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2015 CSO SUSTAINABILITY INDEX

AFGHANISTAN



The 2015 CSO Sustainability Index for Afghanistan

**Developed by:
United States Agency for International Development**

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INTRODUCTION

The fifth edition of the *CSO Sustainability Index for Afghanistan* reports on the strength and overall viability of the civil society sector in Afghanistan based on the assessment of local civil society representatives and experts.

The *CSO Sustainability Index* is an important and unique tool for local civil society organizations (CSOs), governments, donors, academics, and others to understand and measure the sustainability of the CSO sector. This publication complements similar publications covering other regions, which in 2015 include reports on twenty-four countries in Central and Eastern Europe and Eurasia; thirty-one countries in Sub-Saharan Africa; seven countries and territories in the Middle East and North Africa; and nine countries in Asia, including Afghanistan.¹ These editions of the *CSO Sustainability Index* bring the total number of countries surveyed to seventy-one.

This Index used the same methodology as that of other editions of the *CSO Sustainability Index*. A panel of local experts met to discuss progress and setbacks in seven interrelated dimensions of CSO sustainability: legal environment, organizational capacity, financial viability, advocacy, service provision, infrastructure, and public image. As part of its discussion, the panel assigned scores to the seven dimensions on a scale of 1 to 7 — with 1 representing the highest and 7 the lowest level of sustainability — which were then averaged to produce an overall CSO sustainability score.

Based on the expert panel’s discussions as well as its own knowledge of the sector, the implementing partner then drafted a narrative report that describes CSO sector sustainability, both overall and for each dimension. An Editorial Committee of technical and regional experts reviewed the country report and scores. More detail about the methodology used to determine the scores and draft the report is provided in the Annex.

While CSOs still operate in a difficult environment marked by insecurity, CSO sustainability has improved over the five years that the *CSO Sustainability Index for Afghanistan* has been carried out. Advocacy has improved markedly over the past five years, aided by improvements in CSO coordination and collaboration with the government since the establishment of the National Unity Government (NUG) in late 2014. CSOs still struggle with limited organizational capacities, but have made progress in this area as donors have started forming more long-term partnerships with CSOs in the provinces and providing resources for institutional development, which has increasingly prompted CSOs to engage in strategic planning. Scores for Infrastructure and Public Image have also improved somewhat: CSOs have formed new networks and thematic groups, while CSOs’ involvement in the 2014 elections, particularly their civic education initiatives and mobilization of voters, increased public appreciation of the role of CSOs as well as media coverage. Other dimensions of sustainability—Legal Environment, Financial Viability, and Service Provision—have remained largely the same over the past five years.

This publication would not have been possible without the valuable contributions of many individuals and organizations. In particular, this publication was made possible by the financial support provided by the Aga Khan Foundation. In addition, the knowledge, observations, and contributions of the many civil society experts, practitioners, and donors who participated in the panels are the foundation upon which this *CSO Sustainability Index* is based. Specific acknowledgements appear on the following page.

¹ The *CSO Sustainability Index for Afghanistan* and *CSO Sustainability Index for Pakistan* are made possible by the support of the Aga Khan Foundation.

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AFGHANISTAN



CSO SUSTAINABILITY: 4.9

Country Facts

Capital: Kabul

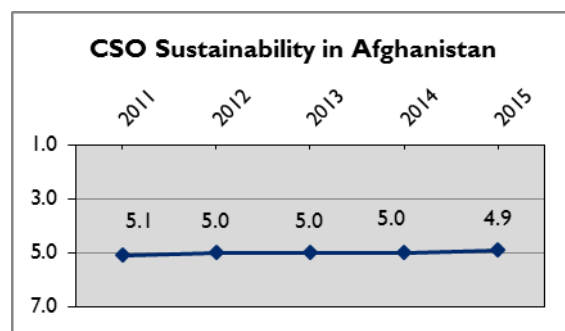
Government Type: Islamic Republic

Population: 32,564,342

GDP per capita (PPP): \$1,900

Human Development Index: 171

Civil society plays a vital role in local and national development in Afghanistan² and made notable achievements during 2015. Throughout the year, a vibrant civil society was committed to advocating for the rights of citizens. For example, CSOs and activists marched on the streets of Kabul and several provinces to urge the government to take action to put a stop to ethnic violence and violence against women. During the year, CSOs also promoted various laws and amendments impacting the CSO sector, including the Access to Information Law, the Law on Associations, the Law on Non-Governmental Organizations (NGOs),



and tax incentives for donations.

Although international funding continued to decrease in 2015, partnerships between CSOs and other sectors, as well as community contributions, have started to cover CSOs’ basic costs. In addition, increased

² Capital, government type, population, and GDP in all reports are drawn from the Central Intelligence Agency, The World Factbook, available online at <https://www.cia.gov/library/publications/the-world-factbook/>. Human Development Index rankings available at <http://hdr.undp.org/en/content/human-development-index-hdi>.

competition for funding has driven CSOs to improve their organizational capacities, including strengthening internal management systems and constituency building efforts.

Insecurity, however, has continued to pose serious threats to CSOs operating in many parts of the country. CSO activists are vulnerable to kidnappings and threats by the Taliban both in Kabul and the provinces. Media outlets reporting in conflict areas such as Kunduz Province increasingly received threats in 2015; in October, the Taliban issued a statement threatening Tolo TV and 1TV.

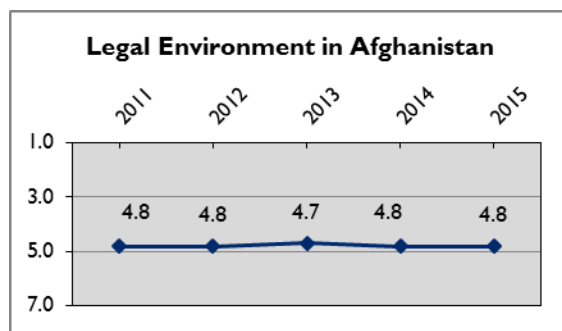
Since the establishment of the National Unity Government (NUG) in October 2014, coordination and collaboration between CSOs and the government has improved. The NUG has committed to ensuring civil society’s meaningful engagement in strengthening governance, rule of law, key political processes, and monitoring of the Tokyo Mutual Accountability Framework (TMAF), under which the Afghan government and the international community mutually committed to helping Afghanistan achieve its development and governance goals.

As of August 2015, 5,789 associations (including social organizations, foundations, and unions) were registered with the Ministry of Justice (MOJ), and 2,060 NGOs were registered with the Ministry of Economy (MOE), slight increases since 2014. There are also numerous informal and unregistered CSOs, including village-based *Shuras* (community-based councils), *Jirgas* (tribal assemblies of elders), and youth movements advocating for change in their communities.

LEGAL ENVIRONMENT: 4.8

Afghanistan has two main types of CSOs: associations, governed by the 2013 Law on Associations; and NGOs, governed by the 2005 Law on NGOs.

The Law on Associations provides for several categories of organizations—councils, communities, assemblies, unions, and social organizations—all of which are defined as non-profit, non-political entities voluntarily established by a group of real or legal persons in accordance with the law. At least ten founders, all of whom must be Afghan citizens, are required to establish an association. In 2015, the Supreme Court affirmed that foundations also should register with the MOJ under the Law on Associations, provided that they have at least ten founding members.



The Law on NGOs provides a broad definition of an NGO: a domestic or foreign non-governmental, non-political, and not-for-profit organization. A founder of an NGO can be a natural or legal person, and either domestic or foreign. At least two founders are required to establish an NGO, one of whom must have a residence and exact address in Afghanistan. The Law on NGOs lacks clear guidance on the registration of networks. While the law does address registration of coordinating bodies and umbrella organizations, unlike these types of organizations, networks conduct advocacy and lobbying rather than just having a coordination function. Thus most networks remain unregistered, while some register as individual NGOs. The legal framework only allows a foreign CSO to apply for registration as an NGO at the MOE.

NGOs must register with the NGO Department of the MOE, while associations must apply to the MOJ. Both registration authorities are located in Kabul, and CSOs from all over the country must travel there to register even though line departments exist in the provinces. According to the Law on Associations, the MOJ should establish offices to issue registration certificates in the provincial centers, but this has not happened yet. It costs 10,000 AFN (about \$145) to register an NGO or association. Registration certificates for associations are valid for only three years, though they can be extended for a 5,000 AFN (\$70) fee. Registration for NGOs is permanent.

