development** and long-term strategy, set **more ambitious goals** that reflected what they “wanted to achieve” as an organisation (rather than what they “knew that they would achieve”, which was felt to be the case when defining results of project grants), and to take **important strides to become more sustainable** and more professional in the future. The organisational grants have also enabled recipient organisations to **achieve results in their projects** which they could not have achieved through project funding or more flexible institutional support schemes.

When comparing the extent to which organisational grants have enabled recipient organisations to achieve their results to what they would have achieved via project funding, there was **consensus** among Fund Operators and Project Promoters interviewed that the organisational grants have allowed them to **truly focus on institutional development and long-term strategy**. This was deemed in contrast to project grants, which were found to be limited to very specific and short-term activities, with very limited results as regards capacity-building.

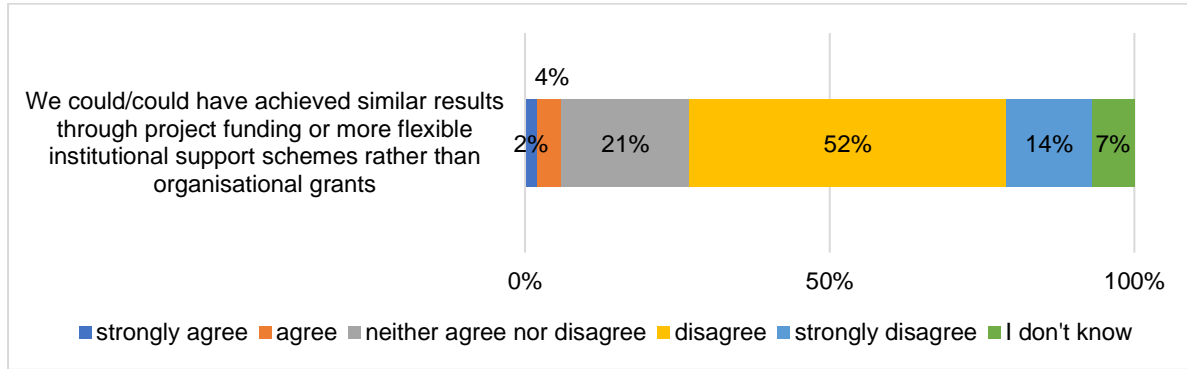
In interviews across all pilot programmes, most Project Promoters also noted that when formulating results for the organisational grants, they could be **more ambitious** and really reflect on what they “wanted to achieve” as an organisation, rather than what they “knew that they would achieve” as was felt to be the case for project grants. This meant that already in the relatively short time of the implementation of the organisational grants, they felt that their organisation had taken **important strides to become more sustainable** in the future, and **more professional** in their approach. This was linked to the view that, according to most Project Promoters, the knowledge acquired through training opportunities and through work with experts and professionals on many aspects of the organisations’ work (e.g., fundraising, capacity-building, advocacy, communication), which were funded through the organisational grants, **will benefit the organisations for many years to come**.

One of the key advantages of organisational grants compared with project grants was also seen in the first being awarded to individual organisations, while the latter tended to be awarded to consortia. This also meant that results were in many cases “easier” to achieve, as they were not required to account for the needs of other organisations, which many felt was not conducive to building their own capacity in the sector.

Still, all Project Promoters interviewed agreed, that project funds were a crucial source of funding for the civil society sector, and very important for the implementation of specific activities. However, they felt that organisational grants should **constitute a standard funding modality** to support organisations in accomplishing their wider priorities in driving positive social change.

These findings were confirmed by our survey results, where most respondents (**66%**) **strongly disagreed and disagreed** that they could have achieved similar results through project funding or more flexible institutional support schemes (see Figure 15 overleaf). We could not identify any trends by programme with regards to the respondents who strongly agreed and agreed with the latter statement.

Figure 15: To what extent do you agree or disagree with the following statements?



Moreover, 66% of our survey respondents had received ACF project funds, and **most of them strongly agreed** that, compared with traditional project funding under the ACF, the organisational grants gave their organisation **more time and flexibility** to work on their own capacities and capabilities as a team, allowed them to **develop their strategy and mission** and to grow their organisation further, and provided the necessary support to make their organisation **more sustainable in the future** (see Figure 16).

Figure 16: Compared with traditional project funding under the ACF, to what extent do you agree or disagree with the following statements:



However, in interviews, most Project Promoters emphasised that to ensure that the organisational grants truly support their organisations' sustainable growth and development, organisational grants should be extended to a **minimum period of three years**, to allow for the new processes and approaches to mature and take root in the organisations' culture and ways of working.

