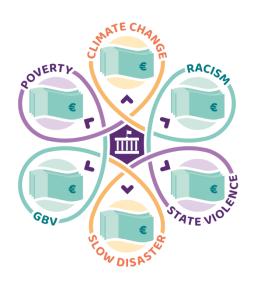


Transformative Funding: A Pathway for Creative and Effective Crisis Response

Recommendations to policymakers to mitigate the gendered impacts of Covid-19 based on RESISTIRÉ findings



The RESISTIRÉ research has demonstrated that civil society organisations (CSOs) played an essential role in responding to and managing the COVID-19 pandemic as a crisis, particularly in terms of addressing the needs of the most vulnerable groups and mitigating intersectional and gendered inequalities. Yet the lack of secure, flexible, and sustainable funding interrupted and, in some cases, hampered these vital efforts. As Europe and the world face multiple and intersecting crises energy, food environmental degradation, drought, fires, earthquakes, gender-based violence), it has become all the more imperative to design

funding schemes that support CSO resilience and enable rapid and effective civic response to crises. This requires a shift in funding schemes towards participatory, transformative, flexible, long-term, capacity-building funding.



Recommendations

Based on the **RESISTIRÉ** research, we argue that for an inclusive and effective crisis response that incorporates the needs of vulnerable groups, CSOs play a crucial role, and that grant-making organisations can be critical allies in co-creating better stories of crisis prevention, management, and recovery, as well as in transforming philanthropy towards greater inclusion and equality.

We call on major funders of CSOs, including the European Union, to revise their funding schemes so that CSOs have more capacity to respond to needs on the ground, particularly in times of crises, when mainstream funding schemes become hinderers rather than enablers of rapid and effective response. More specifically, we invite funders to diversify their <u>forms of funding</u>, revise the parameters of <u>the funding process</u>, allocate rapidly available <u>crisis funding</u>, and re-evaluate the <u>funding mindset</u>.

Forms of Funding

- Provide flexible, multi-year, capacity-building funding leaving space for experimentation, creativity, and crisis response;
- Combine long-term core funding and short-term project-based funding;
- Support **community-led organisations**; enable special funding for grassroots organisations and initiatives led by members of vulnerable groups (through earmarking and other schemes) to help build community resilience and to mobilise local resources to be deployed in times of crisis;
- Use grants to support community philanthropy and community foundations (that are based on the mobilisation of local resources for local issues) to help **build local** resilience to be deployed during times of crises;
- Allow regranting to make it possible for smaller organisations to be supported by larger CSOs and to open pathways of collaboration: It is particularly important for funders that are not part of the rights movements they are funding to consult grassroots actors about where the funding should go or give the funding to movement-led and community-led organisations that can facilitate the allocation of funds in a participatory way (through regranting and other means).









The Funding Process

- Conduct research on the funding needs of CSOs and grassroots civic initiatives and **make funding allocations needs-driven**;
- Put an emphasis on the process, and not exclusively on the outcomes, thereby leaving **time for reflection and iterative processes**;
- Make decision-making processes on funding priorities and allocations inclusive for example, by developing **participatory funding schemes** that enable CSOs and grassroots organisations and movements to decide on funding priorities and allocations;
- **Simplify reporting processes and reduce bureaucracy**: use the information that is already there (and introduce video-reporting as an option when appropriate).

IMPROVING THE FUNDING PROCESS





Crisis Funding

- Redefine funding lines and processes based on an understanding of perpetual and interconnected multiple crises: gender-based violence, racism, state violence, climate justice, poverty, and other forms of slow violence¹ and slow disaster;²
- Develop **crisis-specific funding schemes** in consultation with grassroots organisations and initiatives to identify and respond to the funding needs on the ground;
- Make rapid response / emergency funds available;
- Introduce flexibility into all funding schemes in order to support creative and effective crisis responses by CSOs.