The registration process at both the MOE and MOJ is time consuming. Unless bribed by applicants, the

registration officers at both the MOE and the MOJ often delay the registration process because they lack the technical expertise. They also provide minimal guidance to applicants. While the MOJ is legally required to register an association within fifteen days of an application being submitted, it often fails to adhere to this requirement. The MOJ must provide written justification when rejecting an application, and the applicant has the right to appeal the decision to a competent court. Registration as an NGO reportedly takes at least two months. NGOs go through two levels of assessment: a Technical Commission that reviews applications; and a High Evaluation Commission comprised of representatives from the Ministries of Finance and Labor and Social Affairs, the Control and Audit Department, the Attorney General's Office, the National Security Department, and the NGO coordination bodies. The process for foreign NGOs involves both the MOE and the Ministry of Foreign Affairs.

Although not recognized under the Law on Associations or the Law on NGOs, some CSOs also “register” with the Ministries of Women’s Affairs, Rural Rehabilitation and Development, Information and Culture, and Education by submitting copies of their registration certificates, organizational charters, and other documents. These ministries do not issue registration certificates to the CSOs, but cooperate with them based on the documents they submit. At a national conference in 2015, CSOs noted that this process was a significant challenge and advocated to sign MoUs with the line ministries instead of undergoing this additional registration process.

NGOs are subject to a great deal of control by the MOE. NGOs must provide semi-annual reports to the MOE or the relevant Provincial Department of Economy (PDE). If an NGO fails to submit four consecutive semi-annual reports or two consecutive annual reports, the MOE can dissolve it. In 2015, the MOE terminated 250 NGOs, including eleven foreign NGOs, for failure to submit reports. According to the Law on NGOs, NGOs are also required to apply to the MOE for approval of projects, as well as submit reports at the end of projects. The MOE and PDEs do not communicate with NGOs in a timely manner. In many cases, NGOs submit their projects and semi-annual reports to PDEs and continue functioning for years without knowing that the MOE did not receive their reports and had dissolved their organizations. Furthermore, PDEs often delay approving projects or project reports. In several provinces, NGOs report that while PDEs might not directly ask for bribes, they often impose administrative impediments to drive NGOs to recruit PDE staff as project employees or purchase equipment from PDE offices.

While the Law on NGOs only requires NGOs to report to the MOE, in practice NGOs often must report to several government departments, each of which has different requirements and procedures for reporting, adding to the administrative burdens they face. For example, if an NGO implements a legal aid project, it likely reports to police headquarters, the legal aid board of the MOJ, a provincial governor’s office, the PDE, and the NGO Department of the MOE. Associations are required to submit annual financial reports to the Ministry of Justice at the end of their fiscal years.

Tax authorities reportedly impose administrative obstacles to drive NGOs to pay bribes in order to get their tax and financial reports processed. In 2015, the Agency Coordinating Body for Afghan Relief and Development (ACBAR) and the International Center for Not-for-Profit Law (ICNL) shared concerns with the Ministry of Finance (MOF) regarding administrative impediments to financial and tax reporting at the central and provincial tax offices, including complaints about corruption in these offices. The MOF has not yet taken action to address these concerns.

Once associations are registered with the MOJ, they are considered tax-exempt organizations. NGOs, however, must apply to the MOF for tax-exempt status, which the 2005 Income Tax Law restricts to those organizations that are organized and operated exclusively for educational, cultural, literary, scientific, or charitable purposes. Few NGOs have received tax exemption letters from the MOF. Many are either unaware of the possibility of tax exemption status or prefer not to deal with the long, bureaucratic, and often corrupt process to receive it. The Income Tax Law does not provide tax deductions for individuals or corporations that donate to CSOs.

The constitution and the Mass Media Law of 2009 guarantee the right to freedom of speech and access to information, but impediments to these rights remain. For example, according to Human Rights Watch, in

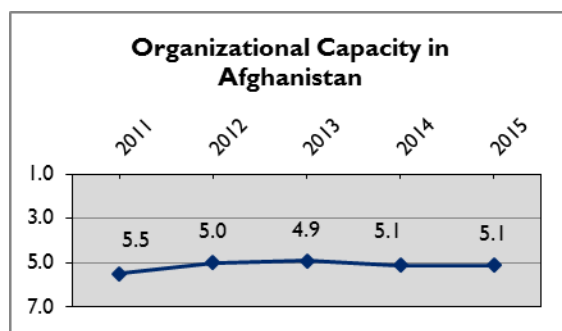
March 2015, security officials blocked journalists from entering the Sangin district of Helmand province while the conflict there between Afghan armed forces and the Taliban intensified. In late 2015, the National Security Council (NSC) issued a statement calling for restrictions on where CSOs can organize demonstrations. As a result of CSO advocacy efforts, the NUG disregarded the NSC's statement. In 2014, President Mohammad Ashraf Ghani signed the Access to Information Law, which allows Afghan citizens to access information from government institutions. However, the law is only partially implemented and CSOs continue to push the government to fully enforce the law.

The 2009 Law on NGOs allows NGOs to earn income if it is used to further the organizations' purposes. The Law on Associations does not address income-generating activities, though the Civil Code provides that associations "may not carry on any financial business," which could be interpreted as prohibiting associations from engaging in income-generating activities. In practice, however, associations carry out economic activities without government interference. NGOs and associations must pay tax on the income from their income-generating activities in accordance with the Income Tax Law. CSOs face no legal barriers to competing for government funds, contracts, or procurements at the local and central levels. At the same time, there is no organized state coordination between different ministries to assist CSOs in accessing government funding.

CSOs seldom seek the services of the country's 2,800 lawyers. Many CSOs are not aware of the available legal capacity, while others believe that lawyers in Afghanistan do not have the expertise to resolve civil society-related cases. The USAID-funded Afghan Civic Engagement Program (ACEP), in partnership with ICNL and ACBAR, produces handbooks that contain information on changes to laws, policies, and practices affecting CSOs. So far ACEP and ICNL have published twenty different handbooks on varying topics. Legal affairs authorities within the government are also available to provide advice to CSOs. Associations must take their cases to the courts, while the Law on NGOs provides two administrative channels for resolving legal issues: the High Evaluation Commission, which is active; and the Conflict Resolution Commission, which has not yet been established. However, NGOs and associations rarely file complaints against government officials for fear of threats, harassment, loss of support from government institutions, and other reprisals.

ORGANIZATIONAL CAPACITY: 5.1

CSO organizational capacity remained largely stable in 2015. Since 2002, short-term donor funding has encouraged CSOs to be project-driven and align their activities with donor priorities. Recently, however, donors—such as Counterpart International (CPI), through ACEP—have started supporting longer-term engagements in development, advocacy, and service delivery. In addition, the shutdown beginning in 2013 of the Provincial Reconstruction Teams (PRTs)—small US government units consisting of both military officers and civilians working to promote governance, security, and reconstruction throughout the country—and increased security concerns have prevented donors from maintaining a presence outside Kabul, making long-term partnerships with CSOs in the provinces more desirable. As a result, donors are now providing more long-term funding as well as resources for institutional development, which has prompted CSOs to increasingly engage in strategic planning.



CSOs also realize that having community support provides an alternative source of funding and promotes their safety and viability. As a result, CSOs in the Daikundi and Bamyán provinces report that they increasingly engage communities in their activities. Provincial and district-based CSOs, such as Community Development Councils (CDCs), continue to enjoy more community support than organizations based in Kabul.

CSOs often suspend or shut down their programs due to insecurity. Province-based organizations face other challenges as well, including pressure to cooperate with warlords or armed groups in order to access

communities, limited capacities of government departments to engage with CSOs, and difficulties in recruiting qualified staff to work in rural communities. In addition, many smaller and province-based CSOs lack the resources to compete with larger and Kabul-based CSOs for contracts or grants.

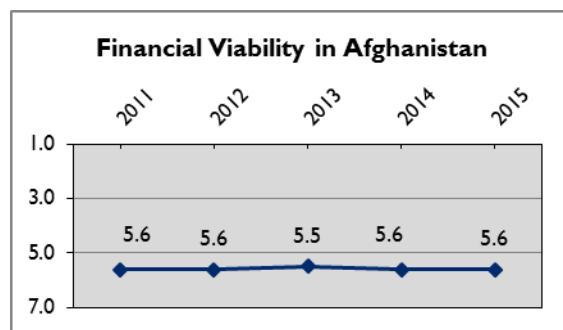
Both associations and NGOs are required to specify organizational structures in their charters in order to register. CSOs also continue to improve their internal management structures due to more stringent donor requirements and increased competition among CSOs for funding. As a result, a growing number of CSOs have functional boards of directors and clear divisions of responsibilities among employees. Large organizations are more likely to have more effective and functional boards than smaller and rural organizations. Some small and province-based organizations continue to employ mainly relatives as staff and board members.

