



**ANNEX 5**

of the Commission Implementing Decision on the ENI East Regional Action Programme 2019 Part 3 (including one action on budget 2019 & 2020), to be financed from the general budget of the European Union

**Action Document for the Eastern Partnership Civil Society Facility 2019 – 2020**

**MULTIANNUAL<sup>1</sup> PROGRAMME**

This document constitutes the multiannual work programme in the sense of Article 110(2) of the Financial Regulation and action programme/measure in the sense of Articles 2 and 3 of Regulation N° 236/2014.

<b>1. Title/basic act/ CRIS number</b>	Eastern Partnership Civil Society Facility 2019 – 2020 CRIS numbers: 2019/041-741; 2020/041-742 financed under the European Neighbourhood Instrument
<b>2. Zone benefiting from the action/location</b>	Eastern Partnership, Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova, Ukraine and the Russian Federation  The action shall be carried out at the following location: Eastern Partnership countries (Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova, Ukraine), the Russian Federation, European Union.
<b>3. Programming document</b>	ENI Regional East Strategy Paper (2014-2020) Regional East Multi-annual Indicative programme 2017-2020 Regional East Annual Action Programmes 2019/20 Single Support Framework 2017 – 2020 in favour of Armenia/Annual Action Programmes for Armenia 2019/20 Single Support Framework 2018 – 2020 in favour of Azerbaijan/Annual Action Programmes for Azerbaijan 2019 Special Measures for Belarus 2020/Annual Action Programme for Belarus 2020 Single Support Framework 2017 – 2020 in favour of Georgia/Annual Action Programmes for Georgia 2019/20 Single Support Framework 2017 – 2020 in favour of Moldova/Annual Action Programmes for Moldova 2019/20 Single Support Framework 2018 – 2020 in favour of Ukraine/Annual

<sup>1</sup> Within the maximum contribution of the European Union, the authorising officer responsible may adjust the allocation to the respective budget years subject to the availability of the commitment appropriations.

	Action Programmes for Ukraine 2019			
<b>4. Sustainable Development Goals (SDGs)</b>	<p>SDG 5. Achieve gender equality and empower all women and girls.</p> <p>SDG 16. Promote peaceful &amp; inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.</p> <p>SDG 10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.</p>			
<b>5. Sector of intervention/ thematic area</b>	Civil society	DEV. Assistance: YES		
<b>6. Amounts concerned</b>	<p>Total estimated cost 2019-2020: EUR 47 195 556</p> <p>Total amount of European Union (EU) contribution EUR 43 000 000</p> <p>The contribution is for an amount of EUR 24 000 000 from the general budget of the European Union for 2019 and for an amount of EUR 19 000 000 from the general budget of the European Union for 2020, subject to the availability of appropriations for the respective financial years following the adoption of the relevant annual budget or as provided for in the system of provisional twelfths</p> <p>This action is co-financed in joint co-financing by potential grant beneficiaries for an amount of EUR 4 195 556.</p>			
<b>7. Aid modality(ies) and implementation modality(ies)</b>	<p>Project Modality</p> <p><b>Direct management</b> through:</p> <ul style="list-style-type: none"> <li>- Grants</li> <li>- Procurement</li> </ul> <p><b>Indirect management</b> with the entrusted entity(ies) to be selected in accordance with the criteria set out in section 5.4.4.</p>			
<b>8 a) DAC code(s)</b>	15150 – Democratic participation and civil society			
<b>b) Main Delivery Channel</b>	<p>21000 – International NGO</p> <p>23000 – Developing country-based NGO</p> <p>41000 – United Nations agency</p>			
<b>9. Markers (from CRIS DAC form)</b>	<b>General policy objective</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	■
	Aid to environment	■	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality and Women's and Girl's Empowerment	<input type="checkbox"/>	■	<input type="checkbox"/>
	Trade Development	■	<input type="checkbox"/>	<input type="checkbox"/>
Reproductive, Maternal, New born and child health	■	<input type="checkbox"/>	<input type="checkbox"/>	

	<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Principal objective</b>
	Biological diversity	■	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	■	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	■	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	■	<input type="checkbox"/>	<input type="checkbox"/>
<b>10. Global Public Goods and Challenges (GPGC) thematic flagships</b>	N/A			

**SUMMARY**

The Eastern Partnership (EaP) Civil Society Facility is EU’s landmark programme on support to civil society in the region. It comes to underpin commitments by the EU and Eastern Partnership countries in relation to creating an enabling environment for civil society organisations (CSOs) to play a role in developing an equitable and sustainable development. They therefore play a key role in the policy dialogue with government representatives in decision-making. With this in mind, this programme will strengthen the capacity of civil society organisations, (including on the local level) as well as further advance the fifth principle (foster people-to-people contacts, support human rights defenders and civil society organisations) guiding EU-Russia relations since 2016. This action brings together regional and country-based actions that jointly reflect the EU’s ambitions to support an empowered and sustainable civil society, which has the capacity to contribute effectively to public policies and articulates a wide variety of citizens’ concerns, and partners effectively with relevant stakeholders at local, national and international level, including the EU. Against the backdrop of an overall difficult and sustainable environment for civil society organisations in many partner countries, actions proposed pursue to advance the role of civil society organisations as governance actors and drivers of socio-economic reforms. The action focuses also on social innovation and active citizenship as core principles for civic engagement and the premise for healthy democratic societies. In view of this, the action has two interrelated objectives. The first objective is to increase CSOs’ technical, managerial and advocacy capacity to engage in policy-making processes and policy dialogue, promote reforms and public accountability, foster local democracy and engage women and men in public debate. The second objective is to promote social innovation and social entrepreneurship in the Eastern Neighbourhood

**1 CONTEXT ANALYSIS**

**1.1 Context Description**

An empowered civil society is a crucial component of any democratic system. By articulating citizens' concerns, civil society organisations (CSOs) – including local, transnational, gender and women focused, research oriented – are active in the public arena, engaging in initiatives to further a participatory democracy. CSOs contribute to building more accountable and legitimate states, leading to enhanced social cohesion and more open and deeper democracies.

The Joint Declaration adopted by the EU Member States and all six EaP countries at the 5<sup>th</sup> Eastern Partnership Summit in 2017 acknowledged the role of civil society in achieving the 20 Deliverables for 2020 and recognised that 'broadened outreach and targeted support to grassroots CSOs and social partners, remains an integral part of this [*the Eastern*] Partnership'. Based on this Declaration, 'Civil society support for better governance' was one of the eight priority sectors put forward by the EU until 2020. This came with ambitious goals to support CSOs that want to strengthen their representation of the voice of citizens and to reaffirm their role in democratic processes in partner countries. The 20 Deliverables for 2020 pursue an intensified policy dialogue with CSOs and a new tailor-made approach to capacity development<sup>2</sup>.

