PANDITA DEVELOPMENT INSTITUTE

SEEKING EFFECTIVE ASSISTANCE FOR A FUTURE

REFLECTIONS OF LOCAL ADVOCACY ORGANISATIONS IN MYANMAR

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CONTENTS

FORWARD

Myanmar's civil society strives to keep up for the freedom and rights of the population facing the socio-economic consequences of the Covid Pandemic and military takeover amid the global crises, including democracy under assault, inadequacies of the international governance system, inflation, and aggression. Local concerns and voices deserve attention for developing effective international assistance, which will make Myanmar people feel hopeful for better days.

In this context, Pandita Development Institute (Pandita) aims to understand the constraints in effectively supporting local civil society organisations (CSOs), especially advocacy groups, in Myanmar. This intent contributes to how to best support local advocacy organisations in Myanmar effectively, now and in the future. The collective and enthusiastic responses of leaders from local CSOs and advocacy groups make this study help understand how the local CSOs, especially advocacy groups, envisage their future. Moreover, this study reflects their perspectives on the international assistance they try to deliver to the population in post-coup Myanmar.

Key recommendations, Pandita hopes, will serve as a basis for follow-up discussions and deliberations on how best to support the future of Myanmar's democracy and civic space via support to civil society.

Pandita wholeheartedly acknowledges the intense effort of local researchers who remain anonymous for their security. Thanks to dozens of active local CSO leaders, as research participants, for sharing their lessons learned, insights and critical decisions via online consultations.

EXECUTIVE SUMMARY

The coup has had a significant disruptive impact on local advocacy organisations in Myanmar. Despite this, they have adapted and continue to work on a wide range of critical civic issues. However, local civil society organisation (CSO) leaders face a myriad of challenges with accessing quality international assistance. Part of these challenges arises as the coup's consequence; some are pre-existing issues exasperated since the coup. Effective international assistance is crucial to ensuring these organisations can continue playing a vital role now and in the future in Myanmar.

Over the past 18 months, advocacy organisations have had to re-organise to take account of new security and financial risks. They grapple with new emerging social issues and rethink their advocacy strategies to take account of the changing context, recognising that previous advocacy strategies would not be appropriate in the current context.

Through this process, civil society leaders report being ready, capable and willing to take advocacy strategies forward across various social, environmental, governance and rights issues. Uniquely positioned to do so, they cope with local knowledge and access to a diverse range of local stakeholders. The local CSOs can identify timely emerging issues across Myanmar and grasp the lessons learned to approach various stakeholders in their advocacy actions. They devise ways to work smarter based on their experience and proceed with their implementation while preparing to sustain their organisation's strategy and objectives.

However, several challenges with international assistance hamper their ability to deliver now and the plan for the future. The key challenges are:

- **Short-term or inaccessible funding**: Those who did not have pre-coup ties with International non-governmental organisations (INGOs) and

donors find it extremely difficult to access funding opportunities. Those who can access funding report that post-coup projects are very short-term, sometimes only running for 3-6 months. Long application processes and rigorous risk assessments can make funding calls unfeasible for local organisations with limited resources, especially when the available funding is relatively small. Local CSOs generally opt for a partnership with INGOs with more resources and capacity to respond to the open calls to access development assistance. However, not every local CSO can find an INGO partner.

- **Misaligned approaches to risk between international and local organisations:** Many CSO leaders reported frustration that donors and INGOs approach and consider risks different from the local's. Others were concerned that donor risk requirements put them in an uncomfortable position (e.g. donor queries on registration status). Some CSOs felt that donor approaches to post-coup projects create more risk for them: 3–6-month projects usually put challenges in managing risk effectively and put additional pressure on their staff.

- **International-driven agendas leaving CSOs feeling 'trapped' and 'passive':** CSO leaders reported feeling 'trapped' and forced into a passive position, with donor priorities dictating their focus rather than vice versa. The situation may be partly due to the lack of effective participation of local CSO in donor strategy processes. Most local CSOs are more likely to be involved in the INGO's strategy and program development processes than donor strategy design.

- **Openness, transparency, and access to information:** Security concerns have resulted in minimal calls for proposals being available on online platforms such as the Myanmar Information Management Unit (MIMU) in the postcoup period. INGOs are now viewed as 'information gatekeepers' amongst many advocacy organisations, and interviewees believed that access to continued funding was contingent on informal, interpersonal relationships with INGOs rather than any objective criteria such as organisational capacity. Some CSO leaders expressed concern that INGOs will use security concerns as an excuse for undermining their best practices on transparency.

- **Ineffective funding models and financial arrangements**: CSO leaders recognised that small, short-term grants could be helpful as donors can assess the local CSOs' performance and capacity and build trust in partnerships. However, most interviewees reported that long-term support would be more beneficial to contribute impactful changes on the ground and to help them plan for the future. Moreover, they would prefer flexible and core funding. Local CSOs believe those are the best way to enable them to manage security and project risks in the current context.

Based on the research findings, this report recommends that donors, INGOs and local advocacy organisations collaborate to develop solutions that work for everyone, balancing the sometimes-competing concerns and priorities between local and international actors. Some of the following suggestions provide initial ideas for further consideration:

- **Protect funding for local advocacy organisations.** Humanitarian and service delivery projects will continue to be vital in Myanmar. However, donors should carve out financial support for advocacy activities to ensure these organisations can continue their essential role now and prepare for the future.

- **Redress the balance of risk assessment and management.** Where CSOs have decided to stay in Myanmar and accept their new operating risks, donors should support that approach and trust in the CSO's analysis of what activities they prioritise to undertake.

- **Create space for local CSOs to contribute their voice in donor country strategy development.** Existing donor-led civil society platforms are welcome and are an approach that other donors could replicate.

- **Channel open and accessible funding information for local CSOs.** Innovative arrangements can make funding information more accessible and create a fair, inclusive, and based-on-merit ground. For example, organising sector-wise regular coordination call between donors and providing local CSOs or secure online forums to share opportunities and key donor personnel's current contact details.

- **Provide quality funding for local CSOs to ensure local ownership.** Donors should work with CSO leaders to understand what quality and

effective funding models look like on a case-by-case basis. Where possible, donors should make multi-year and core funding available.

