


Model Standards for Public Funding of CSOs

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Model standards for public funding of CSOs

1. Introduction

These standards aim to create a unified framework for all 'public institutions' that provide funding to civil society organizations (CSOs) in the northern part of Cyprus. When applicable, these standards also apply to in-kind support provided to CSOs. The standards are based on the Joint Guidelines on Freedom of Association developed by the OSCE Office for Democratic Institutions and Human Rights (OSCE/ODIHR) and the European Commission for Democracy through Law (Venice Commission).

The listed principles and standards could be further developed in detailed public funding regulations that various institutions may adopt.

2. Principles of public funding

The principles listed here are based on the understanding that financing civil society organizations and their activities bring benefit to the communities and the institutions themselves.

Independence of CSOs

Regardless of the source of financing, CSOs are independent from any government control or instruction. They are free to discuss or challenge any action or proposal by state institutions.

Transparency

The public financing that CSOs receive from the administration should be as transparent as possible. This would include publication of the most important information such as the announcement for the possibility to apply for funding, the evaluation criteria and the list of funded projects/activities and the amounts provided, among others.

Equal treatment and fair competition

Applications for funding should be evaluated based on objective and fair criteria and the selection should be based on impartial assessment of the proposals, free from conflicts of interest.

Accountability

CSOs should report on the results they have achieved with the funding they have received.

Proportionality

The burden of the application process, the implementation and the reporting should be proportional to the amount of funding provided.

3. Key stages of the process:

a. Planning of the public funding

Minimum standards:

- Institutions should develop clear procedures on how to decide on funding allocations and in-kind support and the procedures should be made public. They should be developed in cooperation with CSOs working in different thematic areas.
- Institutions should determine the priorities for the funding jointly with CSOs. While there are priorities that may change annually, institutions should also focus on more strategic, longer-term objectives.
- Institutions should decide on the length of the project funding. While short-term projects solve immediate problems, longer-term support could address some of the roots of the problems.
- Institutions should appoint an official responsible for the project application process that serves as a contact point for civil society organizations.
- Institutions identify a section on their websites where they will publish all information related to the financing/in-kind support of CSOs.
- Institutions prepare an annual program with the grant competitions they plan to organize during the year and post it on their websites.

Applicable OSCE/ODIHR and Venice Commission principles

*“Associations should be **involved in the drafting of legislation and policies** on state funding and support.” (point 207)*

*“States may also establish mechanisms that allow for **long-term funding**, the covering of real costs of produced services or implemented projects, or the covering of **institutional support** provided to associations.” (point 210)*

b. Project application requirements

Minimum standards:

- The procedures and the application process should be as simple as possible. The documents to be submitted as part of the application should be as limited as possible. Most of the documents should be provided at the stage of signing the contract with successful applicants.
- When determining eligibility criteria for applicants, the institutions should ensure that they are not overly restrictive and allow for fair competition.
- Project funding for CSOs should allow expenses covering the costs of personnel and administrative expenses.
- The regulations should allow advance payment (pre-financing) to ensure that organizations have sufficient funding to cover the costs associated with the project implementation.

Applicable OSCE/ODIHR and Venice Commission principles

*“Any form of public support for NGOs should be governed by **clear and objective criteria.**”* (point 205)

*“The **criteria for determining** the level of public funds available for each association must be objective and non-discriminatory, and clearly stated in laws and/or regulations that are publicly available and accessible.”* (point 208)

c. Process of announcing and deciding on public funding

Minimum standards:

- The institution should disseminate the information about the opportunity to finance CSO programs and projects (including through in-kind support) as widely as possible, including by publishing it on the designated section of its website. It will also promote it through CSO mailing lists, etc.
- The announcement of the funding program should contain guidelines for applicants, application and budget forms, draft contract and any other relevant documents. The guidelines should contain information on:
 - Types of activities that will be supported;
 - Types of activities that will not be supported;
 - Eligible and ineligible expenses;
 - Evaluation criteria;
 - Checklist of all the documents to be submitted with the application.
- The timeline for the application should provide sufficient time for developing project proposals. A reasonable time for proposal development is 30 days.
- Project applications should be evaluated based on the published evaluation criteria by independent evaluators that may include also civil society representatives.
- When providing in-kind support, institutions should also provide clear guidance and sufficient time to apply and the requests for support should be evaluated according to pre-set and public criteria.
- The refused applications will receive information on the reasons why they were not selected for funding.

Applicable OSCE/ODIHR and Venice Commission principles

*“Public funding should be allocated through a **transparent procedure** and be accompanied by a broad informational campaign delivered to all potentially interested associations. When the allocation of funding is made through a competitive process, the evaluation of applications for public funding should be **objective and based on clear and transparent criteria**, developed for the competition and publicized in advance. The **results of evaluation processes should be made available to the public**, as should information concerning the applications of associations that did not receive funding, specifying the reasons for awarding funding to some projects and not to others”.* (point 211)

d. Transparency of results and reporting

Minimum standards:

- Institutions should prepare a clear reporting form, developed in consultation with CSOs.
- Organizations are obliged to report on how they have spent the funds received and how they have implemented the project activities.
- The project reporting should not be too burdensome and should be proportionate to the amount of funding provided.
- Institutions should ensure that the information about the achieved results and the overall amount provided to each project is publicly available.
- Institutions should provide organizations with the possibility to give feedback on the application and implementation process. They should evaluate and take into consideration the feedback received to improve the program.

Applicable OSCE/ODIHR and Venice Commission principles

*“State authorities should **inform the public** about the allocation of funds by providing data on the beneficiaries and the quantities of funding allocated to each, as well as on the purpose for which the funding has been used.” (point 209)*

*“Reporting requirements relating to public support **should not be too burdensome** and, at the very least, should be **proportionate** to the level of public support received.” (point 214)*

Useful materials:

OSCE/ODIHR and Venice Commission, Joint Guidelines on Freedom of Association -

[https://www.venice.coe.int/webforms/documents/default.aspx?pdffile=CDL-AD\(2014\)046-e](https://www.venice.coe.int/webforms/documents/default.aspx?pdffile=CDL-AD(2014)046-e)

Vanja Skoric (ECNL), Standards and Good Practices for Public Funding of Civil Society Organizations -

https://ecnl.org/sites/default/files/2020-09/TUSEV%20Public%20Funding%20Report_Final.pdf

ECNL, Comparative Approaches to Public Funding for CSOs -

[https://ecnl.org/sites/default/files/2023-](https://ecnl.org/sites/default/files/2023-02/Comparative%20approaches%20to%20public%20funding%20for%20CSOs.pdf)

[02/Comparative%20approaches%20to%20public%20funding%20for%20CSOs.pdf](https://ecnl.org/sites/default/files/2023-02/Comparative%20approaches%20to%20public%20funding%20for%20CSOs.pdf)

ECNL, Public Funding for CSOs - Good Practices in the European Union and Western Balkans -

https://www.icnl.org/wp-content/uploads/cfr_engb54.pdf