CSOs continue to lack the funding to maintain permanent, paid staff. Many CSOs in the provinces employ staff on a project basis. The rural areas of Afghanistan have a tradition of *Hasbar* (volunteerism), in which villagers provide voluntary services to improve the community, especially the village infrastructure, including bridges, schools, and mosques. However, volunteerism through CSOs is uncommon, particularly for NGOs, which are generally donor-driven and therefore do not seek alternative resources. In 2015, a taskforce consisting of both civil society and government representatives prepared a draft regulation on volunteerism, which identifies and guarantees the rights and obligations of both the organizers of voluntary activities and the volunteers. The Ministry of Labor is expected to move this initiative forward in 2016.

CSOs use a variety of modernized basic office equipment, such as mobile phones and computers. CSOs that operate in rural areas must travel to towns to access modern technology.

FINANCIAL VIABILITY: 5.6

For over a decade, the international community has funded almost all reconstruction and development projects in Afghanistan. As a result, Afghan CSOs have grown to depend on international donors, rather than engage in public fundraising. However, international donor support is now decreasing. Since 2013, donors have focused on funding fewer, larger, and longer-term projects with key CSO partners. Though some donors such as CPI have begun to seek long-term partnerships with province-based CSOs, more often donors avoid funding smaller and province-based CSOs due to insecurity in the provinces and past experiences in which CSOs failed to implement projects and provided fake activity reports. Data on the overall amount of foreign funding to the CSO sector in 2015 is not available, in part due to the lack of information sharing among donor agencies and government entities.



CSOs' dependence on the massive flow of foreign funding has severely diminished the culture of volunteerism and local donations, especially in urban areas. In general, CSOs do not proactively cultivate volunteerism and philanthropy, instead seeking monetary and in-kind donations only during certain campaigns. For example, CSOs encouraged the public to donate food, clothes, and water for the thousands of people who protested the murder of an ethnic Hazara family by insurgents in November in Kabul. Some CSOs in the central provinces, such as Bamyan, Ghor, and Daikundi, manage to successfully raise funds and in-kind donations from their constituencies on an ad hoc basis. CDCs involve their communities in development initiatives to seek in-kind support, such as land for a school. Due to negative perceptions of NGOs as donor-driven, associations tend to enjoy more local community support than NGOs, and associations engage in more local fundraising than NGOs.

While this trend is still in a nascent phase, CSOs increasingly seek alternative sources of funding and other resources by, for example, trying to establish partnerships with the private sector, seeking government

funding, and engaging in fundraising and income-generating activities. CSOs are still learning to maximize these efforts and are advocating for the enactment of a regulation on volunteerism, as well as the Tax Incentive Mechanism for Individuals and Private Sector.

The central and local governments occasionally contract with CSOs for services, mainly through projects funded by international donors but managed by government, such as the Afghanistan Workforce Development Project. The government only provides grants and in-kind support to CDCs through the National Solidarity Program, created in 2003 by the Ministry of Rural Rehabilitation and Development to empower Afghan communities to plan, manage, and monitor their own development projects.

While businesses participate in *zakat* and other forms of Islamic charity, the country lacks systems to distribute these funds to CSOs. In addition, the government has not put in place tax incentives to encourage business entities to donate to CSOs. Nonetheless, the private sector is starting to realize that businesses and CSOs have many shared challenges, both at the policy level (such as tax laws) and the operational level (such as reporting requirements). As a result, businesses increasingly invest in CSOs and establish partnerships with them.

Some CSOs engage in economic activities, such as pickle production in Nangarhar and carpet weaving in the northern provinces, but the lack of partnerships with businesses hampers the development of markets for CSOs' economic activities. Very few CSOs collect membership dues or other member contributions.

With the exception of larger and some medium-sized CSOs, most organizations lack proper financial management systems. Very few CSOs conduct financial audits or publish reports. However, CSOs—particularly NGOs—continue to improve their financial management systems due to strict monitoring by the Independent Commission for Overseeing the Implementation of the Constitution (ICOIC), emphasis by donors and government on sound financial management, and their increased awareness of the importance of transparency and accountability. The ICOIC, established by the government to ensure legal and regulatory compliance of governmental and non-governmental entities, evaluates the documents and activities of all CSOs, including internal management systems. Many CSOs therefore now operate more transparently—providing financial reports to donors, the government, and partners, and conducting financial audits at least once a year. Associations are also improving their financial management systems, but not to the same extent as NGOs because they are less likely to have foreign donors demanding financial transparency.

ADVOCACY: 4.3

Due to the highly centralized administration, legal reform in Afghanistan is a long and difficult process centered in Kabul. Since the establishment of the NUG in October 2014, however, coordination and collaboration between CSOs and government has improved. In 2015, the government finalized and enacted new National Priority Programs that focus on effective collaboration with and inclusion of civil society in national level decision-making processes. In addition, the NUG, in coordination with the civil society sector, established a working group that coordinates and reports on accomplishments of the National Priority Programs. The NUG also signed a Mutual Cooperation Agreement with the Civil Society Joint Working Group (CS-JWG), which was established in 2014 and has become the largest coordination body of CSOs in the country. However, the NUG and CS-JWG meet irregularly and have not formed specific joint working groups or forums.



A Special Representative's Office for Reforms and Good Governance and a department within the Administrative Office of the President to collaborate with CSOs—both established in 2014—became operational in 2015. In addition, the Independent Joint Anti-Corruption Monitoring and Evaluation

Committee, which has included civil society representatives, was reformed in 2015 to include additional members from the CSO sector. Moreover, the government involves CSOs in law and policy making and the implementation and monitoring of its programs, such as the National Solidarity Program and the Afghan Workforce Development Program.

CSOs made extraordinary advocacy efforts in 2015. In March, CSOs organized thousands of people—mostly women—in rallies for weeks to demand justice against the mobs that murdered Farkhunda Malikzada, a woman falsely accused of burning the Quran. Forty-nine people were ultimately arrested in her murder. A new regulation came into force in October that gives women the right to file complaints against any type of harassment experienced in the workplace or institutions of learning. CSOs developed workplace policies based on this regulation. Both CSOs and businesses have adopted policies to implement this regulation, although the impact of these policies so far is unclear. Additionally, CSOs played a role in organizing rallies in November in which thousands of people protested against the murder of an ethnic Hazara family by insurgents. As a result, the government sought justice for the family. The establishment of the Electoral Reform Commission in 2015 was also the result of consistent CSO advocacy efforts.

In 2015, the National Security Council prepared an amendment to the Law on Gatherings, Strikes and Demonstrations to limit assembly to specific locations, but because of CSOs' opposition to the amendment, the government rejected it.

Although the government approved the Access to Information Law in 2014 as a result of CSO efforts, it is still not fully implemented. Media outlets continue to face difficulty in obtaining information from the government, restrictions on reporting from combat zones, and threats and physical assault from government officials. These restrictions impede the ability of journalists to report on important issues, including Afghanistan's security situation and the performance of security forces.

Networks and coalitions have helped CSOs collaborate and strengthen their policy influence, though CSOs based in the provinces are often left out of these joint efforts. Nonetheless, the lobbying efforts of networks had remarkable results during 2015. For example, the Afghanistan Civil Society Elections Network (ACSEN) provided the government with policy recommendations related to the electoral law. Other network successes from 2015 include women's rights policies, reduced electricity bills in Herat, amendments to the policy on electronic national ID cards, and the prohibition on the use of heavy artillery by the national armed forces in places recaptured from insurgents.

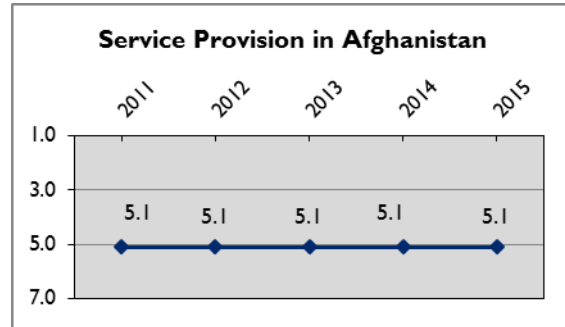
A few international and local CSOs and CSO networks work with legislative bodies to improve the legal environment for CSOs. ACEP, ICNL, and a CSO working group had regular meetings with the MOJ in 2015 to recommend changes to the Law on Associations. As a result of these efforts and a Supreme Court ruling, the government amended the Law on Associations to allow foundations to be registered under the Law. At the same time, a draft Law on Foundations, which aims to provide a more appropriate way for foundations to register, was developed by a task force convened by ICNL in consultation with more than 550 Afghan CSOs. The draft law was submitted to the MOJ in 2015 and was under review at the end of the year. The MOE, in consultation with CSOs and with technical assistance from ICNL, proposed amendments to the Law on NGOs and submitted them to the National Assembly, where they remained at the end of 2015. A taskforce of CSOs and government representatives prepared a draft Law on Volunteerism. A CSO coalition continued to advocate for the MOF to endorse the Tax Incentives Mechanism for Individuals and Private Sector. The Afghanistan Institute for Civil Society (AICS)—established by the Aga Khan Foundation (AKF) and CPI with USAID funding—developed a research methodology to be conducted annually that measures the legal environment for civil society.