Maintaining Myanmar civil society intellectual capital includes effective financial support to enable survival, capacity, and expertise for the future.

INTRODUCTION

1. INTRODUCTION

The existence and operations of local civil society organisations (CSOs) reflect the dynamics of the political landscape and developments in Myanmar. In recent years of overwhelming hopes for Myanmar's democratic transition, local CSOs had echoed the population's needs, concerns, and challenges, advocating public policies by engaging decision-making stakeholders. In their efforts, local CSOs distribute development assistance in different sectors of the country, bringing numerous critical outcomes and developments.

However, recurring military coups in Myanmar's history have never allowed the development of civil society to flourish to its fullest potential to serve its communities. When the latest military takeover in February 2021 severely halted the democratisation process and impacted many lives of Myanmar people, different segments of the civil society similarly struggled to cope with the repressions and challenges.

Since a few local organisations have operated secretly in the country, some in border areas and neighbouring countries before the 2010s, those contexts have similarities. However, local CSOs' decades-long reliance on development assistance becomes an issue for their sustainability and accountability to their beneficiary or constituencies. Thus, international donors and organisations need to ensure aid effectiveness and accountability for securing the local CSOs' role and status while delivering impact and responsiveness to the needs and concerns of people under the widening conflicts in Myanmar.

Research on understanding effectiveness and accountability issues in the development assistance context will demand a committed and resourceful process. However, focusing on the advocacy sector will contribute to exploring and understanding the typical constraints and alternative solutions for aid effectiveness and accountability in other segments.

This report comprehensively explores the emergence and development of local advocacy groups in Section 2: the role of local advocacy organisations. Section 3 provides key findings on the short-term or Inaccessible funding for them, misaligned approaches to risks with their international partners, shaping donor strategies and priorities, openness and transparency, funding models

and financial arrangements they can access. The report concludes with Section 4, formulating recommendations and ways to develop solutions among actors.

1.1. Objective and Significance

There is a need to understand better constraints in effectively supporting local CSOs, especially advocacy groups, in Myanmar. More specifically, how do local advocacy organisations envisage the future? How is the development assistance in line with local needs, and how accessible? How did the coup change the trajectory of the funding landscape for Myanmar advocacy organisations? And how can development assistance effectively support advocacy organisations to prepare for the future?

Addressing the above questions will shed light on the main research question: How to best support local advocacy organisations in Myanmar effectively now and in the future.

Discussion and analysis to explore the best and most effective way to support development assistance for local CSOs will convey support to the population and communities in Myanmar as the beneficiary of those organisations. This research will focus on local advocacy organisations' reflections and points of view since it is crucial to managing the constraints in aid effectiveness, a broad and developing concept. The relevance of the focus on those local advocacy groups includes:

- Advocacy organisations have an essential role in any society, including articulating the needs and concerns of diverse communities and providing expert input to local, national and international decision-making processes.

- Since the coup, donors have understandably focused on supporting humanitarian efforts and service delivery organisations. But there is also a crucial role for advocacy organisations: ensuring effective support for them and keeping their capacity and expertise available in the future.

- Pandita's mission and previous research on the sector paved an excellent communication channel with many advocacy organisations working in Myanmar (inside or outside the country).
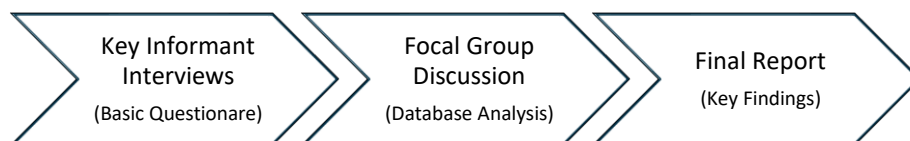
1.2. Methodology

The core research applied qualitative methods, including conducting KIIs and FGDs with local CSOs, especially advocacy organisations. The qualitative method allows us to gain a fuller picture of development assistance received by local organisations. It enables us to "get under the skin" of the issue and understand how the actors channel international aid effectively. The research followed the steps below:

Actor mapping: The researcher conducts an actor mapping identifying the potential research participants from the local advocacy groups which were energetic to influence public policies in recent years. The convenience sampling approach mapping extends with a snowball approach to reach out to potential participants as the mapped representatives from local advocacy groups. And the researcher employs the volunteer response sampling approach, requesting more participants via a national CSO network, donors, and the INGO community.

The participants represent a wide range of local CSOs, promoting the rights of women, children, and labours, advocating for environmental issues, healthcare policies, civic awareness and participation, governance, and democratic institutions. The research also included a few local network representatives in similar thematic and geographical areas.

After the actor mapping, the research continues with the process below.

Key Informant Interviews (Basic Questionare) → Focal Group Discussion (Database Analysis) → Final Report (Key Findings)

Data collection and data analysis: The researcher has collected the enriching data by employing triangulation methods, consisting of 1) observation, 2) in-depth interviews with key informants (KII) and 3) focus group discussions (FGD).

For the **observation** process, the researcher perused documents relating to aid effectiveness, its principles, determinants and strategies, civil society sustainability, localisation, development effectivesss, and Myanmar's political impacts on local CSOs' development. The documents range from

declarations and academic papers to guiding principles of different international donors. Based on the observation, the researcher developed a questionnaire covering the four sub-questions to understand the context of each research participant's organisational nature.

The researcher then conducted **KIIs** via an online videotelephony platform from 14 June to 7 July 2022. Representing 30 local advocacy groups, 15 female and 15 male senior management staff responded to the in-depth interviews. Additionally, three female and three male experts on local civic space contributed their insights to the KII process. Each interview took 40-90 minutes. The researcher and Pandita team collected the responses to the questionnaire in a database during the first two weeks of July 2022. After transcribing and coding the data, the researcher used qualitative data analysis methods, including narrative analysis and case study.

On 10 August 2022, the researcher organised a **focus group discussion** inviting experts to interpret the KII questionnaire database findings into critical themes. Then, the researcher drafted the initial findings in Burmese and returned to a second focal group discussion or a closing round of data validation workshop with the participants to get their views on 23 September 2022.

Ethical Consideration: Preserving the integrity of the study and protecting the respondents' privacy, the research team treated the interviews with great caution. The research process treats the data obtained from the respondents with strict confidentiality and would not use for other purposes. Pandita deleted all recorded and stored data at this report's release.