The last decade has witnessed contrasting developments across the wider Eastern Neighbourhood. CSOs are now widely recognised as development actors in their own right. Yet the relationship between states and CSOs is at times delicate in a number of EaP countries. A limited tradition of dialogue between CSOs and government representatives still prevails in several countries of the region. Space for civil society is overall deteriorating in the region, albeit with positive exceptions.

The level of trust in CSOs is relatively low<sup>3</sup>. Despite substantial investments in developing capacities of civil society actors since the mid-90's, to maintain and continue to build a professional and sustainable civil society in the wider Eastern Partnership continued capacity building support is required. In the absence of state funding made available to CSOs, they are often largely dependent on donor funds. This may contribute to a perceived lack of legitimacy and link to their constituencies.

Visibility of efforts to enhance and maintain accountability and transparency of CSO work could lead to enhanced links with constituencies and an increase trust in CSOs.

The EaP regional picture is equally mixed when it comes to levels of participation of CSOs and citizens in the policy dialogue with government representatives. In Armenia, following recent political developments, civil society organisations report more positive attitudes as regards the empowerment and inclusion of local civil society actors in the policy dialogue. In Ukraine, CSOs are perceived as playing an important role in promoting the post-Maidan reform agenda as well as in the development of a new political and administrative culture, in particular with regards to promoting transparency and accountability in public life. A number of CSO-government reform dialogue mechanisms have been operating post-2014. While larger CSOs in the capital and other urban centres, notably those working on the fight against corruption, have managed to establish themselves, many grassroots CSOs, notably in the regions and working on less visible policy areas, are in need of capacity development. Despite a number of weaknesses in terms of capacity, Georgian civil society plays an important role in policy formulation and government oversight. Through the EU-backed National Platform of the Civil Society Forum and other strong coalitions, it has a channel to voice its concerns on the international level.<sup>4</sup> A number of dialogue platforms between civil society and government exist in Moldova, including the EaP National Platform, though limited in scope. In Belarus the interaction between CSOs and the state remains limited;

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<sup>2</sup> 'Eastern Partnership - Focusing on key priorities and deliverables', Joint Staff Working Document, 2016, [https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/near-eeas\\_joint\\_swd\\_2016467\\_0.pdf](https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/near-eeas_joint_swd_2016467_0.pdf).

<sup>3</sup> The Caucasus Barometer, an annual survey conducted by the Caucasus, Research Resource Centers (CRRC), The 2017 CSO Sustainability Index

[https://www.usaid.gov/sites/default/files/documents/1866/CSOSI\\_EE\\_2017\\_Regional\\_Report\\_FINAL\\_2.pdf](https://www.usaid.gov/sites/default/files/documents/1866/CSOSI_EE_2017_Regional_Report_FINAL_2.pdf)

<sup>4</sup> <https://www.bti-project.org/en/reports/country-reports/detail/itc/geo/>

although since 2016, high-level officials did participate in several CSO organised events while CSOs, in turn, have been invited to consultations organised by the Government. In Azerbaijan, the extent to which the public councils established through the 2014 Public Participation Law are channelling genuine engagement, is yet to be established. A Dialogue Platform of State and Civil Society for Promotion of OGP set up in 2016 with civil society and government representation meets regularly to discuss issues related to CSO operating space, but so far with little impact.

In Russia, despite the increasingly difficult environment, especially concerning the freedom of association, freedom of assembly and freedom of expression, media freedoms and the rights of persons belonging to minorities, Russian civil society is still able to operate and to achieve positive results.

To conclude, CSOs in all six EaP countries share relatively weak capacities with discrepancies between expertise and involvement in specific sectors of governance.

## 1.2 Policy Framework (Global, EU)

Civil society engagement is key to the achievement of the objectives of the Neighbourhood Policy. The revised **European Neighbourhood Policy**<sup>5</sup> of 2015 commits to a higher diversification of the range of civil society actors, which the EU engages with. As a reflection of these commitments, the '**Eastern Partnership – Focusing on key priorities and deliverables**' **Staff Working Document**<sup>6</sup> aims not only at civil society engagement in all priority sectors of cooperation between the EU and partner countries, but also sets targets for the outreach of the capacity development programmes in partner countries. As expressed in these documents, the EU seeks meaningful engagement with relevant civil society equally on all the 20 Deliverables in the EaP countries.

EU's commitment to support civil society applies to all partner countries. Support to the **development of capacities of CSOs**, engagement in **policy dialogue** and protection of **participation space** are the three areas towards which the European Commission has committed its work through the **2012 Communication 'Roots of Democracy and Sustainable Development: Europe's engagement with Civil Society in external relations'**<sup>7</sup>. The 2012 Communication highlighted that CSOs are governance actors in their own right. They should therefore receive an opportunity to become equal partners in EU assistance to partner governments. The Council of the European Union in its **October 2012 Council Conclusions**<sup>8</sup> stated that the EU recognised the significance of constructive relations between States and CSOs and would further promote them. Since 2012, the EU has repeatedly stated its commitment through a series of policies that have externalities on civil society policy. The **Global Strategy for the European Union's Foreign and Security Policy**<sup>9</sup> and

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<sup>5</sup> 'Review of the European Neighbourhood Policy', Joint Communication, JOIN(2015) 50 final, [http://eeas.europa.eu/archives/docs/enp/documents/2015/151118\\_joint-communication\\_review-of-the-enp\\_en.pdf](http://eeas.europa.eu/archives/docs/enp/documents/2015/151118_joint-communication_review-of-the-enp_en.pdf).

<sup>6</sup> SWD(2016)467 of 15.12.2016.

<sup>7</sup> COM(2012)492, 12.09.2012

<https://eeas.europa.eu/sites/eeas/files/2012-communication-roots-of-democracy-and-sustainable-development.pdf>.

<sup>8</sup> Council conclusions on The roots of Democracy and sustainable development: Europe's engagement with Civil Society in external relations,

[https://www.consilium.europa.eu/uedocs/cms\\_data/docs/pressdata/en/foraff/132870.pdf](https://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/foraff/132870.pdf)

<sup>9</sup> 'Shared Vision, Common Action: A Stronger Europe. A Global Strategy for the European Union's Foreign And Security Policy', [http://eeas.europa.eu/archives/docs/top\\_stories/pdf/eugs\\_review\\_web.pdf](http://eeas.europa.eu/archives/docs/top_stories/pdf/eugs_review_web.pdf)

the **Gender Action Plan II (GAP II)**<sup>10</sup> in particular have confirmed the EU policy to engage with civil society. The 2018 Council Conclusions on the implementation of the GAP II the Council calls on the Commission services and the EEAS to continue and strengthen their cooperation and consultation with civil society organisations working towards gender equality and the empowerment of women and girls, in the implementation of the GAP II throughout the programming and policy cycles. In addition, they stress a need for enhanced safety and security for women's organisations and women human rights defenders.