SERVICE PROVISION: 5.1

CSOs continue to play a vital role in national development and provide a variety of services in such areas as education, health, relief, economic development, women's empowerment, rule of law, good governance, and environmental protection. However, because CSOs continue to rely on decreasing levels of foreign funding

and do not seek alternative sources to make up for the shortfalls, the number of development and service provision projects decreased drastically in 2015.

The donor community increasingly realizes the need to align its priorities with the needs of communities and their CSO partners and to be more open to CSOs' project ideas. For example, some of the innovative projects supported by the CPI-implemented ACEP were developed by CSOs with community input. CDCs and District Development Assemblies (DDAs)—both of which are part of the National Solidarity Program (NSP) structure—assess community needs within the local socioeconomic context and design development projects accordingly. However, most CSOs do not have the capacity to conduct thorough needs assessments, instead developing projects that align with donor priorities.



Some CSOs offer products and services that go beyond the basic needs of their immediate constituents. Several CSOs, such as ACEP and ACBAR, offer products such as manuals and research papers to other CSOs, the private sector, government, media, and academia.

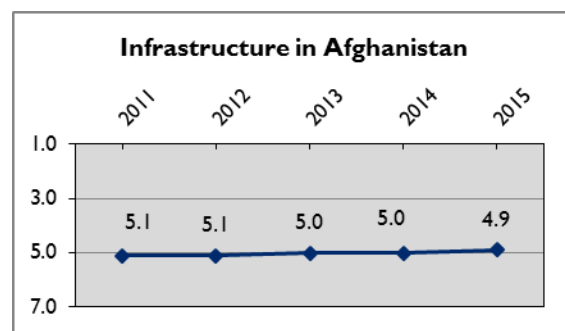
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With international funding decreasing, CSOs must find alternative sources of funding to continue providing services in their communities. Some CSOs charge fees for their goods and services, while other CSOs partner with the private sector in order to recover their costs, pay for office expenses, and remain financially viable.

The NUG recognizes the critical role CSOs play in the provision of services on the national and local levels. However, the relationship between government officials and CSOs at the provincial and district levels depends on the attitudes of provincial and district governors toward the CSO sector. Various ministries, including the Ministries of Education, Agriculture, and Health, award contracts to CSOs through the government's development programs. The Ministry of Rural Rehabilitation and Development has been implementing the NSP for many years and has been a funding source for CDCs and DDAs throughout the country.

INFRASTRUCTURE: 4.9

A number of intermediary support organizations (ISOs) function in the country, including CPI, AKF, Afghanistan Civil Society Forum (ACSFo), and South Western Afghanistan and Baluchistan Association for Coordination (SWABAC). They are mainly funded by foreign donor agencies, such as USAID, the EU, the World Bank, UN agencies, and DFID. These ISOs provide capacity building trainings for CSOs and establish resource centers in the provinces to serve CSOs throughout the country. Despite these efforts, there are a limited number of resource centers for CSOs in the provinces, and their capacities are generally limited. Balkh and Herat, which both have effective resource centers, are exceptions in this regard.



In 2015, twelve CSOs re-granted funding from CPI to 138 CSO projects in twenty-four provinces. Many of these grants aim to develop the capacity of CSOs.

There are a few umbrella organizations, such as ACBAR, as well as national and provincial CSO networks. CS-JWG, which includes over 200 CSOs and CSO networks, works at the national level to coordinate CSO activities; improve their performance, transparency, and accountability; increase the impact of advocacy and lobbying efforts; share information; and improve the relationship between CSOs and other sectors. In 2015, CS-JWG elected new members to its secretariat at a national conference of Kabul- and province-based CSOs.

At the provincial level, there are many active CSO networks. In 2015, CSOs in Parwan and Kapisa provinces established CSO networks, and ICNL helped to establish a CSO network in Balkh. Kabul-based CSOs formed some thematic working groups in 2015, including one focused on the national budget.

Except for the major ISOs, there are very few organizations that provide continuous capacity development training for CSOs in the country. ACBAR provides basic training programs on an annual basis to CSOs in the provinces. CPI, through ACEP, provides basic and specialized training to CSOs on many topics such as strategic management, accounting, financial management, fundraising, human resources management, and procurement. Many of these trainings are very general and not responsive to the needs of individual CSOs. CSOs can also access tailored training programs at private educational institutes in major towns and the provinces.

Intersectoral partnerships are not common in Afghanistan, though there were some examples of partnerships with media, government, and the private sector in 2015. In 2015, AICS organized the Partnering for Public Good (PPG) summit, a cross-sectoral initiative that brought together over 150 senior representatives from CSOs, the private sector, government, media, and academia to provide an opportunity for collaboration. Participants recognized the importance of effective partnerships and agreed on ten priorities to work on during the year, including improving government transparency and the environment for civil society. The second PPG Summit was scheduled for June 2016.

Pazhwak and Salam Watandar are two popular media outlets that collaborate with CSOs on a variety of activities, including information sharing and broadcasting of CSO reports. The Herat CSO network, which has over 200 member organizations, includes some media entities that collaborate with CSOs on information sharing, research and reporting, advocacy, and data collection from the field. Nai Supporting Open Media in Afghanistan works with independent media outlets throughout the country to promote freedom of expression.

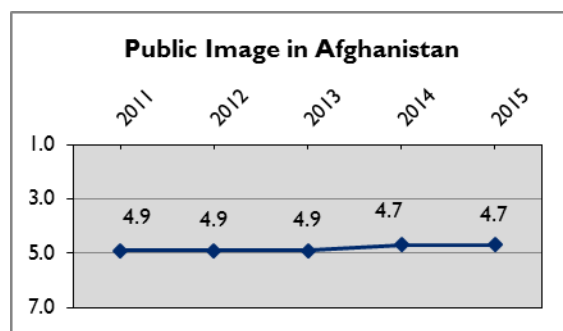
CSOs prefer not to involve local government in project activities because authorities often cause administrative or arbitrary delays or interfere in activities by, for example, delaying the approval of budgets or processing of reports in order to encourage bribes.

PUBLIC IMAGE: 4.7

CSOs benefited from significant media coverage in 2015. Media outlets increasingly engage civil society in national-level discussions. In 2015, CSOs were included in TV and radio programs focused on political issues, rule of law, development, and provision of services. The media also helped publicize CSOs' advocacy efforts, such as campaigns for justice in the Paghman rape case, the murder of Farkhunda Malikzada, and the murder of a Hazara family.

Media entities widely covered the reports of the Special Inspector General for Afghanistan Reconstruction (SIGAR). While the reports found evidence of government corruption and waste, they also emphasized CSOs' vital role in national reconstruction and development processes. At the same time, some CSOs note that media entities show little interest in publicizing their concrete accomplishments, such as renovating schools or providing healthcare, instead demonstrating more interest in CSOs' large-scale advocacy efforts. Furthermore, media outlets typically charge CSOs for coverage. Media outlets in Samangan province are an exception. They cooperate with CSOs on all activities without charging for coverage.

The public recognizes CSOs' role in the provision of basic services, advocacy on local issues, and government accountability. CSOs' advocacy efforts, such as the rallies against the murder of Farkhunda Malikzada, had a positive impact on public perception of civil society in 2015. The Asia Foundation's 2015 annual assessment



indicates that much of the population believes that civil society has played a vital role in bridging relations between the public and the government. According to the report, nearly a quarter of respondents (23.4 percent, up from 19.3 percent in 2011) know of an organization that provides assistance to women. At the same time, however, confidence in national NGOs fell to 50 percent in 2015, down from 57 percent in 2014 and the lowest level reported in the survey's nine-year history. It should be noted though that confidence levels in nearly all government and non-governmental institutions dropped by similar amounts in 2015.

Some CSOs still need to improve their capacities and transparency in order to advance their public image. The public perception of CSOs tends to be more negative in the western and eastern provinces, particularly in rural areas, due to unease that CSOs' work clashes with traditional Afghan culture, fear that NGOs are foreign agents imposing Western values, and concern over a lack of CSO transparency.

Local and central government and the private sector maintain a positive perception of CSOs due to their improved capacity, their advocacy efforts, and their vibrant presence throughout the country. It appears that the NUG holds a much better perception of CSOs than the previous administration. The government relies on CSOs to run many of its service programs, such as the NSP and many health, agriculture, and education programs. The NUG and donor agencies strongly emphasize public-private partnerships. The private sector's perception of CSOs continued to improve in 2015, and businesses have begun to invest more in CSOs despite the lack of tax or other incentives.