In some cases where the respondents were uncomfortable recording the interview, the researcher stopped recording but only took careful, case-sensitive written notes. Moreover, the participants were informed in advance that they could stop the interview at any point if they felt uncomfortable and that the data would be treated with strict confidentiality and used only for this paper. The interviewer requested the participant's verbal consent before recording the interviews.

When a local advocacy organisation finds it challenging to establish a strategic partnership and relies on short-termed support from the project-based partnership, they have to embrace any possible opportunities for its sustainability.

THE ROLE OF LOCAL ADVOCACY ORGANISATIONS IN MYANMAR

2. THE ROLE OF LOCAL ADVOCACY ORGANISATIONS IN MYANMAR

Advocacy organisations had become central to Myanmar's democracy movement before the 2021 coup. Since Myanmar's independence, many generations have struggled in the mid of civil war and political instability. The country has retained the Least Developed Country designation since 1987, and successive dictatorships ignored and failed to address numerous challenges and problems the people face. The only hope was to end conflicts, build reconciliation, and approach each situation and challenge by implying good public policies, legislation, and development. Thus, the civil society in Myanmar advocated for reform in diverse sectors when they assumed the democratic transition began in the early 2010s.

2.1. Early Days of Local Advocacy Organisations

The momentum gained even more after the 2015 general election, in which many pro-democratic candidates won a majority of seats in the parliament. When the advocacy and policy-influencing activities tackled sensitive issues, the debates won the awareness and attention of the people at large. Development assistance helped catalyse the emerging local civil society organisation (CSOs) to advocate policy issues in different sectors. Numerous local CSOs, at the grassroots or national level, participated in the advocacy process.

However, those organisations differ in access to information, management, capacity, and approach depending on their expertise, representation, and constituencies. Research and think-tank organisations were increasing in quantity, and some local CSOs began incorporating advocacy activities in their strategic actions. The more expertise in thematic issues they developed, the stronger their voice became. The more coordinated and committed policy advocacy works become, the more hopeful the lives of the people they serve are.

Advocacy CSOs have always had to adopt a flexible and responsive approach to their priorities and processes to take account of changes in local needs,

political context, or international funding opportunities. They worked across all levels of governance, usually forming networks to conduct national-level policy advocacy while also engaging community gatekeepers and authorities on policy implementation and providing awareness campaigns for the public.

Since 2012, policy advocacy and influencing the law-making process have become the mainstream approach among the local CSOs. The local advocacy groups have acknowledged that policy solutions are more efficient than solving the people's demand case by case. The funding opportunities from international organisations help the local advocacy groups engage with parliamentarians and host policy advocacy events, becoming an excellent showcase among international actors.

Pre-coup, distinctions emerged in how different CSOs accessed funding. While larger and well-informed organisations could access direct funding from donor organisations, medium and smaller organisations face challenges in expressing their financial management capacity and accountability to align with burdensome administrative requirements set by the donor. Thus, they tend to access development assistance through International non-governmental organisations (INGOs) and large local organisations. Local advocacy groups commonly established project-based partnerships with international partners rather than strategic ones. Since advocacy work is not one-off, the local organisations relying on short-term support positioned themselves to engage stakeholders and institutions for legislation and law enforcement, conduct research, collaborate with alliances and promote public awareness on thematic issues.

2.2. Exacerbated Post-Coup Struggle

The military coup in February 2021 had a significant and disruptive impact on local advocacy organisations. Over the past 18 months, local CSOs have had to re-organise to take account of new security and financial risks and grapple with emerging social issues. They have to rethink their advocacy strategies responsively to the changing context.

For example, previous advocacy strategies that targeted national-level parliamentarians and policymakers were suddenly no longer fit for the purpose. Most organisations refused to engage with the de facto authorities

on policy advocacy for moral reasons. Besides, doing so could create extreme risks for organisations and invite significant criticism and potentially social punishment from the public.

Moreover, many advocacy CSOs have had to make decisions about potential relocation, changing their organisational operating model and introducing new ways of working to manage security risks. Even then, the organisations relocated with their international partners' support still face different challenges: bridging communication gaps and forestalling misunderstanding and criticisms. The situation has also led to concerns amongst CSOs about the sector's solidarity and cohesion if the information divide deepens and favouritism creeps in.

At the same time, pre-existing challenges around access to quality, long-term funding and effective, open relationships with donors have been exacerbated, especially for medium and smaller CSOs. Many donors have understandably prioritised funds for humanitarian and service delivery work, leaving limited funding for advocacy CSOs. The priority has pushed some towards taking up service delivery work to secure continued funding, and others reported being unable to pay staff salaries due to a lack of funds.

Some participants speculate that engaging in humanitarian assistance and service delivery due to the emergency needs on the ground and funding availability may weaken local organisations' strategic approaches. Conversely, some believed that undertaking service delivery work would help build expertise on local communities' concerns and needs and would not significantly deteriorate the local organisations' strategy and ownership. Indeed, one participant noted that some organisations had collectively advocated redirecting the beneficial provision of humanitarian assistance by international actors.

2.3. A Role for Local Advocacy Organisations Now and In the Future?

Despite the challenges created and exacerbated by the coup, advocacy organisations are playing a critical role currently and will continue their significance in a future democratic, peaceful transition in Myanmar.

Through this research, organisations have reported a wide range of activities they are continuing within the current context. They are working to assess needs, identify emerging trends, identify new issues and advocate a range of local and international actors to take effective action. With their unique position, they advocate applying their local expertise and knowledge.

Since the coup, local advocacy groups have developed new influencing strategies to reflect the change in their target audience. They approach local democratic actors, institutions, and the international community with advocacy. For example, one interviewee described how their organisation shifted tact from advocating for labour rights with national parliamentarians before the coup to targeting their advocacy towards global brands, businesses, and the ministries of respective countries post-coup.

Similarly, a local female civic space expert stated that the local organisations need to engage the UN agencies, the ASEAN, and other international stakeholders. Other participants discussed extensive public awareness campaigns as a possible alternative for advocacy. Some local advocacy groups are preparing to engage respective stakeholders using ICT tools and platforms.