The fast pace of change in the political environment in the EU's wider Eastern Neighbourhood<sup>11</sup> has brought a need to re-define the narrative surrounding civil society engagement. The renewed EU Roadmaps for Engagement with Civil Society (2018-2020) express a number of concrete steps that the EU plans to make in order to meet civil society's needs and advance its role in partner countries. Across the region, the EU together with its Member States committed to continue building capacities of civil society, protect civic space and support civil society to engage in policy dialogue. Several Roadmaps identify social entrepreneurship as a way to complement financial sustainability of CSOs and highlight the need to diversify funding in general. Similarly, sectors such as youth participation and civic education, innovative approaches to traditional CSOs related sectors and supporting CSOs in their internal governance reforms are seen as key element in building the next generation of civil society.

### 1.3 Public Policy Analysis of the partner countries and of the region

Eastern Partnership governments continue to declare their commitment to engage with civil society in policymaking. The 2017 EaP Summit Declaration – endorsed by all EU and EaP governments – brings a consensus on the role of civil society as promoting better governance.

The **Armenian** Government proposed a new Law on NGOs in October 2018. Up until 2018, USAID has been working with local partners towards building a friendlier ecosystem for social entrepreneurship development, although no legislative framework for social enterprises is yet in place. The EU – Armenia CEPA agreement includes provisions for the establishment of a civil society platform for Armenian and European civil society organisations to monitor implementation of the overall agreement. This is being actively supported by both the EU and the Government of the Republic of Armenia.

The "**Azerbaijan 2020: A Look into the Future**" development concept adopted in 2012 continues to be the national policy framework for engagement with civil society. The objectives set include enhanced cooperation between government agencies and civil society organisations (CSO), via the development of a "National Action Plan on the development of civil society", the adoption of legislation stimulating conducive CSO environment, the increase of financial support to CSO, the establishment of "Non-governmental organization (NGO) houses" and education centres and other issues. The Concept also foresees CSO participation in the development of state programs and work of public commissions. The State Council on NGOs makes funding available of approx. EUR 2.3 million every year, to State registered NGOs. In addition, several state funds (Youth Fund, Science Fund) also make funding available for CSOs. Legislation for CSOs in Azerbaijan is considered restrictive and

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<sup>10</sup> 'Gender Equality and Women's Empowerment: Transforming the Lives of Girls and Women through EU External Relations 2016-2020', SWD(2015) 182 final, 21 January 2015

<sup>11</sup> The term 'Wider Eastern Neighbourhood' refers in the context of this Action Document for the Regional East Civil Society Facility 2018 to the following countries: the six Eastern Partnership countries (Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova, Ukraine), Turkey and the Russian Federation.

burdensome both with regards to registration and access to funding, despite the amendments brought in January 2017, meant to "simplify" such procedures. Social entrepreneurship in Azerbaijan is a relatively new concept, and there is no specific legal framework regulating the concept. However, there are opportunities of developing the concept in Azerbaijan due to the favourable business environment and the socially oriented public policy.

In **Belarus**, CSOs continue to operate in a restrictive legal environment in which the activities of unregistered CSOs are criminalised; the registration procedure is complex; and CSOs have limited access to both local and foreign funds. Belarus has a "National Strategy for Sustainable Social and Economic Development" which is re-elaborated once in five years for the 15-year period. The strategy sets forth instruments for efficient use of demographic, social, natural, manufacturing and innovative potential of the country. The national sustainable development strategy until 2030 is in place now, and Government is preparing a new strategy until 2035. The need for mature CSOs is mentioned as one of the key elements for a successful society, however no means or funds are provided to support further this dimension. The enabling environment for civil society is shrinking in Belarus. In June 2018 Belarusian lawmakers passed controversial amendments to the country's media laws despite claims by domestic and international groups that the move risks leading to further censorship of the press. The amendments require that authors of all posts and comments in online forums be identified and that comments be moderated by website owners. In case of violation of this law, the social network and other sites can be blocked by simple administrative decision.

The government of **Georgia** does not yet have one country strategy for engagement with civil society, although a state concept for civil society has been under development for many years. However, there is a growing number of civil society platforms. Relations between public authorities and civil society deteriorated considerably in 2018 in the framework of elections and need yet to be re-built. An EU-funded study conducted in 2017 on state funding for CSOs in Georgia identified numerous state grant mechanisms to CSOs underpinned by several laws.<sup>12</sup> State funding continues to grow as a source of income for CSOs, a positive trend that began a few years ago when selected state agencies were authorised to award grants to CSOs. Yet the scale and scope of funding is still insufficient to significantly improve the sustainability of the sector. During the last 10 years, considerable progress towards the social entrepreneurship sector development has been observed, with increased interest towards the concept. With official statistics missing an estimated 70-75 social enterprises are actively operating in the country. However, legislation needs to be more favorable to promote the area further.

In **Moldova**, a new Civil Society Development Strategy for 2018-2020 and its Action Plan entered into force in May 2018. CSOs worked jointly with the Moldovan Parliament on the draft, with limited involvement from the Central Government. Public funding is channelled via direct action grants from certain ministries (e.g. culture, youth, economy or environment) or via contracting of social service delivery. Structured dialogue between CSOs and the Government suffers from low mutual trust between the CSOs and the government, and the participation of CSOs in drafting laws is below 30%. The 2% law has been adopted by the Parliament in 2016, allowing women and men to direct 2% of their income tax to CSOs. Law Amendments on Social Entrepreneurship (SE) were adopted and establish the definition of a social enterprise, as well as list available benefits to SEs. Following the democratic backsliding in the country and subsequent recalibration of the EU assistance, the main focus

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<sup>12</sup> State Funding for Civil Society OrganizationsOrganisations – [http://civilin.org/pdf/State\\_Funding\\_for\\_Civil\\_Society\\_Organizations.pdf](http://civilin.org/pdf/State_Funding_for_Civil_Society_Organizations.pdf) (CSI, 2017)



of the EU support is on working with the civil society, local administration and SMEs in order to bring tangible results to the citizens.

The Government of **Ukraine** has put in place a ‘Strategy for civil society development’ covering the period 2016-2020. A Coordination Council for civil society development is also established, however, these have not achieved any tangible results up to date. State funding increased in the last four years reaching approx. EUR 12 million in 2018. The e-declaration obligation for civil society activists is still in place, risking a chilling effect on the civic space. Ukrainian legislation does not formally recognise the legal form of a social enterprise. Even with existing legal provisions, there are still a number of unresolved issues, including lack of preferential taxation and the risk of losing non-for-profit status.

