

OVERVIEW

This report examines the AIDS funding environment through a civil society lens. It presents and discusses findings from a six-country study of access to AIDS funding by civil society organisations (CSOs) in southern Africa. The study draws upon data from 439 CSOs conducting AIDS response activities, as well as community case studies and interviews with a selection of donor institutions in Lesotho, Malawi, Mozambique, Namibia, Swaziland and Zambia. It focuses on the period 2001 to 2005.

Civil society organisations have become a mainstay of AIDS responses in southern Africa. They exist in a multiplicity of forms, from community-based organisations (CBOs) such as support groups and income-generating projects, to large-scale, professional non-governmental organisations (NGOs) that work nationally and internationally. Civil society organisations are heterogeneous; the roles they play in relation to AIDS are not easily categorised and are often poorly understood. CSOs have often been referred to as pioneers of local-level responses to AIDS, bringing innovative approaches to HIV prevention, care and support in affected communities and mobilising around the rights of people living with HIV. More recently, they have come to be seen as partners in national AIDS programmes, acting as bridges between communities and external resources and frameworks. Perhaps most frequently, CSOs are conceived of as well-intentioned and altruistic providers of services and support to people who might otherwise not be reached by existing programmes. These varying and overlapping views of civil society organisations as ‘pioneers,’ ‘partners’ and/or ‘providers’ are influencing the positions which CSOs are assuming within the broader AIDS response environment and, in particular, the dynamics of resourcing and support for their efforts.

This research has explored the funding environment for local civil society organisations against a backdrop of rapid increases in funding for AIDS, as well as critical shifts in the way that international development assistance is conceived of and delivered. The Paris Declaration on Aid Effectiveness and the ‘Three Ones’ principles call for greater national ownership and control over development assistance and better harmonisation of donor activity at country level. These trends have important implications for CSOs in terms of how they access, utilise, and report on funding for AIDS and other development issues.

The research found evidence that there has been a dramatic increase in the number of civil

society organisations involved in AIDS responses, beginning in the early 1990s and intensifying since 1999, and that global increases in funding for AIDS are reflected in the spending patterns of the organisations surveyed. Between 2001 and 2005, CSOs’ average annual expenditure on AIDS tripled. Spending grew most rapidly during the latter half of this period which corresponds to the introduction of Global Fund and PEPFAR funding in the region, as well as increases in other funding sources. By 2005, CSOs working on AIDS were receiving more funding, from a greater number of sources, than they had in 2001.

The bulk of funding for CSOs over the period examined went to a small proportion of leading organisations – many of which are urban-based – with prior programme delivery experience and financial capacity, while many smaller and less-developed organisations operated mainly on the basis of donations and in-kind support. However some of the trend data collected in the study suggests dynamics which may be mitigating against these imbalances. Average spending on AIDS among CBOs grew at a faster rate between 2001 and 2005 than it did among national and international NGOs.

Country-level funding architecture has become an important factor shaping CSO access to funding, especially for smaller organisations. Increased spending among CSOs between 2001 and 2005 can be traced in part to disbursements by sub-granting agencies – public or private institutions which act as funding conduits for one or more streams of external funding. While these accounted for only about 11% of the total volume of funding received by surveyed CSOs in 2005, they were the most frequently mentioned source of support. Their size, reach, degree of decentralisation, and relative efficiency in distributing funding shaped the extent to which small and medium CSOs were able to access support for AIDS.

During the period studied, the funding environment included a wide range of agencies channelling support to CSOs. Bilateral funders provided the greatest amount of money for CSOs, but access to bilateral as well as multilateral funds was highly concentrated among about 20% of surveyed organisations, and these were generally the most well-established national and international non-governmental organisations. International development NGOs also played a major role as conduits of international aid and this role became more prominent with the scaling-up of funding for AIDS over the five-year period.

Despite harmonisation efforts among donors, there was only limited evidence that the funding environment became more regularised or simplified from the perspective of CSOs. Fundraising has proven to be an increasingly time-consuming activity and many CSOs expressed that funding arrangements were not well-suited to their needs, were difficult to work with, and did not function efficiently.

The growth in overall levels of funding for CSOs has not translated into sustainable support, as almost half of organisations surveyed had 25% or less of their projected budgets funded for the following year. The case study research showed that funding flows were not reaching many smaller organisations trying to serve members of their community, and there was evidence of numerous local organisations functioning without access to any financial support.

Funding agreements were generally found to be short term and project specific, and the quality and sustainability of much CSO work was compromised by a lack of support for basic costs linked to organisational expenses and activities not directly related to funded services. Funding during the period was overwhelmingly directed at programme implementation and service delivery. There was relatively little funding awarded to CSOs for activities such as training, advocacy or rights-based work.

The study shows that the proportion of time spent on AIDS-related activities increased over time in those organisations that do not have an exclusive AIDS focus. However, at the same time, many of the younger organisations which have worked on AIDS since their founding were also involved in other community development and support activities not specifically related to AIDS. This was particularly true for small community-based organisations and NGOs which often adopt a holistic approach to addressing community needs and may be utilising 'AIDS funding' for activities which can be seen as more broadly developmental. In other words, there appears to be a certain coalescing of 'development' and 'AIDS interventions' at community level.

Based on these key findings, the study raises critical questions about the scaled-up involvement of civil society organisations in the planning and development of AIDS responses. The recent growth of CSOs in AIDS response is a phenomenon that is unfolding without a roadmap and there are many strategic questions which require attention and debate. It is not always evident whether funding for civil society organisations is being pursued strategically, based on an understanding of civil society's strengths and potential contributions to the epidemic, or largely instrumentally as a way to extend the reach of services. One clear possibility is

a shift away from the independence of civil society towards greater co-option into the role of service provider. The way funding for AIDS is structured is having clear effects on the type of work many CSOs are undertaking, the degree of ownership they feel over their work and the programme models they use, and their ability to plan for the future and grow as independent organisations. Scaling-up has often been achieved without adequate recognition of the operational limitations faced by many CSOs that make them ill-suited to meet some of the standard requirements that are attached to the receipt of funding.

The challenges of 'funding' AIDS responses and 'supporting' AIDS responses should not be conflated. Getting money to 'where it is needed most' is only part of what is required. The value of CSOs having money in hand is greatly dependent on other kinds of support, and the findings from this research suggest that this has not been given sufficient attention, or that the complexities of this process have been underestimated. If many of the emerging CSOs are to become viable and strong organisations, there is a need for enhanced country-level support for strategic planning, organisational development, and human resource development programmes. This cannot be ignored. Without attention to these capacity-building issues, strong and effective local responses to AIDS are unlikely to emerge.

This research has shown that critical appraisals of the global response to the HIV epidemic have resulted in significant shifts in the way that funding for AIDS is being conceptualised. To differing degrees, all six countries in the present study reflect efforts to move funding closer to the ground in order to better resource community-level responses to AIDS. A range of models and approaches are in evidence and it is clear that there is a growing amount of thinking – and a mounting evidence base, drawn from practical experience – about how to optimise support to civil society.

One of the major challenges that remains, however, lies beyond the problem of simply 'moving money' to communities more efficiently – it is about getting those resources to work in different and more effective ways. This is a much more difficult challenge, because it relates to the complexity of marrying external forms of support to local ideas, motivations and forms of activity in a way that enables them, rather than dictating to them. The report concludes with some recommendations to funding agencies, governments and AIDS coordinating authorities, and to civil society organisations themselves around how approaches to funding civil society organisations could be strengthened in line with these goals.