An increasing number of CSOs use a variety of methods, including traditional media outlets, social media, and brochures, to publicize their activities and organizations. A large number of urban-based CSOs use social media for outreach, advocacy, and information sharing. However, CSOs in rural and other areas without access to electricity or the Internet are unable to use social media. Nai Supporting Open Media in Afghanistan, Mediothec, and Internews work to build CSOs' capacities to more effectively advance their public image. Journalists generally offer positive coverage to CSOs. AKF provides Journalism Fellowships to train and encourage journalists to work closely with CSOs.

CSOs continue to improve their self-regulation. An NGO code of conduct prepared by ACBAR is used throughout the country. AICS helps Afghan CSOs meet local and international standards in organizational areas such as program management and financial management, and provides certifications when CSOs reach these standards. In late 2015, AICS introduced a certification program and assessed at least ten CSOs in several organizational areas. At the same time, only a few domestic organizations, such as ACBAR, ACSFo, and the Human Rights Commission, publish annual reports.

ANNEX: CSO SUSTAINABILITY INDEX METHODOLOGY (AFGHANISTAN)

I. Overview

The 2015 *CSO Sustainability Index for Afghanistan* was developed in close cooperation with local CSOs. A local implementing partner, the Afghanistan Institute for Civil Society (AICS), convened an expert panel in the national capital, consisting of a diverse group of CSOs and related experts, to assess the sector in each of seven dimensions: Legal Environment, Organizational Capacity, Financial Viability, Advocacy, Service Provision, Infrastructure and Public Image. The U.S. Agency for International Development (USAID) has developed indicators for each dimension, and the panel discussed and scored each indicator. Indicator scores were averaged to produce dimension scores, and the dimension scores were averaged to produce an overall CSO sustainability score. AICS drafted a country report based on the expert panel's discussions, as well as its own knowledge of the sector.

The Editorial Committee is made up of specialists on civil society in the region and the Index methodology, including staff from the Aga Khan Foundation (AKF), USAID, Management Systems International (MSI), and the International Center for Not-for-Profit Law (ICNL), and independent regional experts. The Editorial Committee reviewed the narrative and scores to ensure that scores were adequately supported by the narrative's information and that they accurately reflected the state of CSO sector development. The Editorial Committee further considered the country's proposed scores in relation to the scores of other countries, to ensure comparability of scores within and across regions. In some cases, the Editorial Committee recommended adjustments to the proposed scores. The Editorial Committee also raised points for clarification and requested additional information necessary to complete the report. The project editor edited the report and sent it, along with the score recommendations and requests, to the implementing partner for comment and revision.

Where the implementing partner disagreed with the Editorial Committee's score recommendations and/or narrative, it had a chance to revise its narrative to better justify the proposed scores. The Editorial Committee made final decisions on the scores and narrative.

A description of the methodology, the complete instructions provided to the implementing partner, and the questionnaire used by the expert panel can be found below.

II. Dimensions of CSO Sustainability and Ratings: A Closer Look

The *CSO Sustainability Index* measures the strength and overall viability of civil society sectors. The Index is not intended to gauge the sustainability of individual CSOs, but to fairly evaluate the overall level of development of the CSO sector as a whole. The *CSO Sustainability Index* defines civil society broadly, as follows:

Any organizations, whether formal or informal, that are not part of the apparatus of government, that do not distribute profits to their directors or operators, that are self-governing, and in which participation is a matter of free choice. Both member-serving and public-serving organizations are included. Embraced within this definition, therefore, are private, not-for-profit health providers, schools, advocacy groups, social service agencies, anti-poverty groups, development agencies, professional associations, community-based organizations, unions, religious bodies, recreation organizations, cultural institutions, and many more.

Seven different dimensions of the CSO sector are analyzed in the *CSO Sustainability Index*. A brief description of each dimension of sustainability follows:

Legal Environment

For a CSO sector to be sustainable, the legal and regulatory environment should support the needs of CSOs. It should facilitate new entrants, help prevent governmental interference, and give CSOs the necessary legal basis to engage in appropriate fundraising activities and legitimate income-producing ventures. Factors shaping the legal environment include the ease of registration; legal rights and conditions regulating CSOs; and the degree to which laws and regulations regarding taxation, procurement, and other issues benefit or deter CSOs' effectiveness and viability. The extent to which government officials, CSO representatives, and private lawyers have the legal knowledge and experience to work within and improve the legal and regulatory environment for CSOs is also examined.

Organizational Capacity

A sustainable CSO sector will contain a critical mass of CSOs that are transparently governed and publicly accountable, are capably managed, and that exhibit essential organizational skills. The organizational capacity dimension of the Index addresses the sector's ability to engage in constituency building and strategic planning, as well as internal management and staffing practices within CSOs. Finally, this dimension looks at the technical resources CSOs have available for their work.

Financial Viability

A critical mass of CSOs must be financially viable, and the economy must be robust enough to support CSO self-financing efforts and generate philanthropic donations from local sources. For many CSOs, financial viability may be equally dependent upon the availability of and their ability to compete for international donor support funds. Factors influencing the financial viability of the CSO sector include the state of the economy, and the extent to which philanthropy and volunteerism are being nurtured in the local culture, as well as the extent to which government procurement and commercial revenue raising opportunities are being developed. The sophistication and prevalence of fundraising and strong financial management skills are also considered.

Advocacy

The political and advocacy environment must support the formation of coalitions and networks, and offer CSOs the means to communicate their messages through the media to the broader public, articulate their demands to government officials, and monitor government actions to ensure accountability. The advocacy dimension looks at CSOs' record in influencing public policy. The prevalence of advocacy in different sectors, at different levels of government, and with the private sector is analyzed. The extent to which coalitions of CSOs have been formed around issues is considered, as well as whether CSOs monitor party platforms and government performance.

Service Provision

Sectoral sustainability will require a critical mass of CSOs that can efficiently provide services that consistently meet the needs, priorities, and expectations of their constituents. The service provision dimension examines the range of goods and services CSOs provide and how responsive these services are to community needs and priorities. The extent to which CSOs recover costs and receive recognition and support from the government for these services is also considered.

Infrastructure

A strong sectoral infrastructure is necessary to provide CSOs with broad access to local CSO support services. Intermediary support organizations (ISOs) providing these services must be able to inform, train, and advise other CSOs; and provide access to CSO networks and coalitions that share information and pursue issues of common interest. The prevalence and effectiveness of CSO partnerships with local business, government, and the media are also examined.

Public Image

For the sector to be sustainable, government, the business sector, and communities should have a positive public image of CSOs, including a broad understanding and appreciation of the role that CSOs play in society. Public awareness and credibility directly affect CSOs' ability to recruit members and volunteers, and encourage indigenous donors. The public image dimension looks at the extent and nature of the media's coverage of CSOs, the awareness and willingness of government officials to engage CSOs, and the public's knowledge and perception of the sector as a whole. CSOs' public relations and self-regulation efforts are also considered.

III. Methodology for the Implementer

Steps in Preparing the Report

The following steps should be followed to assemble the Expert Panel that will meet in person to discuss the status of civil society over the reporting year, determine scores, and provide qualitative data for the country report for the 2015 CSO (Civil Society Organization) Sustainability Index for Afghanistan. **The reporting year will cover the period of January 1, 2015 to December 31, 2015.**

1. Carefully select a group of 10-12 representatives of civil society to serve as panel experts. Implementers should select panel members based on the following guidelines. The panel members should include representatives of a diverse range of civil society organizations including the following types:

- Local CSO support centers, resource centers or intermediary civil society support organizations (ISOs);
- Local CSOs, Community Based Organizations (CBOs), and Faith-Based Organizations (FBOs) involved in a range of service delivery and/or advocacy activities;
- Academia with expertise related to civil society and CSO sustainability;
- CSO partners from government, business or media;
- Think tanks working in the area of civil society development;
- Member associations such as cooperatives, lawyers' associations and natural resources users groups;
- International donors who support civil society and CSOs; and
- Other local partners familiar with civil society.

CSOs represented on the panel can be focused on advocacy or social service delivery. We recommend that at least 70% of the Expert Panel be nationals.

To the extent possible, CSOs should also represent a variety of key sub-populations, including:

- Rural and urban parts of the country, and all major regions of the country;
- Women's groups;
- Minority populations;
- Marginalized groups; and
- Sub-sectors such as women's rights, community-based development, civic education, micro finance, environment, human rights, youth, etc.

The panel should include equal representation of men and women. If the implementer believes that this will not be possible, please explain why in a note submitted to Gwendolyn Bevis (gbevis@msi-inc.com) at MSI.