Q6: How well do the recipient organisations multi-annual strategies/work plans and internal monitoring and evaluation frameworks cater to measuring the results?

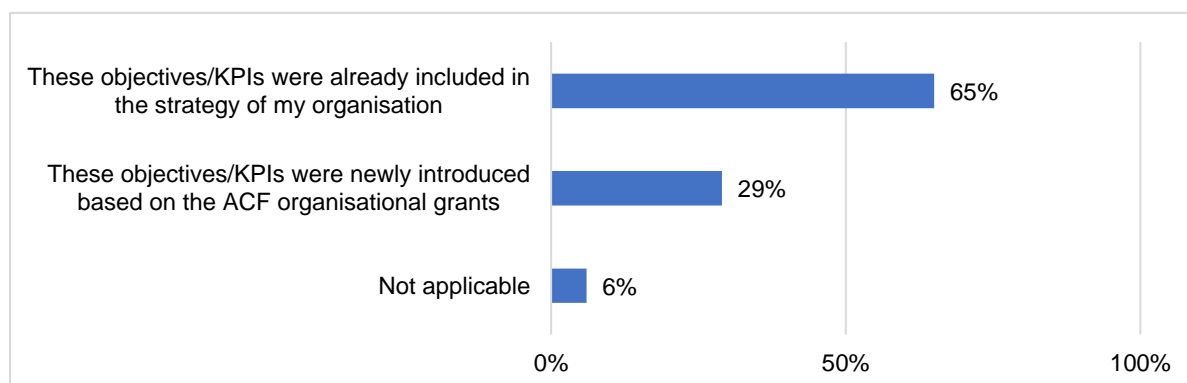
Answer:

Developing multi-annual strategies/work plans and formulating results and KPIs constituted the biggest challenge for most recipient organisations when applying for the organisational grants. While most organisations already had existing strategies and frameworks, they required amendments and adaptations to fit the requirements of the ACF organisational grants. However, **targeted and individualised support from Fund Operators** at pre-application, application and early implementation stage meant that these monitoring frameworks are fit for purpose for each organisation, and we could not identify any issues as regards their usefulness and appropriateness.

As noted in our answer to Q1 under Relevance, most Project Promoters surveyed (86%) indicated that they had **adapted their multi-annual strategies/workplans to fit the eligibility criteria and selection criteria of the organisational grants** “to a large extent” and “to some extent” (see Figure 4, page 11 in this report). In our fieldwork interviews, most Project Promoters noted that they had drawn in this process on **lessons learnt from pre-application workshops** on how to develop strategic plans (Croatia, Greece, Slovenia), utilised the **support of external consultants and/or mentors** made available by the Fund Operators (Greece, Poland-National, Poland-Regional), and/or insights gained from **interviews with the evaluation panel** (Estonia, Greece, Poland-National, Poland-Regional).

Similarly, the establishment of a monitoring framework linked to the strategic plans, consisting of outputs, outcomes, targets, baselines and KPIs was very much achieved through the **process of co-creation between Fund Operators and Project Promoters**. While in our survey, most Project Promoters (65%) indicated that their objectives and KPIs were already included in the strategy of their organisation, and one third that they were newly introduced based on ACF organisational grants (see Figure 17), all Project Promoters interviewed reported that these **monitoring frameworks were discussed with Fund Operators in detail and adjusted where needed**.

Figure 17: Please specify whether the objectives/KPIs were already included in the strategy of your organisation or whether they were newly introduced based on the ACF organisational grants?



Example results measured by the frameworks included:

- efficiency increases due to hiring of new staff funded through the organisational grants with specific expertise (e.g., legal experts, communication experts),
- increases in numbers of volunteers and recipients who accessed the organisations’ services,
- increases in partnerships and diversification of funding channels (businesses, foundations, national and local government donors),

- increases in media presence and social media followers / other social media statistics, website views / other website statistics,
- revenue growth,
- responses to advocacy activities received from national authorities / adoption of proposals into policy,
- increase in knowledge about a topic reported by attendees of a workshop or event,
- positive results of opinion surveys among internal staff about the progress achieved thanks to the organisational grant.

Across all pilot programmes, Project Promoters and Fund Operators interviewed stated that this process of setting results and KPIs constituted the **biggest challenge** for most recipient organisations. However, already during the application process, and at the very latest in the early stages of implementation, Fund Operators across all pilot programmes provided **individualised support to each Project Promoter on this aspect**. This resulted in the monitoring frameworks being **fit for purpose** and none of the Project Promoters, nor Fund Operators, noted **any issues as regards their usefulness and appropriateness**.

Q7: How could the FMO better measure the results achieved by the organisational grant modality?