**Russian** authorities have followed a path of **growing restrictions on independent civil society** as part of a broader crackdown on critical voices that has had repercussions on freedom of expression, association, assembly as well as on media freedom. Meanwhile, the practice of allocating **presidential grants** (reported 22 billion rubles in the period 2013-2017) to CSOs continues. On the receiving side are mostly Government-associated or government-organised CSOs, but on some occasions independent actors can also receive such funding. Socially-oriented CSOs, who focus their activities on service provision in politically neutral areas can also access state funds. The **Foreign Agents Law** on NGOs (2012) is a longstanding concern for independent civil society organisations. Additional legislative bills were subsequently introduced to further expand the scope of the law to include individuals. Concerning social entrepreneurship, governmental policy is reflected in the **National Strategy of SME development** until 2030 (approved in 2016). The Federal Law on SMEs in Russia (FZ 209) will be amended shortly to formalise concepts of social entrepreneurship and social enterprise.

#### 1.4 Stakeholder analysis

At regional level, the Eastern Partnership Civil Society Forum is the entity that provides CSOs across the region a vehicle to push their agenda onto the regional debates in the framework of the Eastern Partnership. An action covered by the 2017 Regional Civil Society Facility is dedicated to supporting the Forum reaffirm itself as a relevant actor for regional policy dialogue with civil society, help it overcome the issues that undermine its credibility and increase the appeal for new (and more technical) organisations to see it as a vehicle of promoting their agendas. EU Delegations work closely on the ground with the Forum's National Platforms.

Almost all countries have domestic dialogue platforms between CSOs and government. In Azerbaijan a platform of dialogue CSO-government was set up in 2016, under the National OGP Action Plan. This coalition meets regularly, but it is criticised by independent CSOs as dominated by pro-government NGOs and not very effective. The Government of Ukraine established a Coordination Council for civil society development, which has not yet achieved any tangible results. The EU currently supports the Civic Synergy Project, which is a common secretariat of both the EaP National Platform in Ukraine and EU-Ukraine Association Agreement Civil Society Platform. In the Republic of Moldova the NGO Council is a dialogue partner for Parliament, whilst the National Participation Council is an advisory body to the Prime Minister. The Armenian government's structural dialogue with civil society at national levels has so far been limited to the long-standing and disguised Public Councils attached to each executive agency. New dialogue structures are expected to be discussed and initiated at both national and local levels after the 2018 elections. In Georgia, numerous coordination mechanisms exist for government-civil society consultations. Their functioning



has improved but sizable space for improvement remains, for example in the human rights area or the more specialised topics such as public finance management.

Whereas general coordination platforms are the Georgian National Platform of the Eastern Partnership Civil Society Forum and the Open Government Georgia Forum, a range of sectoral dialogue mechanisms and platforms function to varying degrees (the National Vocational Education and Training Council, the Human Rights Council, the Inter-Agency Coordination on Criminal Justice, the Inter-Agency on Gender Equality, Violence against Women and Domestic Violence to name but a few). NGOs with presence/actions in the breakaway regions of Abkhazia and South Ossetia may also benefit from this action. Partnerships between CSOs on Tbilisi administered Territory and Abkhaz and South Ossetian CSOs will be encouraged.

The EU (through a grant of the Partnership Instrument) also supports the EU-Russia Civil Society Forum (CSF), which brings together more than 150 EU and Russian NGOs.

All major civil society donors are present in the region, including implementing agencies of EU Member States. The past years have seen some fluctuations in the level and type of their involvement, that have had an impact also on the demand for civil society support from the European Union. Civil society organisations have stressed the need for EU support to be better adjusted to the needs of newer civil society actors, such as social movements and informal groups, that it should be mobilised faster and be more aligned to local agendas rather than EU priorities. CSOs have also been reiterating the need for long-term core funding rather than short-term project-based funds.

## **1.5 Problem analysis/priority areas for support**

As described in the context analysis, despite positive developments in selected countries, many CSOs in the Eastern Partnership continue to share challenges of representativeness, transparency, internal governance and dependency on international donors. Their technical, managerial and advocacy capacities are uneven, often with fewer, well established and active organisations in the capitals, but much weaker capacities at municipal and grass-roots level. This is preventing CSOs from achieving higher credibility across the region. The EU and other donors have been already investing in **capacity development programmes** that drove changes on the ground, but continuing these efforts – including outreach to grassroots – is critical.

CSOs in almost all countries in the Eastern Partnership still require targeted and action-oriented support to build technical skills, reach out and engage constituents, become more effective advocates and build stronger coalitions. As outlined in all EU Roadmaps for Engagement with Civil Society, sustainability and impact of CSO-led work remain challenging if support to capacity developments renders no or little visible effects for women and men. For this reason, the capacity building component of this programme will factor in ideas put forward by communities, while strengthening civil society leadership, management and transformational leadership skills of women and men. Seeking greater impact, the capacity development actions under this programme will aim to capitalise on emergent community mobilisation to strengthen participatory and inclusive democracy in certain areas – for example, focused policy analysis (Azerbaijan), IT-enabled participation (Belarus), participation in policy development (Armenia and Ukraine), increased CSO engagement (Georgia), participatory local democracy (Moldova) and new business models for CSOs (Russia and Ukraine). Special attention will be paid to the role of women in decision-making. Research shows that women's organisations and NGOs with an inclusive agenda have an important role in representing and giving information on the needs of women. They also play

a key role in holding the government accountable for the conditions of women and marginalised groups. In addition, their involvement in decision-making leads to more accountable and inclusive results.

Recently, a number of CSOs are showing an interest in developing social enterprises, engaging with purpose driven businesses, engaging in social contracting or using zero interest lending. **Social entrepreneurship** development is gaining momentum across the region. Social entrepreneurship is driven by either business sustainability actions or CSOs that are developing revenue generating activity. In the case of the latter the CSOs are sometimes engaging in social entrepreneurship as a means of solving a problem that is not sufficiently addressed by local authorities such as access to child care services. At the same time, development of social entrepreneurship is hampered in all countries in the region by legal environments that are not recognising social enterprises as a special category of businesses, and thus do not enjoy specific policies or legal frameworks. Only now, ecosystems fostering growth of social enterprises are beginning to develop. Some countries have at least some form of support infrastructure in place for SME development (that can prove useful to social entrepreneurs as well) – including consultancy services, or grant funding providing initial capital.