Regarding their thematic areas of focus, research participants reported a wide range of issues they are working on now and want to work on in the future. According to their experience, expertise, and operation areas, local CSOs mentioned a long list of thematic issues for policy advocacy works. The list includes developing policies for humanitarian assistance; education and (physical and mental) healthcare arrangements; gender-based violence preventive and remedial measures; counter actions for natural resource exploitations, human trafficking and illegal narcotic drugs; resettlement and migrations, and federal scheme, including legislation and public awareness about federalism.

Looking to the future, advocacy CSOs are working to build their organisational capacity. Most of the organisations participating in the research are collecting information to understand the needs of the respective beneficiaries to maintain and develop their expertise. Adapting to the changing political landscape and ground situation, they prepare for every possible scenario of organisational priorities and implementations. When some local CSOs prepare

for effectiveness in their leadership and management within limited human resources, a few organisations strive to include volunteer initiatives.

They are also working to restore secure communication channels and make alliances with like-minded regional organisations. Most organisations interviewed agreed on the importance of security protocols, shared accountability among partners, and communication with donors and partner organisations for continuous and reliable funding.

Effective international assistance is crucial for local advocacy organisations to continue their work and secure their position to support a future democratic transition. The next chapter sets out the key challenges local CSO leaders reported facing with international assistance in the current context and their views on how local CSO leaders and the international community can more effectively work together.

When a local advocacy organisation finds it challenging to establish a strategic partnership and relies on short-termed support from the project-based partnership, they have to embrace any possible opportunities for its sustainability.

key findings:

Challenging Arrangements for Local Advocacy Organisations

3. KEY FINDINGS

Covid-19 has struck operational changes globally, including civil society organisations (CSOs) in Myanmar. However, the military coup has hit harder toward the local CSOs. To address their challenges, obstacles, and concerns, we prepare a set of questionaries with a dozen questions for local organisations. Under different sub-headings of this section, representatives of local advocacy groups and experts on civic space generously contributed their reflections and discussed diverse perspectives via in-depth KIIs or focus group discussions.

3.1. Short-Term or Inaccessible Funding

Local CSOs who didn't have pre-coup ties with donors or International non-governmental organisations (INGOs) find it extremely difficult to access funding, and those who do access funding find that most post-coup projects only run for 3-6 months.

As a result of donor practices since the coup, advocacy CSO leaders reported that they feel pushed towards service delivery work and that they are considering focusing on 'less political' issues and activities such as projects on gender-based violence, vocational training, and youth empowerment. It is because these issues are the ones donors seem comfortable funding, and not necessarily because it is what the CSO leaders see as priority issues.

Where funding is available for advocacy work, CSO leaders find that it is usually short-term funding and 'project-based'. They reported that this makes it challenging to implement an effective long-term influencing strategy. Since advocacy work needs consistent effort, local organisations must continue engaging stakeholders, conducting research, collaborating with alliances, promoting public awareness on thematic issues, monitoring policy implementation, and ensuring service delivery. When a local advocacy organisation finds it challenging to establish a strategic partnership and relies on short-termed support from project-based collaboration, they have to embrace any possible opportunities for its sustainability.

CSO leaders reported that current aid and service deliveries are predominantly humanitarian, and the project timeframes become shorter, for example, three to six months, compared with their regular project implementations. A participant reflected: "We have implemented the project because of the emergency in the community. If possible, we wanted to bring a more effective scheme. Since the project was short-termed, we manage things ad-hoc. It is difficult to reduce the risks practically for the frontline local CSOs."

The short-term project implementations are not brand-new experiences for local organisations. Most local CSOs have respective experiences implementing parts of their international partner's programmes over time. However, those experiences were different from the current ones. In the old times, they were more foreseeable for their commitment, long-term partnerships, and coordination; thus, they were more hopeful for long-term planning and financial future. In the haze of post-coup days, the same short-term project brings a different sense for local CSOs.

> *"We have implemented the project because of the emergency in the community. If possible, we wanted to bring a more effective scheme. Since the project was short-termed, we manage things ad-hoc. It is difficult to reduce the risks practically for the frontline local CSOs."*
>
> — a local CSO leader (female)

CSO leaders described feeling stuck in an 'activity trap', with limited resources for project implementations, and local communities get confused with local CSO's role and credibility on specific issues.

Moreover, CSO leaders report an information void concerning the funding landscape. There is an overwhelming narrative that disconnecting information related to development assistance is because of security concerns; however, a participant remarked, "it is not convenient to relinquish transparency for the sake of risks." Many local CSOs access funding via intermediary organisations, such as INGOs, and feel that this can create further barriers to information.

Numerous instances exist where an established local advocacy organisation implements the projects designated by the INGOs, which allocate face-lifting activities with their nametag. Local CSOs receive information about

development assistance opportunities from their partner INGOs via email or the MIMU information platform. The local actors find it difficult to browse all the donor's official websites for information about potential funding.

The processes around accessing funding are also challenging for many advocacy CSOs. When established local advocacy groups have organised documents including essential policies and standard procedures to access opportunities in development assistance directly; younger and undersized CSOs face challenges with such documentation. The interviewees reported that they sometimes experience demanding excessive information requirements for accessing a small amount of funding for a short-term project. High eligibility requirements for due diligence set by the intermediary support organisations become a barrier itself to accessing development assistance.

A participant remarked, "Some application templates repeatedly require the same information in five or six different places. I wonder whether the person who designed the template understands clearly the purpose". When a funding opportunity is open for all but with the intricated application process, the local CSOs doubt there will be a preselection among the candidates.

Some interviewees acknowledged that small grants could contribute to helping assess the capacity and potential of younger and undersized organisations and initiate a relationship with them. However, substantial impacts and fundamental change for the communities require long-term commitment and coordination with local CSOs. By any means, local CSO Networks wish development assistance to channel to their member organisations.

3.2. Misaligned Approaches to Risks

Many CSO leaders reported frustration that donors and INGOs approach and consider risks different from the locals. The international community is not recognising their experience nor respecting their judgments on risk, often making it more challenging for local CSOs to operate.

Local CSO leaders reported that their international partners' approach to risk often does not align with the ones CSOs are grappling with in reality. For

example, interviewees commented that while international partner organisations focus on reducing fiduciary and legal compliance risks, the frontline local CSOs face safety, security, operation, reputation, information, and ethical risks.