The Funding Mindset

- Redefine the relationship between funders and grantees as one of **partnership** (having a more horizontal partnership and sharing common values enable a rapid and effective response during a crisis);
- Acknowledge, learn from, and support the **multiplicity of resources** that communities and grassroots organisations and movements have, such as skills, knowledge, networks, and activist energy, acknowledging that 'money' (as important as it is) is not the only nor the most important resource for an effective crisis response;
- Do not let issues of trust and accountability get in the way of building equal relationships with grassroots organisations and initiatives, and instead **build long-lasting relationships and collaboration** to maintain mutual trust and accountability;
- Re-evaluate all funding processes and outcomes based on questions of inclusion, intersectionality, and fairness, paying particular attention to the **structural inequalities** that result from histories of colonialism, racism, patriarchy, heteronormativity, and ableism.

¹ Nixon, R. (2011). Slow violence and the environmentalism of the poor. Harvard University Press.

² Knowles, S. G. (2020). Slow disaster in the Anthropocene: A historian witnesses climate change on the Korean peninsula. *Daedalus*, *149*(4), 192–206. https://doi.org/10.1162/DAED a 01827



> Problem Statement and Insights from RESISTIRÉ

A report from the European Union Agency for Fundamental Rights (FRA) indicated that out of 400 CSOs consulted across the EU, 60% experienced difficulty securing funding in 2020, despite some efforts to improve financing frameworks in several Member States.³ The specific challenges related to the allocation of funds that CSOs reported were: competition with other CSOs for limited funds; limited administrative capacity to apply for funding; a lack of transparency and fairness in funding allocation; and restrictive eligibility criteria. CSOs also highlighted pandemic-related funding issues such as 'the diversion of public funds to other priorities, a decrease in private donations and the inability to organise fundraising events, and a decline in in-kind contributions such as volunteering'. ⁴ Similar to RESISTIRÉ's findings, FRA's research also highlighted the discriminatory and restrictive funding practices that exist in a number of EU countries and that are especially a problem for CSOs focusing on gender equality and LGBTQI+ rights, as well as those working with migrant communities and religious minorities.



RESTRICTIVE CRITERIA | LACK OF TRANSPARENCY | HEAVY BUREAUCRACY

RESISTIRÉ's research has demonstrated the essential role that civil society organisations and solidarity initiatives played in managing the pandemic crisis by attending to the multidimensional needs of vulnerable groups, mitigating gendered inequalities, and filling the gaps left by public institutions and social protection measures. ^{5 6 7} Nevertheless, CSOs, which were already suffering from a lack of sustainable funding before the pandemic, had difficulty

³ European Union Agency for Fundamental Rights (FRA). (2021). *Protecting civic space in the EU*. https://fra.europa.eu/sites/default/files/fra_uploads/fra-2021-protecting-civic-space_en.pdf

⁴ European Union Agency for Fundamental Rights (FRA). (2021), p. 8.

⁵ Altınay, A., Türker, N., Ensari, P., & Adak, H. (2022). *RESISTIRE factsheet: Crisis management for all: Inclusive, multi-actor crisis management*. Zenodo. https://doi.org/10.5281/zenodo.7053650

⁶ Cibin, R., Ghidoni, E., Stöckelová, T., & Linková, M. (2023). *RESISTIRE D2.3 Summary report mapping cycle 3*. Zenodo. https://doi.org/10.5281/zenodo.7708631

⁷ Sandström, L., Callerstig, A., Strid, S., Lionello, L., & Rossetti, F. (2023). *RESISTIRE D4.3 Summary report on qualitative indicators - cycle 3*. Zenodo. https://doi.org/10.5281/zenodo.7708724



finding and accessing stable funding opportunities during the pandemic.⁸ Furthermore, many governments and donors suspended grants and froze funding to CSOs during the pandemic, which made the situation even more difficult for CSOs and forced some of them to put their activities on hold.⁹ This represented a threat not only to the CSOs' sustainability but also to their ability to continue to serve their communities and fulfil their vital role, especially in crisis situations.¹⁰ The situation is even worse for CSOs working on human rights and advocacy than it is for CSOs providing services. For example, organisations engaged in women's and LGBTQI+ rights played a key role in the struggle against GBV during the pandemic, but they often did not receive financial assistance from the government and were typically left out of crisis resilience funding. ¹¹