A recent EU study looking at the social entrepreneurship landscape<sup>13</sup> in the region found that there is great potential for development of social enterprises across the region. Countries with a favourable business environment and socially oriented public policies, such as Azerbaijan, Armenia, Georgia and Ukraine – were found to be particularly relevant from this point of view. At the same time, awareness of how social entrepreneurship works and what makes it different from other types of business, specific regulatory frameworks and access to more diversified types of funding remain the main challenges.

To answer these problems, this action proposes:

- **To further advance the capacities of CSOs** by:
  - engaging with country-level or regionally relevant Framework Partners to continue or set-up large scale financial support to third parties schemes and adequate mentorship and training; encouraging financial sustainability of civil society, by supporting mixed funding modalities, including through social entrepreneurship and other alternatives of financing;
  - making available ad-hoc support for capacity development of CSOs (including for organisation of regional events, participation in and organisation of face-to-face trainings, developing e-learning tools, running studies on the civil society sector, other types of technical support to EU Delegations for info sessions and consultations, and setting up a network of civil society specific IT centres); building leadership within civil society through the Civil Society Fellowships;
  - developing/ extending a support platform for the voluntary reflection of transparency and accountability standards for CSOs (including an impact monitoring tool for CSOs);
  - supporting regional exchanges and learning that would drive social innovation, by supporting civic tech projects and ideas, and by diversifying non for profit business models (to tap into the potential of initiatives such as the OpenData movement or Code-for-All, promoting freely available data and technology).

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<sup>13</sup> <https://ec.europa.eu/docsroom/documents/29642>

- To further foster an **enabling environment** for civil society by supporting the implementation of the Monitoring Matrix for Enabling Environment of CSOs, early warning for sudden closures of civic space and contributions to the development of global standards on freedom of association and expression; support will be made available for low value grants and support measures under the Rapid Response Mechanism; ensuring a lifeline to CSOs in shrinking spaces.
- Advance the role of civil society in **policy dialogue**, by supporting the Eastern Partnership Civil Society Forum and its platforms – at regional level; support civil society organisations through further institutionalising dialogue mechanism at municipal level.
- Contribute to developing a more favourable ecosystem for **social entrepreneurship**, building a social enterprise pipeline for investment in the Eastern Neighbourhood and support the setup/ extension of a social impact investment fund for the region.

## 2 RISKS AND ASSUMPTIONS

Risks	Risk level (H/M/L)	Mitigating measures
Climate for dialogue and environment for public participation deteriorates in the wider Eastern neighbourhood	M	Engage with state actors, local authorities and CSOs to re-build trust.
Insufficient amount of qualitative proposals for financial support to third parties.	M	Guidelines for financial support to third parties must be formulated in an accommodating manner; Local languages (as far as possible and economically justifiable) to be used in the application process.
Insufficient number of interested entities willing and able to implement the programme in Belarus.	M	Possibility to include local organisations as co-applicant.
<b>Assumptions</b>		
EaP partner countries remain committed to implement the 20 deliverables agenda		

## 3 LESSONS LEARNT AND COMPLEMENTARITY

### 3.1 Lessons learnt

The implementation of higher amounts of targeted civil society support in the wider Eastern Neighbourhood, combined with the new policy to diversify the range of actors the EU engages with (and appropriate methods to do so), have rendered a number of lessons learnt. Here are those that laid the ground for the design of the Neighbourhood East Civil Society Facility 2019 – 2020.

Stakeholder consultations conducted in the preparation of this action led to the conclusion that there is a need for the EU to focus its capacity development activities more strategically, i.e. to address research and data collection/evidence gaps as well as the challenges to CSO leadership and management. The areas in which CSOs work are largely donor-driven and financial sustainability in between projects remains a problem; smaller, regional organisations tend to be competitive, rather than cooperative. More coordination would be beneficial

between CSOs in their policy work in particular when they are tackling the same or closely related issues and ways of strengthening the impact of these initiatives must be found by using diverse working modalities such as fora, and partnerships most appropriate in the given national context. Participation in policy dialogues should be broadened to include the whole range of CSOs as far as possible – e.g. trade unions, farmers' organisations, cooperatives, women's organisations etc. – and, wherever possible, have a multi-actor approach, coordinated with national authorities, emphasising their multi-stakeholder dimension. Seed funding can lead to CSOs becoming community development actors and service providers to citizens. If CSOs serve the needs of local communities, their credibility improves and opportunities for their financial sustainability may increase. At the same time, CSOs working in the social sector and enjoying a high level of visibility and legitimacy among communities should be supported to contribute more actively to the definition of public policies by developing their advocacy and policy dialogue skills.

Looking at EU's more recent support policies, a number of lessons can be drawn from the use of financial support to third parties thus far. In a recent consultation with the recipients of such financial support, it became clear that financial support to third parties allows quicker and more flexible outreach to CSOs that are not able to directly apply for EU grants and that third party support made available by CSOs for CSOs tends to be more tailored to their needs. Through the 2018 Eastern Partnership Civil Society Facility, the EU has launched the process of selecting civil society organisations with which strategic partnerships (in form of Financial Framework Partnership Agreements) will be concluded. Through this long-term cooperation framework, the EU intends to step up its support to CSOs in the wider Eastern Neighbourhood by making available funding for capacity building and financial support to third parties.

The pilot Rapid Response Mechanism in the 2017/8 Civil Society Facility is seeing demand, which is why this Action earmarks funds to continue this support. The implementation of the 2017 and 2018 RRM was closely monitored and a formal review exercise is foreseen to take place in autumn 2019 in order to take stock of the projects implemented and assess the results and appropriateness of the mechanism. First feedback from Delegations on the use of the pilot RRM during 2018/19 indicates that the instrument responds to the need to react quickly and flexibly to unexpected changes and threats to civil society, but that some adjustments needed to be made, including the possibility to award service contracts.

The current Technical Assistance component of the Civil Society Facility has seen a lot of demand from civil society and EU Delegations. Since 2012 the programme has grown to be more and more flexible, made to respond to various growth needs of civil society organisations, including specific training, mentorship, e-learning, organisation and participation in events. A continuation of this programme will be foreseen.

In the countries of the wider eastern neighbourhood region, the restrictive domestic legislative frameworks are driving CSOs to seek different models to support their work. CSOs and those that support them need to push the EaP government to provide funding for CSOs and in addition adopt a creative approach to making funds available, while at the same time ensuring the independence of CSOs. On one hand, this is a stimulant for some CSOs involved in service delivery to consider more closely social entrepreneurship opportunities for generating alternative funding. On the other, more support to a broader range of CSOs is needed in developing possible business models and professional management tools that can help them increase their sustainability as well as legitimacy with their constituencies.