Similarly, CSO leaders felt that donors did not always recognise their local knowledge and expertise in risk judgements. For example, interviewees noted that the leadership quality and management capacity of local CSOs play a key role in reducing security risks. They consider temporarily adjusting their management policies and practices in the changing context. When a CSO staff gets arrested even following the strict protocols in a low profile, their colleagues face stress issues, grow concerns over their families' security, and become more precautious in their neighbourhood.

These considerations do not appear to as a factor when international partners focus on legal compliance risks. Some CSO leaders reported that international partners enquire about the organisation's registration status to manage legal compliance risks and encourage them to register. Such inquiries and encouragements create a dilemma for the local CSOs over their organisational values and ethical conduct while expanding concerns on their future operations and sustainability.

> *"We always assess the risks in the earlier days of the project design. We all know what the considerable risks are. In reality, the financial resources are not sufficient to reduce those risks. Moreover, we operate with limited human resources. All operations must stop if we do not want to put ourselves at stake. That is not possible."*
>
> — a local CSO leader (male)

Usually, legal and registration status enquiries may be part of a due diligence process. However, local CSOs tend to perceive these queries as an indication that the international partner is averse to taking on the legal risk of working with a partner who has not registered. The local CSOs with domestic registrations can pass the inquiry smoothly; they cannot imagine how they will face again when the registration term expires. The local CSOs, never registered at all or unwilling to renew their registration term, feel fewer opportunities for development assistance in the future. A participant commented, "It is

unacceptable that there will be no foreign aid simply because of having no registration."

CSO leaders felt that while international partners focus on risk management, provided resources are often inadequate to enable local CSOs to engage robustly with donor risk management systems. The key risks CSO leaders reported to be grappling with are:

- **Information/data security.** Many organisations have closed their offices and operate work-from-home, similar to the Covid-19 pandemic. However, limited access to technological tools and equipment poses challenges to properly managing security practices; having concerns about information risks.

- **Public perceptions.** They should be careful not to be contrary to or controversial against the public discourse and not to get labelled as merely funding hunters for development assistance. If it fails, the local CSOs cannot handle the ethical and reputational risks, repercussing social punishment and the diminishing role of local CSOs.

- **Security risks.** CSO leaders reported that the security risks they face depend mainly on the specific political climate they are operating. The more the political environment complicates the more risky the local CSOs' operations. Therefore, they make local, context-specific action plans and regularly review/revise these.

Interviewees reported that when international actors engage with them on risk assessment and management, the local actors feel additional pressure in the context of already excessively stretched capacity. Instead, the local CSOs prefer recognising their innovative approaches and adaptative strategic actions. And local knowledge and expertise to shape the risk judgement.

As said by one participant: "We always assess the risks in the earlier days of the project design. We all know what the considerable risks are. In reality, the financial resources are not sufficient to reduce those risks. Moreover, we operate with limited human resources. All operations must stop if we do not want to put ourselves at stake. That is not possible."

3.3. Shaping Donor Strategies and Priorities

International-led strategies leave CSOs feeling 'trapped' and 'passive'. Local CSOs have limited opportunities to shape donor priorities or agendas. Local CSOs often feel 'trapped' or 'passive' as they respond to donor and INGO-led initiatives rather than being empowered to drive agendas and strategies themselves.

Most CSO leaders felt that donor priorities and strategies often do not align with local organisations' priorities and strategies. For example, a local female expert on civic space said: "When the local CSOs operate on their vision, missions, and strategic approaches, they face challenges to be always in line with the international donor's priorities and criteria to support. Although international donors make changes in their priorities, the local CSOs have no choice but to be committed to their missions if the problems and issues remain unsolved."

It is problematic: a weak comprehension of the local context could lead development assistance to undesirable impacts and consequences on the political landscape and society domestically. A female expert on local civic space remarks: "Promoting global norms and values, which is not a pressing issue domestically, makes the local partners competitive in fundraising and projectisation. That may also push local CSOs off the track from their original missions."

Another participant said, "I wish international support landed on the local needs, not on the sexy project titles. The beneficiaries should realise the impact. In that case, the donors should listen to the local voices and take responsive actions immediately. However, while half of the development assistance reaches the beneficiaries, the other half has gone nowhere."

Part of the reason for misalignment could be that local CSOs tend not to be directly engaged in donors' strategy developments. Instead, most local CSOs access donor funding through INGOs and are more likely to communicate regularly with these organisations. Most interviewees said their organisations receive funding primarily from INGOs rather than donors' direct financing. INGOs usually take the role of intermediary support organisations to facilitate, manage, and redistribute development assistance that local organisations find

challenging to be accountable for or as service contract partners. Hence, local organisations generally engage in partner INGOs' strategy and program development process rather than influencing donor agencies' country strategic priorities or agenda development.

> *"Promoting global norms and values, which is not a pressing issue domestically, makes the local partners competitive in fundraising and projectisation. That may also push local CSOs off the track from their original missions."*
>
> — a local civic space expert (female)

Interviewees reported that they rarely receive any feedback on whether their voices and recommendation regarding local need alignment, effective implementation and accountability are conveyed to the donors' consideration to formulate future development assistance. They also felt that any opportunity to engage with donor strategies is only for those CSOs having had a pre-existing relationship with the donor or are close to the staff from international organisations.

Even when local organisations have had an opportunity to engage directly with donors, they do not believe that strategy development sufficiently incorporates local preference. Most local CSOs assume the adopted strategies and agendas consider only specific fragments of local voices. Thus, the local actors have termed international funded activities "donor-driven projects." The language barrier, resource and technical skills limitations, staff shaffling in aid agencies in which they established closed relations, and differentiated interests of local and international organisations contribute to their weak influence on donor strategies and agendas.

The misalignment issue could also be partly due to local CSOs focusing more on fundraising priorities and less on influencing donors. Some interviewees highlighted that they prioritise using time and resources to pursue funding opportunities over opportunities to engage with international organisations and donors on their strategies.

3.4. Openness and Transparency

Understandably, necessary security measures have impacted donors' and INGOs' openness. However, in some cases, CSOs leaders expressed concern that INGOs will use security concerns as an excuse for undermining their best practices on transparency.