In some instances, it may be appropriate to select a larger group in order to reflect the diversity and breadth of the sector. Please keep in mind, however, that a significantly larger group may make building consensus within the panel more difficult – and more expensive if it entails arranging transportation for representatives who are based far from the meeting place.

The panel should also include one representative from the USAID Mission and one representative from the Aga Khan Foundation (AKF), but they will not have the ability to cast their vote in terms of scores. They are welcome to provide some words of introduction to open the event, as it is funded by AKF and the methodology was developed by USAID, and they are welcome to observe and participate in the discussion.

2. Ensure that panel members understand the objectives of the exercise. The objective of the panel is to develop a consensus-based rating for each of the seven dimensions of sustainability covered by the Index and to articulate a justification for each rating consistent with the methodology described below. The overall goal of the Index is to track and compare progress in the sector, increasing the ability of local entities to undertake self-assessment and analysis. It also aims to develop an increased understanding of the CSO sector among donors, governments, and CSOs for the purposes of better support and programming.

We recommend distributing the instructions and rating description documents to the members of the Expert Panel a minimum of three days before convening the panel so that they may develop their initial scores for each indicator before meeting with the other panel members. If possible, it may be useful to hold a brief orientation session for the panelists prior to the panel discussion. Some partners chose to hold a formal training session with panel members, reviewing the methodology document and instructions, while other partners provide a more general discussion of the objectives of the exercise and process to the panelists.

3. Convene the meeting of the CSO Expert Panel. We request that you plan to complete this meeting, no later than November 12, 2015.

4. At the Expert Panel meeting, please remind participants that each indicator and dimension of CSOSI should be scored according to evidence-based, country-relevant examples of recent or historical conditions, policies, events, etc. The rating process should take place alongside or directly following a review of the rating process and categories provided in “Ratings: A Closer Look.” For each indicator of each dimension, allow each panel member to share his or her initial score and justification with the rest of the group. At the end of the discussion of each indicator, allow panel members to adjust their scores, if desired.

Then, **eliminate the highest score and the lowest score, and average the remaining scores together** to come up with one score for each *indicator* with the dimension. Once a final score has been reached for each indicator within a given dimension, calculate the average or arithmetic mean of these scores for a preliminary score for the dimension. Be sure to take careful notes during the discussion of each indicator, detailing the justifications for all scores, as this should serve as the basis of the written report. Please keep all scores on record, making sure that personal attribution cannot be made to individual panel members. Implementers may use the score sheet attached as Annex A to track panel member scores without personal attribution. Ultimately, every rating awarded should be supported by evidence in the country report (see #8 below), and should reflect consensus among group members.

5. Once scores for each dimension are determined, as a final step review the descriptions of the dimensions in “Ratings: A Closer Look.” Discuss with your groups whether each of the scores matches the rating description for that score. For example, a score of 2.3 in organizational capacity would mean that the CSO sector is in the “Sustainability Enhanced” phase. Please read the “Sustainability Enhanced” section for Organizational Capacity in “Ratings: A Closer Look” to ensure that this accurately describes the environment. If not, discuss with your groups to determine a more accurate score that fits the description for that dimension. If the dimension score differs from the previous year’s score by .3 or more, please be sure to document the justification for this degree of change.

6. Discuss each of the seven dimensions of the Index and score them in a similar manner. Once all seven dimensions have been scored, average the final dimension scores together to get the final country Index score. Be sure to include a synopsis of this discussion in the draft country report.

7. Please remind the group at this stage that reports will be reviewed by an Editorial Committee (EC) in Washington, D.C. that will provide feedback on recommended scores and possibly request adjustments in scores pending additional justification of scores.

8. Prepare a Draft Country Report. The report should cover events during the calendar (as opposed to fiscal) year **January 1, 2015, through December 31, 2015**. The draft should include an overview statement, and a brief discussion of the current state of the sustainability of the CSO sector with regard to each dimension at the national level. The section on each dimension should include a discussion of accomplishments and strengths in that dimension, as well as obstacles to sustainability and weaknesses. While the report should address the country as a whole, it should also note any significant regional variations in the sustainability of CSOs. In the Overview Statement, please include an estimated number of registered and active CSOs, as well as an overview of the primary fields and geographic areas in which CSOs operate.

Please limit your submission to a maximum of ten pages, in English. Please keep in mind that we rely on your organization to ensure that reports are an appropriate length and well-written. We do not have the capacity to do extensive editing.

Please include a list of the experts who served on the panels with your report. This will be for our reference only and will not be made public.

While the individual country reports for the 2015 *CSO Sustainability Index* must be brief, implementers may write longer reports for their own use to more fully describe the substance of the panel meetings.

Deliver your draft country report with rankings via email to Gwendolyn Bevis (gbevis@msi-inc.com) at MSI **no later than December 28, 2015**. Please cc: Dan Spealman (Dan.Spealman@akdn.org) at AKF, and Catherine Shea (cshea@icnl.org) and Jennifer Stuart (jstuart@icnl.org) at the International Center for Not-for-Profit Law (ICNL) which is assisting in the review and editing of the reports.

The project editor will be in contact with you following receipt of your report to discuss any outstanding questions and clarifications regarding the scoring and the report's content.

9. In Washington, an Editorial Committee (EC) will review the scores and draft report, and will discuss any issues or remaining concerns with the implementer. The EC consists of representatives from AKF, MSI, USAID and ICNL and at least one regional/country expert well versed in current events and circumstances affecting the CSO sector in your country. Further description of the EC is included in the following section, "The Role of the Editorial Committee." If the EC does not feel that the scores are adequately supported, they may request a score adjustment. The implementer will be responsible for responding to all outstanding comments from the EC, communicated by the project editor, until the report is approved and accepted by AKF who chairs the EC.

10. In addition, you will arrange for a public launch – including both soft, via electronic means (list serves, websites), and hard, via a public event to promote the release of the report in your country. We will arrange for a public launch, soft and/or hard, in the United States.

11. We are very interested in using the preparation of this year's Index to track lessons learned for use in improving the monitoring process in upcoming years. We would appreciate your recording and submitting any observations you might have that will increase the usefulness of this important tool to Gwendolyn Bevis (gbevis@msi-inc.com) at MSI.

IV. The Role of the Editorial Committee

As a final step in the *CSO Sustainability Index* process, all country reports are reviewed and discussed by an Editorial Committee (EC) composed of regional and sector experts in Washington, DC. This committee will be chaired by AKF, and includes (but is not limited to) civil society experts representing USAID, MSI and ICNL.

The Editorial Committee has three main roles. It reviews all reports and scores to ensure that narratives are adequate and compelling from the standpoint of supporting the proposed score. A compelling narrative demonstrates that a score results from evidence of systematic and widespread cases and is not based on one or two individual cases. For example, a country environment characterized by a large number of CSOs with strong financial management systems that raise funds locally from diverse sources is a compelling justification for an elevated financial viability score. A country in which one or two large CSOs have the ability to raise funds from diverse sources is not. The Editorial Committee also checks that scores for each dimension meet the criteria described in “Ratings: A Closer Look,” to ensure that scores and narratives accurately reflect the actual stage of CSO sector development. Finally, and most importantly, the Editorial Committee considers a country’s score in relation to the proposed scores in other countries, ensuring comparability of scores across countries and regions.

AKF has the final say on all scores and may contact an implementer directly to discuss final scores and to clarify items in the country report prior to finalizing the scores and country reports.

Implementers are encouraged to remind their expert panels from the outset that the Editorial Committee may ask for further clarification of scores and may modify scores where appropriate. However, by adding the step for each panel to compare their scores with “Ratings: A Closer Look” (which is essentially what the Editorial Committee does), it is hoped that there will be fewer differences between proposed scores and final scores. Ensuring that the narrative section for each dimension includes an adequate explanation for a score will also limit the need for the Editorial Committee to ask for further clarification.