Core funding (i.e. operating support) was identified as a critical element for increased sustainability of CSOs. Hence, a pilot was launched in 2016 in Georgia and three operating grants were awarded. While the formal evaluation is still pending, it can be concluded already

that the limited funding of 30% of the annual programme of organisations and the one-off character (implementation period of maximum one year) has not proven to be sufficient core funding for the organisations to only focus on their development.

### **3.2 Complementarity, synergy and donor co-ordination**

Countries in the Eastern Neighbourhood have seen a 15% increase in their allocation for targeted support from the CSO programme of the Development and Co-operation Instrument. Therefore, substantial funds are already being made available in each of the Neighbourhood East countries for call for proposals to be launched from 2019 to 2021, with priorities meant to reflect the EU Roadmaps for Engagement with Civil Society. Each of the countries has also a yearly allocation from the European Instrument for Democracy and Human Rights (EIDHR). The Neighbourhood East Civil Society Facility is meant to underpin and complement the implementation of these programmes in each of the countries, while contributing to the achievement of the commitments made by the EU in the country Roadmaps for Engagement with Civil Society (2018 – 2020).

In **Armenia**, financial support to third parties is envisioned to be continued as follow-up to the various civil society organisations and initiatives the EU has recently funded. Emphasis will be more on core/fundamental technical capacity support and strengthening collaborative efforts.

In **Azerbaijan**, UNDP has proven a useful and competent partner for the EU in continuing support to civil society especially under programmes not governed by Financing Agreements. One large scale EU funded financial support to third parties scheme, implemented by UNDP, which targeted 12 local CSOs was considered as an important lifeline of support for Azerbaijani CSOs in a period where non-state funding opportunities are extremely limited. In the context of the capacity building component of the project, targeted CSOs expressed an interest in exploring alternative funding sources such as social entrepreneurship. The EU continues to be the largest foreign donor to CSOs in Azerbaijan, followed closely by USAID. The procedure for registration of grants from foreign sources still discourages many potential donors from working in Azerbaijan. The issue of CSO support is discussed in the donor coordination sub-group on democracy and rule of law.

**Belarus** International Implementers Meeting (BIIM) gathers together key international implementers as well as donors working mainly with Belarusian Civil Society in exile and/or with CSOs implementing non-registered projects. According to BIIM structure there is a general co-ordination meeting once a year (usually in autumn), and sub-group for financial controllers once a year (usually in spring). The meetings are usually organised and financed by USAID and SIDA through Pact and Forum Syd.

In **Georgia**, the EU has been successful in streamlining support to and engagement with civil society in all its areas of engagements. This is expressed in financial support of EUR 32 million to more than 80 civil society organisations through more than 20 open calls for proposals in the period of 2014-2017. While there are numerous sectoral initiatives for civil society, general support to further develop the capacities and sustainability of civil society is ongoing: the Georgian Civil Society Sustainability Initiative is being funded with EUR 4 million over four years to increase the role and impact of the civil society in the political, economic, social and cultural development of a modern Georgia. The action aims at achieving more transparent state funding mechanisms, stimulating philanthropy and corporate social responsibility; a more positive perception of civil society, applying international standards of transparency and accountability towards all stakeholders; improved civic participation and

active CSO role in local and national policy-making. The Georgian National Platform has been supported over the last years.

In the face of a challenging political environment and gradually shrinking space for engagement with civil society organisations in Abkhazia, a Civil Society Support Programme (CSSP) was designed and is proving to be a useful and successful tool to provide some stability for existing CSOs and build a new generation of CSOs. It facilitates cooperation and networking among the CSOs representing interests of a wide range of communities and segments of the society in Abkhazia. A Civic Resource Center was created which is actively used by civil society. The active participation in this programme is evidence for the acute need to continue this initiative in order to further extend and consolidate the already achieved results, to ensure the building of a vibrant and responsive civil society in Abkhazia, including further enhancement of the space for civil society support activities and its acceptance by *de facto* authorities, and to support the active communities in South Ossetia. EUMS also provide funding to CSOs in the break-away regions.

The Confidence-building and Early Response Mechanism (COBERM) funded through the Instrument contributing to Peace and Stability (IcSP) aims at cross-ABL meetings and people to people contacts. The level of financial resources to which Abkhaz CSOs have access decreased sharply as a result of the 2008 conflict<sup>14</sup>.

In the Republic of **Moldova**, the EU jointly with the Member States and Switzerland adopted the European Joint Development Cooperation Strategy (Joint Programming Document) covering the period 2018-2020. Civil Society is a cross-cutting priority of the Joint Document with the objective to strengthen CSOs capacities to play an effective role in policy dialogue, implementation and monitoring at national and local levels and to contribute to private sector development, sustainable economic growth and social innovation. The impact of assistance deployed to CSOs could be strengthened by, among other things, better/stronger coordination among the donor and beneficiary community. The EU Delegation to the Republic of Moldova is managing large financial support to third parties schemes under a CSO facility with one technical assistance project and three grants with financial support to third parties scheme. The total envelope is EUR 8 million. These financial support to third parties schemes are thematically focused on the priorities of the SSF 2014-2017. This new action will not have a thematic focus and rather develop a new approach to financial support to third parties and civic engagement that fosters local democracy and community development.

The **Ukraine** component of the programme will mainly build upon the experience of the on-going Support to Civil Society and EIDHR bilateral programmes with relevant adjustment of the priorities and specific objectives of the planned call to cover the most recent developments in the policy and political environment of Ukraine. The programme will complement the bilateral support planned with 2019 financing. The grant programme in question will increase the viability and capacities of CSOs to contribute to the development of accountable, transparent and democratic institutions, social and economic development and the prevention of violent conflicts.

The EU is currently the only major donor of Russian civil society projects. The five guiding principles of the European Union's policy towards **Russia** agreed by the Foreign Affairs Council of March 2016, include a fifth principle underlining the "need to engage in people-to-people contacts and support Russian civil society".. EU support is crucial for enabling Russian civil society organisations (CSOs) to continue their work. As from 2014, the

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<sup>14</sup> South Ossetian CSOs would appear to face even greater resource-linked challenges as only the ICRC has access to the territory.

"European Instrument for Democracy and Human Rights" (EIDHR) and the "Civil Society Organisations" (CSO) programme are the main actions in support to strengthening human rights and civil society. Cross Border Cooperation (CBC) and Northern Dimension (ND) programmes have also a strong people to people component. ~~It is in the EU interest to continue to support and to empower independent civil society organisations.~~ The Partnership Instrument makes available support in Russia in order to advance EU's public diplomacy efforts. It makes available funding for selected projects with civil society organisations in Russia, including support to the EU – Russia Civil Society Forum.

#### **4 DESCRIPTION OF THE ACTION**

##### **4.1 Overall objective, specific objective(s), expected outputs and indicative activities**

The **overall objective** of the Eastern Partnership Civil Society Facility 2019-2020 is to **strengthen participatory and inclusive democracy** in the Eastern Neighbourhood.