The communication between local and international organisations shapes the coordination of aid effectiveness. Almost all the research participants felt that communication was tricky. Moreover, they believe this is part of the long-standing issue but agreed that effective communication has deteriorated since the coup. For example, there were fewer in-person engagements, such as networking sessions and events, and minimal calls for proposals were available on online platforms, such as the MIMU, in the postcoup period.

The situation differentiates local CSOs into two categories: the information-haves, which communicate through the favoured aid agency staff, and the unhappy information-have-nots. An established local advocacy group confessed in the interview that their access to development assistance is not because of the capacity they developed or the information they can access but because of the closed personal relation to the staff in aid agencies. But the representative elaborated that a more streamlined and fair-minded communication process is more favourable for all. She mentions, "Personal closeness has limits and can change any time; we should focus more on equal information access." Another participant confirms that local CSOs should maintain their code of ethics by not relying on personal closeness with their international partner organisations.

While the established communication carries on between those local and international organisations, the organisations in the information-have-nots category find it challenging to embrace new funding opportunities and develop new partnerships. A local civic space expert has commented: "The door to access development assistance should be opening wider than the local CSOs trying to knock at each door."

Generally, INGOs can access development assistance information from donor agencies and disseminate it to their local partner organisations. When direct communication with the local CSOs is convenient, developing a more inclusive

and quality platform to communicate uniformly will be more favourable. According to the participants, delayed information or communication gatekeeping affects the quality of understanding, trust, and coordination; they wish for direct contact instead.

> *"The door to access development assistance should be opening wider than the local CSOs trying to knock at each door."*
>
> — a local civic space expert (male)

Moreover, the reluctance to share and discuss respective strategic actions among INGOs or between INGOs and local partners makes their coordination less effective and causes overlapping projects and beneficiaries. For massive programmes which are difficult to implement by only one INGO or local CSO, the funding model is more likely to be sub-contracting or sub-granting. Since the funding shrinks in the intermediary's administrative costs, the local CSO implementing on the ground can access limited direct costs for activities.

In such contexts, the local actors want to communicate to back donors about the challenges and effectiveness of the development assistance they deliver. "The project grant is not more than a thousand dollars, but the intermediary organisation also requires the activity to be sustainable. But they cannot guarantee continuous support. It can only happen when the hell freezes over," reflected a participant. Thus, the local CSOs always wished for direct communication channels which could be heard by the donors and adopt solutions for aid effectiveness in the future.

Efficiently communicating with international donors and consultations can help reduce administrative burdens set by the intermediary organisations and optimise effective management and targeted beneficiary for the delivery in different geographical areas. The participants suggest an information system or platform for smooth communication channels. In that process, intermediary organisations can contribute technical assistance and mentorship to catalyse communications rather than strict adherence to their requirements.

For aid effectiveness, international organisations focus on contract management, while local actors concentrate on project management. The harmony between the two layers of management will foster aid alignment.

Whilst international donors find it difficult to comprehend the context on the ground, the frontline CSOs struggling with challenges and risks want to express their performance. Due to their incompetent communication, the intermediary organisations get more acknowledgement and appreciation. "The local CSOs get stagnant in the delivery mode and face challenges to endeavour their strategic mission," remarked a specialist on local civic space.

More than half of the participants pointed out that unawarded candidates who responded to the calls for proposals should get informed and reviewed per request. The local CSOs get to know about who gets what from peer organisations or friendly INGO staff rather than formal communication, thus wishing for more transparency in the sector. The local advocacy groups, relying extensively on development assistance, prefer active and dynamic communication conveying supportive information sources. Meanwhile, they expect to access information relevant to their strategic actions via trustworthy organisations. However, to ensure aid effectiveness, they worry about being manipulated and leading to clientelism from gatekeeping information.

3.5. Funding Models and Financial Arrangements

Pre-coup communication platforms are now not used, so information often only reaches those CSOs with close relationships to INGOs (and not directly available to CSOs via donors). The context often excludes mission-based CSOs with outstanding local expertise from funding opportunities, gives an advantage to those CSOs with pre-existing ties to INGOs, and creates tensions between CSOs.

Local CSOs still confuse the capacity-building support and core funding approach regarding the organisational development funds. The core funding approach usually contributes to operation costs, including other expenses that will make specific activities effective for an organisation. In contrast, the capacity-building supports depend on the need of local CSOs and tend to be one-off.

The core funding approach could result in an effective modality for development assistance based on recipient organisations' leadership quality and strategic relevance. If the mentioned qualities are critical for the recipient organisations, prolonged reliance on core funding could also lead the local

CSOs into a "comfort zone" in which there is limited evidence to benefit their constituencies. It is crucial to formulate practical alternatives by assessing the capacity and strategy of local CSOs.

A female participant who pointed out the need to strike a balance in such support mentioned, "It is needless to say that international support should strike a balance. A local CSO cannot stay idle for the communities it serves while receiving capacity-building support. It looks like learning to ride a bike. Every local CSO will find it difficult until they find a balance like a beginner tries to be on the bike. Even with the capacity-building support, the local CSOs should get the most out of it." If a local CSO can effectively use the capacity-building supports, it may lead to accessing core funding and project grants to sustain their long-term strategic planning.

In an atmosphere of lower predictability for project implementations due to security concerns and operational hazards, local CSOs prefer funding modalities that only require feasible reporting and ensure local accountability. The local advocacy groups, whose operations are primarily office-based, favour a stable and committed source of support.

Financial allocation to rent an office venue or to recruit staff depicts a prominent contrast between local CSOs and international organisations. When INGOs can access indirect costs and operational expenditures, their local partners can access limited direct costs for activities and implementations. The financial accessibility favours INGOs to employ enough staff in a comfortable apartment or compound in Yangon's exclusive neighbourhood or on the main streets. On the other side, the local CSOs, especially advocacy groups, strive for their innovative implementations at stake within limited human resources, which are draining to earn a better salary or status elsewhere.

The local CSOs —committed to responding to local needs— attend to their daily routines with a principle of "work more, earn less, spend less" with an expectation for more opportunities for development assistance. Rather than focusing on their strategic actions, local CSOs have contributed their time to their international partner's implementations even before the coup. In such an activity trap, the local actors postponed addressing their capacity and resource challenges but adopted a mindset that "access to funding is more important than aid effectiveness."