Answer:

To better measure the results achieved by the organisational grants' modality, we suggest that the FMO takes the following steps:

- 1. Guidance be given for the organisational grants modality to fall under the Outcome – Enhanced capacity and sustainability of civil society organisations and the sector:** this will make it possible to establish outputs in a results framework that can be used as a baseline for the future, and does not preclude supporting organisations to enhance their capacity and sustainability to work for other specific outcomes (such as increased support for human rights).
- 2. Determine which outputs under this outcome the organisational grants are expected to affect.** E.g., have the organisational grants led to improved management structures and financial stability of an organisation, more people reached, more collaborations concluded, more advocacy interventions, more funds raised, more web visitors, more social media followers, etc. – compared to what would otherwise have occurred.
- 3. Establish baselines and measure progress.** These could take the form of self-assessment of grant beneficiaries as part of the selection process (baseline) and final reporting (progress).
- 4. Assessment by Fund Operators of the magnitude of the change.** Based on the beneficiaries' reporting and their own judgements from contacts with the beneficiaries, Fund Operators could report to the FMO at programme level through a similar self-assessment grid. In addition, the FMO could also consider making funding available to Fund Operators to conduct mid-term evaluations of the organisational grants using external evaluators with a sound understanding of the national context.

The lack of clarity around the organisational grants which some Fund Operators mentioned appears to have been reflected in the way in which they added organisational grants to their programme results frameworks, particularly at output level. At outcome level, there was broad **consensus** that organisational grants fit the **Outcome – Enhanced capacity and sustainability of civil society organisations**. They are then also mentioned under contributing calls. Latvia, however, mentioned organisational grants under the Outcome – Increased support for human rights. This appears to have confused the way in which the grants were primarily utilised with the ultimate objective.

At output level, only Slovenia included organisational grants as a dedicated output, with the result that, as in other programmes' result frameworks, it is not possible to see the difference between the number of project grants and the number of organisational grants. Being able to make that differentiation would appear to be desirable.

Beyond that actual number, organisational grants **do not lend themselves to being measured in terms of short-term outputs**, but rather in terms of **expectations that the grants will lead to improved project or institutional performance in future**.

Therefore, we suggest that for the FMO to better measure the results achieved by the organisational grant modality, the following steps be taken:

- 1. Guidance be given for the organisational grants modality to fall under the Outcome – Enhanced capacity and sustainability of civil society organisations and the sector.** While we recognise that attaching the organisational grants to a specific outcome might impede the flexibility of Fund Operators to select the outcome that they would like them to fall under, we feel that given the objective of the organisational grants – to enhance capacity and sustainability of civil society organisations, this outcome lends itself most naturally to this type of grant, and will make it possible to establish outputs in a results framework that can be used as a baseline for the future. This does not preclude supporting organisations to enhance their capacity and sustainability to work for other specific outcomes (such as increased support for human rights).
- 2. Determine which outputs under this outcome the organisational grants are expected to affect.** E.g., have the organisational grants led to improved management structures and financial stability of an organisation, more people reached, more collaborations concluded, more advocacy interventions, more funds raised, more web visitors, more social media followers, etc. – compared to what would otherwise have occurred.
- 3. Establish baselines and measure progress.** These could take the form of self-assessment of grant beneficiaries as part of the selection process (baseline) and final reporting (progress). Fund Operators could consider making it a requirement of responding to the call that potential beneficiaries indicate at the outset in a simple grid in which of these areas they expect to see an improvement, on a scale of 1 to 5. Beneficiaries' reporting should contain a self-assessed update of the grid. Surveys are used to assess projects' progress. This would just be a different set of survey questions for organisational grants. Achieving these targets should not be considered a straitjacket. External and internal factors may provide good justification for using the grants differently and is in line with the desired flexibility. It would, however, provide a framework for assessing performance/non-performance and intervening to ensure that the grant is being used effectively.

Apart from the outputs listed under point 2, the self-assessment could also be used to measure institutional development – the Civil Society Organisational Capacity Tracking Tool⁷ provides example questions that could be asked in terms of Human Resources, Financial Resources, Management Systems, Strategic Planning and Delivery.

- 4. Assessment by Fund Operators of the magnitude of the change.** Based on the beneficiaries' reporting and their own judgements from contacts with the beneficiaries, Fund Operators could

⁷ [Civil-Society-Tracking-Tool-English.xlsx \(live.com\)](#)

report to the FMO at programme level through a similar self-assessment grid. In addition, the FMO could also consider making funding available to Fund Operators to conduct mid-term evaluations of the organisational grants using external evaluators with a sound understanding of the national context.