With the aim of fostering regional and trans-regional co-operation, in particular in the area of People to People contacts, the Commission decides to extend the eligibility of this action to the Russian Federation.

The Civil Society Facility will pursue the following **specific objectives**:

**Specific Objective 1:** To increase **CSOs' capacity** to engage in the policy making processes and policy dialogue, promote reforms and public accountability, foster local democracy, local development and engage citizens in public debate.

**Specific objective 2:** To **promote social innovation and social entrepreneurship** in the Eastern Neighbourhood.

##### **Outputs linked to Specific Objectives**

**Specific Objective 1.** To increase **CSOs' capacity** to engage in policy making processes and policy dialogue, promote reforms and public accountability, foster local democracy and engage citizens in public debate.

**Output 01 (O1).** Increased capacities of CSOs to engage in advocacy, policy development and promote accountability.

##### **Main activities**

**Activity 1. Develop country specific capacity development programme in selected Eastern Partnership countries.** In line with the respective country's Roadmap for EU Engagement with Civil Society, country specific capacity building activities in this area may include:

- 1.1 Armenia:** strengthen CSO management skills and transformational leadership;
- 1.2 Georgia:** advance CSOs' role in Association Agenda related policy dialogue, civic engagement in the regions, including minority regions, local advocacy, including in breakaway regions, and service delivery;
- 1.3 Moldova:** Enable civil society (including local action groups) and young leaders to be active pillars in democracy, community building and policy dialogue related to the Association Agreement (including at local level);
- 1.4 Ukraine:** support the use of innovative approaches in advocacy and policy development).



**1.5 Azerbaijan:** reinforce CSOs' role in advocacy, policy development and promote accountability

Through the Civil Society Facility 2018/19, Financial Framework Partnership Agreements (FFPAs) will be concluded with selected CSOs, which have significant experience in providing technical and financial support to grass-root organisations in the wider Eastern Neighbourhood. Where appropriate, Delegations may use these Strategic Partners/FFPAs for their bilateral capacity-development programmes.

### **Activity 2. Mobilise EU strategic partners to develop regional capacity development programme in Eastern Partnership countries**

One or more Strategic Partners (amongst the aforementioned organisations with which the EU will have concluded FFPAs) are mobilised to:

- design and test new ways (financing tools) to fund CSOs and work towards improving CSOs' financial sustainability;
- adjust capacity development programmes to the needs of local CSOs' and communities,;
- support CSOs in their agenda to do outreach and to engage with citizens and communities in an inclusive manner;
- support the development of professional not-for-profit management and strengthen internal control and governance; Promote self-governance standards, possibly through the establishment of a self-voluntary transparency framework for CSOs;
- provide financial support to third parties (other CSOs);
- advance regional and thematic policy dialogue between civil society and relevant stakeholders, ensuring the involvement of a wide variety of CSOs, including women's organisations.

### **Activity 3. Regional technical assistance to build capacities of CSOs in the Eastern Partnership**

- 3.1. Elaboration of studies, civil society mappings (and updates), surveys and other types of exploratory research on civil society issues across the region
- 3.2. Developing and running specific regional trainings for civil society organisations and/or their representatives; maintain and update existing e-learning courses that may have been developed from 2014 to 2020.
- 3.3. Supporting civic tech initiatives across the region, including by setting up a specific collaborative tech space in Minsk to serve development of local initiatives, and by organising yearly regional hackathons on new tools for e-participation and engagement.
- 3.4. Supporting the next generation of civil society leaders; selecting and building capacities of young leaders who have shown leadership potential in civil society through the Civil Society Fellowships
- 3.5. Providing ad-hoc support in response to requests for tailored capacity building from specific civic organisations and actors, including through organisation of events and support for participation of civil society representatives to selected events.

### **Activity 4. Contributing to an open civic space in the wider Eastern Neighbourhood**

**Activity 4.1 Monitoring civic space** based on the CSO Meter/Monitoring Matrix for Enabling Environment developed in 2018 – 2019.

- 4.1.1. Update/ adjust the indicators listed in the 2019 and 2020 CSO Monitor.

- 4.1.2. Prepare and present yearly public reports on the state of indicators in the CSO Monitor in each of the Eastern Partnership countries.
- 4.1.3. Issue early warning reports on possible closures of civic space and provide feedback for EU political reporting and assessments.
- 4.1.4. Run at least three local media campaigns on civic space related issues.

This activity constitutes the continuation of support to the Monitoring Matrix for Enabling Environment initiated with funding from RAP 2016, covering 2017-20. The Matrix assesses the progress in creating an enabling environment for civil society development by providing consensus-building standards, which need to be in place for CSOs. Furthermore, it is designed to respond to the needs of the countries monitored, taking into account the complexities and dynamics of the sector.

**Activity 4.2. Monitoring results (and impact) of civil society work** in the Eastern Neighbourhood and Russia (based on tool elaborated in 2019).

- 4.2.1 Improve the quality and impact of EU support to civil society through the continuation of a monitoring system of EU-funded civil society projects that will feed into the existing EU systems of project monitoring and rely to the existing reporting systems;
- 4.2.2 Generate evidence on the impact of EU-supported civil society work on the ground and its benefits for citizens;
- 4.2.3 Recommend concrete corrective measures.

This activity proposes a continuation of ongoing work on a monitoring system that supports EU Delegations in the Eastern Neighbourhood in the monitoring of EU support to CSO.

**Activity 5. Supporting the functioning of the Eastern Partnership Civil Society Forum and its National Platforms as an independent actor.**

This activity envisages the continuation of support for the Eastern Partnership Civil Society Forum, the main objective of which is to engage in structured dialogue with the EU on policies carried out at regional level. With a regional setup and corresponding National Platforms, it is a self-organised body of civil society from the six EaP countries and the EU that needs further support to reflect changes in the EaP into its own structure.

**Activity 6. The Rapid Response Mechanism** - providing support in the form of low value grants (up to 60,000 EUR) and contracting of services (up to 20,000 EUR) in order to enable CSOs to react to fast changing political situations across the wider Eastern Neighbourhood.

Pending a positive outcome of a joint review exercise of the implementation of the Rapid Response Mechanism under the Civil Society Facilities 2017/18, this activity earmarks funds for a possible continuation of the ad-hoc support provided through this mechanism, which allows for a rapid reaction to unexpected changes and threats to civil society. The support is offered in the form of grants for policy-oriented CSOs in order to enable them to better respond to sudden policy shifts, including restrictions on civil society space.