> *"You see the local CSOs access (development assistance) through INGOs. The local actors are keen on practical implementations rather than structuring a healthy mechanism. A healthy mechanism (for development aid) is vital in the long run. Without such a mechanism, it won't be easy even when the donors want to support your organisation. At the same time, donor agencies should elevate the local CSOs to the minimum criteria they can work with."*
>
> — a local CSO leader (male)

Although there are local advocacy groups which comprehend the detailed processes of accessing development assistance, most local CSOs observe the procedures as facilitated by international organisations without hindrance. The participants acknowledged the role of INGOs, expecting to promote their project-based partnerships to strategic partnerships and to prepare local partners' sustainability and resilience. A local civic space expert mentioned: "You see the local CSOs access (development assistance) through INGOs. The local actors are keen on practical implementations rather than structuring a healthy mechanism. A healthy mechanism (for development aid) is vital in the long run. Without such a mechanism, it won't be easy even when the donors want to support your organisation. At the same time, donor agencies should elevate the local CSOs to the minimum criteria they can work with."

The participating local CSOs assume that INGOs reserve their former local partner organisations for new opportunities. There have been several cases when a local organisation's capacity met the criteria but did not become a local implementation partner. On the other hand, there are cases when a local organisation cannot adapt to the requirements but become eligible after mediation due to the closeness between the local and international partners.

Above mentioned controversial coordination based on interpersonal connections encourages local actors to hire part-time contractors for their project implementation. "The funded CSO has no expertise on the environmental issue. However, they gained more trust because of their experience managing a considerable amount of funding. But other CSO candidates with strategic missions for environmental conservation lose an opportunity," reflected a participant. Another participant confirmed that some

organisations implemented diverse projects based on funding availability and got driven away from their mission later.

Below is a case study provided by a participant. Apple and Orange are local CSOs closely acquainted and submitted their service delivery proposals separately to Watermelon, the intermediary organisation. Whereas the staff from Orange and Watermelon have interpersonal closeness, Orange's plan came to implement while rejecting Apple's proposal. However, Orange faced challenges in implementation and reached Apple for peer support and consultation. Apple finds that Orange's plans include the proposed project by Apple "in exact words" as a result of the informal communication between Orange and Watermelon. Unfortunately, the staff from Watermelon forgot to integrate the budget into Orange's.

The case study mentioned above does not generally represent the intricate interpersonal closeness among local and international organisations. After the coup, transparency standards and information flow marred by the security risks with local CSOs have affected the trust and coordination between local and international actors to deliver development assistance to their dedicated populations and marginalised groups.

Frequently, most local CSOs are unaware of how much of the donor's funding allocates to how many local CSOs-led developments. Instead, they usually receive information on budget size for their respective implementations. Moreover, very few local CSOs can access the reviews on their shortcomings and non-eligibility when their proposals get rejected. Incidentally, those who receive such reviews on the rejected proposals include the local CSOs having interpersonal closeness with the intermediary organisations, while most local CSOs do not follow up. Most local CSOs acquire "who gets what" development assistance information from their peers. Information about development coordination and partnerships and showing the best regard to the local CSOs whose proposals get rejected can enhance mutual trust, understanding, and further coordination.

Although the local CSOs struggle in the role of project implementation units on the ground, they expect INGOs' support in accessing funding, improving their capacities, providing security arrangements and protections, shaping strategic alliances, facilitating as a connector, and enhancing coordination as added

value. The local CSOs, who have experience accessing direct financial support from donor agencies, acknowledge dynamic communication with in-time responses, reduced transactional costs, management effectiveness, and transparency; thus, they prefer to maintain such engagements.

A debate in a focal group discussion argued that the participants are not demanding the highest standards of openness but a measure which ensures the pros and cons of transparency upon the local CSOs and guarantees mutual respect, appreciation, and trust amongst the local and international actors. Moreover, since the local CSOs learn and apply the best practices from their partnering INGOs, they anticipate that international actors will continue to champion transparency and support them in preparing for a similar setting. The local partners then can foster transparency by pursuing zero harm and promoting efficient and accountable coordination.

There will not be a one-size-fits-all approach. Attending to independent and critical local voices could be done innovatively to understand better the challenges, needs and risk reduction bottlenecks caused by limited resources.

way forward:
Voice, Transparency, and Resources

4. WAY FORWARD

Based on the research findings, the report recommends that donors, International non-governmental organisations (INGOs), and local advocacy organisations collaborate to develop solutions balancing the sometimes-competing concerns and priorities between the actors. The first two recommendations will protect the **autonomy and diversity of local civil society** in the current context. Considering the last three recommendations as initial ideas for further consideration will ensure **aid effectiveness** and **enable an environment** for local civil society organisations (CSOs) in Myanmar.

1. Protect Funding for Local Advocacy Organisations

Supporting the survival, capacity, and expertise of local advocacy organisations will maintain intellectual capital and the development effectiveness of local civil society in Myanmar's future.

The local advocacy organisations, engaging to protect the rights of people and their well-being, identified the significant issues and causes across post-coup Myanmar. They considered approaching wider stakeholders beyond conventional stakeholders and devised innovative approaches to manage security risks and responsive actions. Humanitarian and service delivery projects will continue to be vital in Myanmar. However, donors should carve out financial support for advocacy activities to ensure these organisations can continue their key roles now and prepare for the future.

2. Redress the Balance of Risk Assessment and Management

Securing effective communication flow and dialogues will provide a comprehensive understanding of risks among the actors to balance the risk assessment and management without harming in accessing and implementing development assistance.

The relationship between leadership and adaptive capacities helps local CSOs cope with risks within their resource limitations. Where CSOs have decided to stay in Myanmar and accept their new operating risks, donors should support

that approach and trust in the CSO's analysis of what activities they are willing to undertake. (The following three recommendations will also bring opportunities and guarantee to redress the balance in the longer term.)

3. Create Space for Local CSOs to Contribute Their Voice in Donor Country Strategy Development

Encouraging local CSOs' voices to incorporate into donors' agenda settings will make local actors feel their **local ownership** and improve **alignment** and **mutual accountability**.