The CSO representatives consulted for RESISTIRÉ described the allocation of short-term funding through projects as an obstacle to the urgent crisis-specific work that has to be done during a crisis situation and highlighted the need to move away from project-based logic in order to maintain the work of CSOs and their relationships with their beneficiaries.¹²

PROJECT - BASED FUNDING



Many of the CSO initiatives mapped by RESISTIRÉ as better stories had received financial support, directly or indirectly, from national, regional, or local public authorities, which highlights the significance of these resources in enabling CSOs to navigate the pandemic challenges and to offer

effective support to vulnerable groups.¹³ These public funds were in most cases made available for the purpose of responding specifically to the pandemic. For example, in Iceland, a café aimed at addressing social isolation among people in poverty received funding from a municipal programme specifically created to support pandemic-related activities. Similarly, a Swedish organisation that helps young migrants utilised funds from the Swedish Agency for Youth and Civil Society that targeted organisations assisting vulnerable populations during the pandemic. In Italy, an organisation focused on youth in education obtained government funds to pay for summer camps and aid families in need.

⁸ Cibin et al., (2023).

⁹ CIVICUS. (2020). *3 funding concerns for civil society during this pandemic*. https://www.civicus.org/index.php/fr/medias-ressources/133-blogs/4472-3-funding-concerns-for-civil-society-during-this-pandemic

¹⁰ CIVICUS. (2020).

¹¹ Altınay et al. (2022).

¹² Cibin et al. (2023).

¹³ Cibin et al. (2023).



In Spain, a regional government programme financed an initiative that turned a hostel into a shelter for homeless women, while in Prague the municipal government provided full funding for an initiative that converted some hotels into homeless shelters.



CONVENTIONAL FUNDING

The COVID-19 pandemic demonstrated that with adequate funding, CSOs can play a critical role in reducing inequalities among vulnerable populations and responding to the urgent needs of individuals neglected by authorities. Therefore, the emergency response approach of relying on CSOs must be transformed into a more permanent funding solution to ensure their long-term stability.¹⁴ Yet, public funding for CSO work during the pandemic was rare and generally temporary.

RESISTIRÉ's research and workshops with CSO representatives suggest that current funding schemes have several shortcomings that limit the possibility of developing creative civic responses to crises:

- Most funding for civil society organisations and initiatives is short-term and projectbased (which limits capacity-building, long-term and strategic planning, and the flexibility needed for an effective crisis response);
- CSOs operate with a **mentality of 'scarcity'** (of funding) and find themselves in competition with each other (which limits their creativity and ability to take risks);
- Short-term project funding leaves CSO staff in an insecure and precarious position
 (which makes it difficult for them to make long-term plans and to invest in capacity-building and well-being, and limits their ability to respond and respond creatively to crises);
- Funding priorities and funding decisions are typically made in a **top-down decision-making** process;
- Grassroots organisations, initiatives, and movements often do not participate in the
 decision-making process regarding the allocation of funds, even though they are the
 ones who know the needs and funding priorities on the ground;
- **Hierarchical relationships** between the providers and recipients of grants limit the possibility of meaningful, creative engagement in the funding relationship;
- Significant time and energy are spent on **bureaucratic procedures**, which create additional barriers for grassroots organisations and initiatives and make it difficult to

¹⁴ Cibin et al. (2023).



affect the rapid adjustments that are needed, particularly in times of crises with changing situations and needs.

In recent years, an increasing number of funders have moved away from the established hierarchical models of funding, fixated on full oversight and control over the specific uses of the money and the project outcomes, towards new, transformative funding schemes that are more horizontal, participatory, flexible, long-term, and creative. At the same time, there are growing numbers of (particularly feminist) initiatives that seek to outline new principles for participatory, transformative, flexible, long-term, capacity-building funding.