V. Instructions for the Expert Panel Members

Definitions

Throughout the process of developing a country report for the *CSO Sustainability Index (CSOSI)*, please use the following definitions:

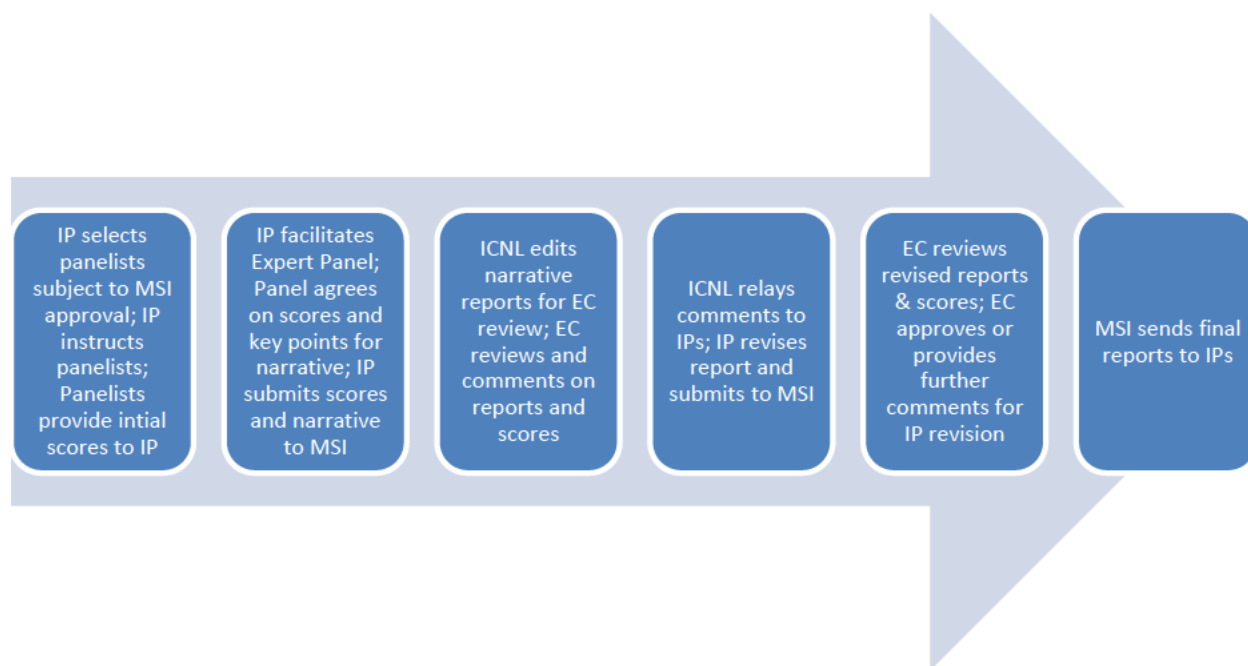
Civil Society Organization (CSO): Civil society organizations are defined “broadly as any organizations, whether formal or informal, that are not part of the apparatus of government, that do not distribute profits to their directors or operators, that are self-governing, and in which participation is a matter of free choice. Both member-serving and public-serving organizations are included. Embraced within this definition, therefore, are private, not-for-profit health providers, schools, advocacy groups, social service agencies, anti-poverty groups, development agencies, professional associations, community-based organizations, unions, religious bodies, recreation organizations, cultural institutions, and many more.”³

CSO Independence: In many countries, government, political parties, and private companies establish and support CSOs. However, the CSOSI includes only organizations and groups that are self-governing, with a distinct legal and/or functional identity. CSOs typically include informal non-registered groups, but to be included in the CSOSI they must possess the structure and continuity to be distinguished from a single gathering of individuals and from personal or family relationships.

Process

The following steps should be followed to assemble a country report for the CSOSI.

³ Toward an Enabling Legal Environment for Civil Society, Statement of the 16th Annual Johns Hopkins International Fellows in Philanthropy Conference, Nairobi, Kenya. *The International Journal of Not-for-Profit Law*, Volume 8, Issue 1, November 2005.



Step 1: After the CSOI Implementing Partner (IP) selects panel members, which must be approved by MSI, the IP should meet with selected panelists to explain the process, review the scoring methodology, and provide the previous years' country report. Selected panelists should then use the following steps to guide them through the individual rating process. This should occur in advance of the Expert Panel Meeting. The steps that follow will then be repeated during the CSO Expert Panel meeting, where panel members will discuss their initial scores, and the evidence for these scores, and determine by consensus the final scores for each of the indicators and dimensions.

Step 2: Panelists review the prior years' country report, taking note of each dimension score and the narrative supporting it. For the current edition of the country report, every dimension score must be within 0.3 above or below the dimension scores in the previous year's report, and the narrative must explain how the situation has changed to justify the change in dimension score. For example, if the dimension score was 4.3 the previous year, the current dimension score must not be above 4.6, or below 4.0. In all cases the shift in score, regardless of the increment, must be fully supported by the accompanying report narrative.

Step 3: Please rate each of the seven dimensions and each of the indicators within each dimension on the following scale from 1 to 7, with a score of 1 indicating a very advanced civil society sector with a high level of sustainability, and a score of 7 indicating a fragile, unsustainable sector with a low level of development (see Annex 1, CSOSI Dimensions and Indicators Score Sheet). Fractional scores to one decimal place are encouraged.

Step 4: When rating each indicator, please remember to consider each one carefully and make note of any specific, country-relevant examples of recent or historical conditions, policies, or events that you used as a basis for determining this score. Please remember you are only focusing on the year that is being assessed in the report.

Step 5: Then, **eliminate the highest score and the lowest score**, and average the remaining scores together to come up with one score for each *indicator* with the dimension. When you have rated all of the indicators within one of the seven dimensions, calculate the average of these scores to arrive at an overall score for that dimension. Record the indicator scores and overall score in the space provided on the CSOSI Dimensions and Indicators Score Sheet (Annex 1).

Step 6: Review the country report from the previous year and compare the dimension score against the score

you derived for the dimension. Make sure that the ***change from the previous year is within 0.3*** and is justified by changes in the situation of CSOs within that dimension. Review the information in Section III about score changes and adjust dimension scores as necessary.

Step 7: Once the overall score for a dimension has been determined, as a final step, review the description of that dimension in “Ratings: A Closer Look” to ensure that this accurately describes the environment (Annex 2). For example, a score of 2.3 in Organizational Capacity would mean that the civil society sector is in the “Sustainability Enhanced” phase. In the Expert Panel Meeting, if after reviewing “Ratings: A Closer Look” it is determined that the score does not accurately depict the description, work together to determine a more accurate score that better fits the description for that dimension. This is a very important step of the process which, if not done correctly, often leads to the adjustment of scores by the Expert Panel as well as the Editorial Committee.

Step 8: Once you have scores for each dimension, average these seven scores together to arrive at an overall country rating and document all scores and supporting information.

Step 9: Once the panelists have gone through this process individually, the process will be repeated by the entire Expert Panel. The CSOSI IP will convene and facilitate this Expert Panel Meeting. The CSOSI IP will record all scores as well as discussion. NOTE: The IP will eliminate the highest score and the lowest score, and average the remaining scores together to come up with one score for each indicator. Once a final score has been reached for each indicator within a given dimension, the average of these scores will be taken as the score for the dimension.

It is extremely important that the discussion includes specific examples and information that can be used to justify the Expert Panel scores. Please note that the Editorial Committee will request additional information if the scores are not supported by the report narrative. If adequate information is not provided, the Editorial Committee has the right to adjust the scores accordingly.

VI. Scoring Scale

The *CSO Sustainability Index* uses a seven-point scale, with 1 representing the highest and 7 the lowest level of sustainability. The following broad guidelines can be used in determining scores for individual indicators and dimensions:

1. CSO sector’s sustainability enhanced significantly by practices/policies in this area. While the needed reforms may not be complete, the local CSO community recognizes which reforms or developments are still needed, and has a plan and the ability to pursue them itself.
2. CSO sector’s sustainability enhanced by practices/policies in this area. Local CSO community demonstrates a commitment to pursuing reforms and developing its professionalism in this area.
3. CSO sector’s sustainability somewhat enhanced by practices/policies in this area or commitment to developing the aspect in question is significant.
4. CSO sector’s sustainability minimally affected by practices/policies in this area. Progress may be hampered by a stagnant economy, a passive government, a disinterested media, or a community of good-willed but inexperienced activists.
5. CSO sector’s sustainability somewhat impeded by practices/policies in this area. Progress may be hampered by a contracting economy, authoritarian leader and centralized government, controlled or reactionary media, or a low level of capacity, will or interest on the part of the CSO community.
6. CSO sector’s sustainability impeded by practices/policies in this area. A hostile environment and low capacity and public support prevent the growth of the CSO sector.
7. CSO sector’s sustainability significantly impeded by practices/policies in this area, generally as a result of an authoritarian government that aggressively opposes the development of independent CSOs.

For more specific information about the meaning of ratings for individual dimensions, please refer to “Ratings: A Closer Look.”

Score Changes from Previous Year

Because most change in the CSO sector is incremental, changes in dimension scores from the previous year must be within a range of 0.1 to 0.3 above or below the dimension score in the previous year. Changes in dimension scores from the previous year have the following significance:

- 0.1 Moderate change
- 0.2 Significant change
- 0.3 Cataclysmic and often unexpected change

Please note that all changes in scores must be supported by a country report narrative that includes examples and information that illuminates the trend being observed (increase or decrease).