The research confirms local actors' minimal participation in influencing country strategy developments of international donors. The more international donors could reflect the local thinking, the more effective their assistance meets local needs and creates fundamental impacts. Existing donor-led civil society platforms are welcome and are an approach that other donors could replicate.

International organisations should listen to the local voices more than a tick-box exercise in a rapidly changing environment. Local CSOs should involve more than "invited to approve the drafted agenda". It needs to facilitate convenient arrangements to raise the local CSOs' voices. There will not be a one-size-fits-all approach. Attending to independent and critical local voices could be done innovatively to understand better the challenges, needs and risk reduction bottlenecks caused by limited resources.

4. Channel Open and Accessible Funding Information for Local CSOs

Transparency makes international assistance more effective. Ensuring a predictable and efficient flow of information regarding international aid will make local CSOs envisage their future and improve **harmonisation** and **accountability**.

Holding on to values and best practices in hardship indicates how a civil society organisation qualify for its role. Since the local CSOs learn and apply the best practices from their partner INGOs and international actors championing transparency can help eliminate misunderstandings, establish trust in

international partners, foster coordination and shared accountability, and have an outlook on the future with better preparedness. Thus, donors and intermediary support organisations should provide the local CSO engagement information open and accessible to local actors.

Disseminating information should reach local CSOs promptly and comprehensively since information is only valuable when relevant. While the information portal is an option for pursuing zero-harm for local CSOs, keeping certain information closed need justification, for example, for security reasons. Donors should look for ways to reach local CSOs through different platforms in different contexts to make development works more efficient and effective. For example, organising sector-wise regular coordination call between donors and providing local CSOs or secure online forums to share opportunities and key donor personnel's current contact details. At the same time, intermediary organisations can assist local CSOs' working environment by equipping skills and resources to access information about international assistance.

5. Provide Quality Funding for Local CSOs to Ensure Local Ownership

Different funding models have advantages for aid effectiveness and diverse challenges in practice for several local CSOs. Minimising the challenges will help international assistance deliver **better results and impacts, improve local ownership** and local actors' capacity, ensuring access to quality funding.

Thousands of local CSOs operate for various missions, expertise, leadership, management, size, and target areas across Myanmar. In response to the coup and its consequences, they have survived through strategic reorientation and limited human resources. International actors should consider the "updated condition" with each "transformed" local CSOs and employ appropriate funding modalities. However, there will be no standardised approach to providing effective and quality funding for them.

Thus, international donors should adopt or combine different funding modalities (see case-by-case notes below), considering the experiences and expertise of the local partners. Most local CSOs prefer multi-year funding,

which ensures local ownership and consolidates their institutional capacities for sustainable impacts and genuine social change.

> **Box: *Funding Modality Case-by-Case Notes***
>
> - **Direct funding** to numerous local CSOs is challenging for funding agencies worldwide. Years of development partnerships and implementations enriched Myanmar's local CSOs with strategic direction, organisational capacity, and leadership skills. Most local CSOs, having track records of receiving direct funding, are eager to get funded in the same modality. Direct funding improves local ownership and develops their capacity as a learning organisation, thus establishing local direct strategic partners. It also reduces transaction costs, therefore assuring cost-effectiveness.
>
> - **The Consortium Approach** is a funding modality occasionally used to improve cooperation and shared accountability. Still, the local counterpart could often be challenging to play as an equal partner because of the international partner's compelling resources and capacity. Moreover, the opportunity to participate in a consortium is not open to many local CSOs. To advance the qualities of the consortium approach, donors should ensure local leadership, support an equitable and fair partnership between local and international actors, and transparency in the consortium. To maximise the added value in a consortium, the partners should extend people-to-people links and relationship building.
>
> - **Multi-donor Trust Funds**, sometimes called pool funding, have supported numerous projects for local CSOs in recent years. Its positive qualities are open to local CSOs and reduce project overlaps and duplication. On the other side, this modality can concentrate on the issues that donors prioritise, reduce the funding diversity for local CSOs, and restrict local CSOs' strategic actions, increasing competition.
>
> - **Core Fundings,** alternatively termed operating grants, are available for only a few local CSOs, depending on their donor's policy. Since this approach improves local ownership, develops their capacity as a learning organisation, and establishes direct local strategic partners.

Unless it fails to guarantee the recipient organisation's leadership, strategy, and organic capacity development, it could leave the local CSOs in a comfort zone where they passively rely on the operating grants relinquishing to serve their constituencies effectively. Thus, the funding agencies need to inform the local recipients not to assume the core funding as merely capacity-building support. In an atmosphere of lower predictability for project implementations due to security concerns and operational hazards, this modality could be a suitable alternative for local CSOs, requiring feasible reporting and ensuring local accountability.

- **Small Project Funding** was the most common approach for the local CSOs before and after the coup. Including freshly organised at the grassroots levels, several local CSOs, endeavour to serve their communities and strive to win small project funding. When the local CSOs with considerable organisational maturity continue to attempt the same funding opportunity, this approach creates opportunity gaps with the newly formed and smaller CSOs. Moreover, micro-grants and sub-grants build trust with and assess the performance of the newly formed and smaller CSOs; it needs a cautious approach not to prompt patron-client relationships and fragmentation, which would undermine the local civic space.

Table: *Advantages and Challenges with Different Modalities*		
Models	**Advantages**	**Challenges**
Direct Fundings	• improve local ownership • develops CSO capacity as a learning organisation • enhance cost-effectiveness due to reducing transaction costs • establish direct strategic local partners	• depend on the donors' readiness, willingness, and policies
Consortium Approach	• improve cooperation and shared accountability	• need to ensure local leadership • create an equitable and fair partnership between local and international actors • enhance transparency in the partnership • extend people-to-people links
Multi-donor Funds	• open to local CSOs • reduce overlapping and duplication	• create funding controls as donors prioritise • reduce the funding diversity for local CSOs • restrict local CSOs' strategic actions • increase competition in local CSOs
Core Fundings	• improve local ownership • develops CSO capacity as a learning organisation • establish direct strategic local partners	• critical to ensure the recipient's leadership, strategy, and internal capacity development
Small Project Funding	• donors can assess the local CSOs' performance and capacity	• drives into activity trap • remains in the status of the project implementation unit • clientelism and fragmentation

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