Suggested resources for feminist funding principles and toolkits

Feminist Funding Principles

Lighting the Way - shake the table

Resource Mobilization Toolkit

Transforming philanthropy with feminist principles

Where is the Money for Feminist Organizing?



> A Better Story

In RESISTIRÉ we use 'Better Stories', a concept borrowed from Dina Georgis¹⁵, to refer to promising practices that identify how a given societal situation can be ameliorated to improve existing practices.



The Feminist Fund Poland (FemFund) has been providing consistent support to grassroots organising across Poland since 2018. It manages the fund on the basis of an understanding that women, girls, and feminist groups know best what actions are necessary. FemFund Poland's priorities involve supporting groups that resist patriarchy, oppression, and the structures of power and capitalism. This support may take the form of responding to emergencies or promoting selfcare and community care. FemFund provides support to a wide range of groups and organisations, such as rural housewives and anarchist collectives, sex educators and abortion providers, female athletes and

artists, environmental activists and refugees, mothers before and after childbirth, people with disabilities and the carers of these people, trans people and those non-heteronormative and non-binary people manifesting on the streets, and pensioners and employees fighting for their rights, as these are the groups most commonly discriminated against.

Fem Fund Poland embraces feminist philanthropy and practises participatory grant-making, whereby the money they raise is allocated to feminist plans and needs identified by the members of the feminist and LGBTQI+ movement themselves.

¹⁵ Georgis, D. (2013). The better story: Queer affects from the Middle East. State University of New York Press.



Magdalena Pocheć, one of the founders of the Fund, explains the history, grant-making model and principles of the Fund as follows:

"Feminist Fund Poland was started by three activists who emerged from the feminist movement. The Feminist Fund Poland positions itself as part of the feminist and LGBTQI+ movement. There is shared ownership over the fund as individual supporters contribute monthly to make the fund sustainable. Being movement-led and community-led, our grant-making is based on facilitating the process of mobilising resources and of collective decisionmaking regarding the distribution of the funds. After issuing an open grant call every year, we receive proposals. Then, applicants/activists read each other's proposals, discuss the priorities for allocating the funding, and tell FemFund where the money should go. 75% of the funds are allocated through the participatory grant-making process. The remaining 25% is decided on by the Advisory Board that seeks to identify who or what is still missing among the potential grantees. Through this participatory grantmaking model, grant-making becomes an act of solidarity and power shifting. Thanks to this model, activists who are part of the community are also learning from each other and building new networks of solidarity. The transparency of the process also helps trust-building and co-creation.

The pandemic reaffirmed the importance of unrestricted funding, the role of communities, and transnational solidarity. Thanks to the flexible budget that FemFund manages, we were able to swiftly and smoothly respond to changing priorities on the ground. FemFund's grantee partners were free to use the funding as they needed. We carried out online sessions to share our experiences and support each other. We could also count on FemFund's international partners and donors that expressed their solidarity by encouraging us to follow our needs and demonstrated full trust in us."

RESISTIRÉ Factsheet: Transformative Funding



About RESISTIRÉ

This factsheet is based on data collected in RESISTIRÉ's third research cycle, which ran from December 2022 to February 2023. In this research, 30 national researchers worked with the consortium to map policies, societal responses, and qualitative and quantitative indicators relating to the pandemic in EU-27 countries (except Malta), along with Iceland, the UK, Serbia, and Turkey. This research activity was accompanied by workshops and interviews with gender equality experts whose input informed the main findings from expert consultations.

RESISTIRÉ is an EU-funded Horizon 2020 project, the aim of which is to 1) understand the impact of COVID-19 policy responses on behavioural, social, and economic inequalities in the EU-27 (except Malta), Serbia, Turkey, Iceland, and the UK on the basis of a conceptual gender+framework, and 2) design, devise, and pilot policy solutions and social innovations to be deployed by policymakers, stakeholders, and actors in different policy domains.

Find out more about the project and discover all other outputs at https://resistire-project.eu.







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