VII. Dimensions and Indicators

1. LEGAL ENVIRONMENT _____

___ *REGISTRATION.* Is there a favorable law on CSO registration? In practice, are CSOs easily able to register and operate?

___ *OPERATION.* Is the internal management, scope of permissible activities, financial reporting, and/or dissolution of CSOs well detailed in current legislation? Does clear legal terminology preclude unwanted state control over CSOs? Is the law implemented in accordance with its terms? Are CSOs protected from the possibility of the State dissolving a CSO for political/arbitrary reasons?

___ *ADMINISTRATIVE IMPEDIMENTS AND STATE HARASSMENT.* Are CSOs and their representatives allowed to operate freely within the law? Are they free from harassment by the central government, local governments, and tax police? Can they freely address matters of public debate and express criticism?

___ *LOCAL LEGAL CAPACITY.* Are there local lawyers who are trained in and familiar with CSO law? Is legal advice available to CSOs in the capital city and in secondary cities/regions?

___ *TAXATION.* Do CSOs receive any sort of tax exemption or deduction on income from grants, endowments, fees, or economic activity? Do individual or corporate donors receive tax deductions?

___ *EARNED INCOME.* Does legislation exist that allows CSOs to earn income from the provision of goods and services? Are CSOs allowed legally to compete for government contracts/procurements at the local and central levels?

2. ORGANIZATIONAL CAPACITY _____

___ *CONSTITUENCY BUILDING.*⁴ Do CSOs clearly identify and actively seek to build local constituencies for their initiatives? Do CSOs actively seek to build local constituencies for their initiatives? Are they successful in these endeavors?

___ *STRATEGIC PLANNING.* Do CSOs have clearly defined missions to which they adhere? Do CSOs have clearly defined strategic plans and incorporate strategic planning techniques in their decision making processes?

⁴ Constituency building: Attempts by CSOs to get individual citizens or groups of citizens personally involved in their activities, and to ensure that their activities represent the needs and interests of these citizens.

___ *INTERNAL MANAGEMENT STRUCTURE.* Is there a clearly defined management structure within CSOs, including a recognized division of responsibilities between the Board of Directors and staff members? Does the Board actively engage in the governance of the CSO? Do the Boards of Directors operate in an open and transparent manner, allowing contributors and supporters to verify appropriate use of funds?

___ *CSO STAFFING.* Are CSOs able to maintain permanent, paid staff in CSOs? Do CSOs have adequate human resources practices for staff, including contracts, job descriptions, payroll and personnel policies? Are potential volunteers sufficiently recruited and engaged? Do CSOs utilize professional services such as accountants, IT managers or lawyers?

___ *TECHNICAL ADVANCEMENT.* Do CSOs' resources generally allow for modernized basic office equipment (relatively new computers and software, cell phones, functional fax machines/scanners, Internet access, etc.)?

3. FINANCIAL VIABILITY _____

___ *LOCAL SUPPORT.* Do CSOs raise a significant percentage of their funding from local sources? Are CSOs able to draw upon a core of volunteer and non-monetary support from their communities and constituencies? Are there local sources of philanthropy?

___ *DIVERSIFICATION.* Do CSOs typically have multiple/diverse sources of funding? Do most CSOs have enough resources to remain viable for the short-term future?

___ *FINANCIAL MANAGEMENT SYSTEMS.* Are there sound financial management systems in place? Do CSOs typically operate in a transparent manner, including independent financial audits and the publication of annual reports with financial statements?

___ *FUNDRAISING.* Have many CSOs cultivated a loyal core of financial supporters? Do CSOs engage in any sort of membership outreach and philanthropy development programs?

___ *EARNED INCOME.* Do revenues from services, products, or rent from assets supplement the income of CSOs? Do government and/or local business contract with CSOs for services? Do membership-based organizations collect dues?

4. ADVOCACY _____

___ *COOPERATION WITH LOCAL AND FEDERAL GOVERNMENT.* Are there direct lines of communication between CSOs and policy makers? Do CSOs and government representatives work on any projects together?

___ *POLICY ADVOCACY INITIATIVES.* Have CSOs formed issue-based coalitions and conducted broad-based advocacy⁵ campaigns? Have these campaigns been effective at the local level and/or national level at increasing awareness or support for various causes? (Please provide examples, if relevant.)

___ *LOBBYING⁶ EFFORTS.* Are there mechanisms and relationships for CSOs to participate in the various levels of the government decision-making processes? Are CSOs comfortable with the concept of lobbying? Have there been any lobbying successes at the local or national level that led to the enactment or amendment of legislation? (Please provide examples, if relevant.)

___ *LOCAL ADVOCACY FOR LEGAL REFORM.* Is there awareness in the wider CSO community of how a favorable legal and regulatory framework can enhance CSO effectiveness and sustainability? Is there a local CSO advocacy effort to promote legal reforms that will benefit CSOs, local philanthropy, etc.?

⁵ Advocacy: Attempts by CSOs to shape the public agenda, public opinion and/or legislation.

⁶ Lobbying: Attempts by CSOs to directly influence the legislative process.

5. SERVICE PROVISION _____

- _____ *RANGE OF GOODS AND SERVICES.* Do CSOs provide services in a variety of fields, including basic social services (such as health, education, relief, housing, water or energy) and other areas (such as economic development, environmental protection, or governance and empowerment)? Overall, is the sector's "product line" diversified?
- _____ *COMMUNITY RESPONSIVENESS.* Do the goods and services that CSOs provide reflect the needs and priorities of their constituents and communities?
- _____ *CONSTITUENCIES AND CLIENTELE.* Are those goods and services that go beyond basic social needs provided to a constituency broader than CSOs' own memberships? Are some products, such as publications, workshops or expert analysis, marketed to other CSOs, academia, churches or government?
- _____ *COST RECOVERY.* When CSOs provide goods and services, do they recover any of their costs by charging fees, etc.? Do they have knowledge of the market demand -- and the ability of distinct constituencies to pay -- for those products?
- _____ *GOVERNMENT RECOGNITION AND SUPPORT.* Does the government, at the national and/or local level, recognize the value that CSOs can add in the provision and monitoring of basic social services? Do they provide grants or contracts to CSOs to enable them to provide such services?

6. INFRASTRUCTURE _____

- _____ *INTERMEDIARY SUPPORT ORGANIZATIONS (ISOS) AND CSO RESOURCE CENTERS.*⁷ Are there ISOs, CSO resource centers, or other means for CSOs to access relevant information, technology, training and technical assistance throughout the country? Do ISOs and CSO resource centers meet the needs of local CSOs? Do ISOs and resource centers earn some of their operating revenue from earned income (such as fees for service) and other locally generated sources? (Please describe the kinds of services provided by these organizations in your country report.)
- _____ *LOCAL GRANT MAKING ORGANIZATIONS.* Do local community foundations and/or ISOs provide grants, from either locally raised funds or by re-granting international donor funds, to address locally identified needs and projects?
- _____ *CSO COALITIONS.* Do CSOs share information with each other? Is there a network in place that facilitates such information sharing? Is there an organization or committee through which the sector promotes its interests?
- _____ *TRAINING.* Are there capable local CSO management trainers? Is basic CSO management training available in the capital city and in secondary cities? Is more advanced specialized training available in areas such as strategic management, accounting, financial management, fundraising, volunteer management, and board development? Do trainings meet the needs of local CSOs? Are training materials available in local languages?
- _____ *INTERSECTORAL PARTNERSHIPS.* Are there examples of CSOs working in partnership, either formally or informally, with local business, government, and the media to achieve common objectives? Is there awareness among the various sectors of the possibilities for and advantages of such partnerships?

7. PUBLIC IMAGE _____

- _____ *MEDIA COVERAGE.* Do CSOs enjoy positive media coverage at the local and national levels? Is a distinction made between public service announcements and corporate advertising? Do the media provide positive analysis of the role CSOs play in civil society?

⁷ Intermediary support organization (ISO): A place where CSOs can access training and technical support. ISOs may also provide grants. CSO resource center: A place where CSOs can access information and communications technology.

- *PUBLIC PERCEPTION OF CSOS.* Does the general public have a positive perception of CSOs? Does the public understand the concept of a CSO? Is the public supportive of CSO activity overall?
- *GOVERNMENT/BUSINESS PERCEPTION OF CSOS.* Do the business sector and local and central government officials have a positive perception of CSOs? Do they rely on CSOs as a community resource, or as a source of expertise and credible information?
- *PUBLIC RELATIONS.* Do CSOs publicize their activities or promote their public image? Have CSOs developed relationships with journalists to encourage positive coverage?
- *SELF-REGULATION.* Have CSOs adopted a code of ethics or tried to demonstrate transparency in their operations? Do leading CSOs publish annual reports?

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