**Specific Objective 2:** To promote social innovation and social entrepreneurship in the Eastern Neighbourhood.

**Output 2 (O2). Advancement of social entrepreneurship in the Eastern Neighbourhood.**

## **Main activities**

This component foresees activities in all Eastern Partnership countries, with dedicated country-specific activities in Armenia, Azerbaijan, Belarus, Georgia and Moldova.

### **Activity 7. Contribute to a more favourable ecosystem for social entrepreneurship**

Overall, both regional and bilateral activities shall contribute to a more favourable ecosystem for social entrepreneurship and can include:

- Carry-out specific in-country awareness raising targeting authorities, business and entrepreneurs on what is social entrepreneurship (as well as concepts like venture philanthropy and purpose-driven business)
- Promote policy dialogue (including at regional and local level within countries) on the role of government in promoting social entrepreneurship
- Promote engagement of a variety of actors, including through existing networks of business and/or professional associations.

#### **Activity 7.1 Regional actions covering the whole of the Eastern Partnership**

The regional activities will drive the development of social enterprises and purpose-driven business as a specific group of civil society actors (recognising their role in governance issues) in the Eastern Partnership, adopting a gender-sensitive approach and aiming to maximise their contribution to women's participation and economic empowerment. In addition to the initiatives mentioned under Activity 7, they will further contribute to an existing fund or setup a new regional social impact fund, making funding available to scale (or establish) social enterprises and purpose driven businesses. These funds will primarily be dedicated to Armenia, Azerbaijan, Georgia and Moldova.

**Activity 7.2. Country-specific activities:** In addition to general support for building a favourable ecosystem for social entrepreneurship, country-specific activities may include that services for social entrepreneurs, business and community leaders are made available offering coaching, mentorship and legal guidance through setup and running a social enterprise for the following countries:

- 7.2.1 Armenia
- 7.2.2 Georgia
- 7.2.3 Moldova
- 7.2.4 Azerbaijan

### **Activity 8. Promote social innovation and the development of new business models for financing CSOs and purpose-driven businesses.**

#### **Activity 8.1. Regional actions covering the whole of the Eastern Partnership**

- Organise a competition of ideas for CSOs (including a plan for financial sustainability) and purpose-driven businesses.
- Offer tailor made technical support and physical space (at a subsidised price) for business development and day-to-day management
- Directly support transaction costs linked to changes in business models.

#### **Activity 8.2. Country-specific activities on social innovation in Belarus**

This activity aims to promote community engagement and social innovation in Belarus, support new civic actors, social entrepreneurs and aspiring civic leaders in elaborating new business models for their future organisations, and develop practical tools for their organisational development.

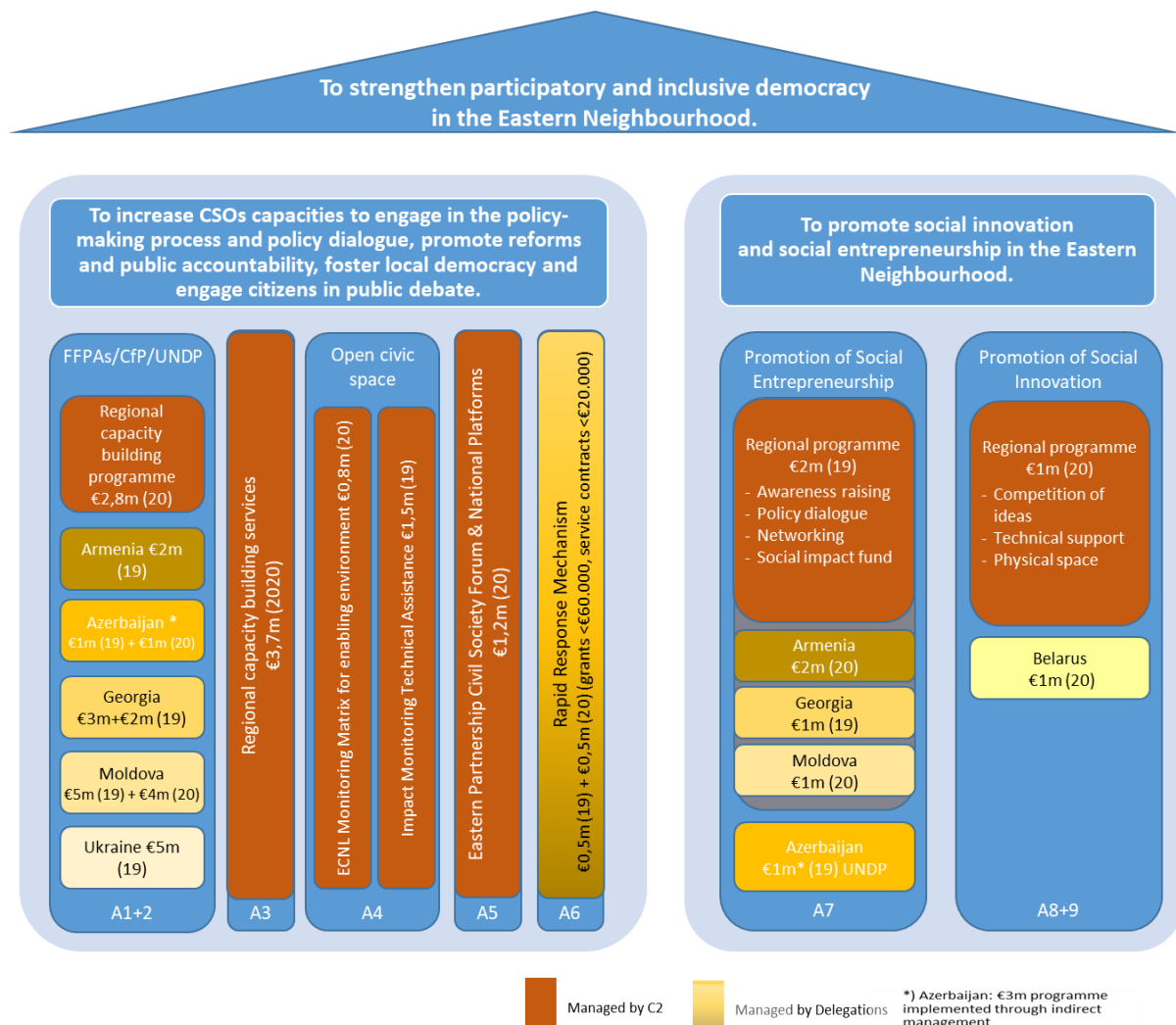
## 4.2 Intervention Logic

The proposed action aims to bring higher coherence and predictability of support to civil society, by pooling regional and bilateral activities under the Eastern Neighbourhood Civil Society Facility into a single action. This reflects the results oriented logics of the Eastern Partnership Summit Commitments – that linked civil society support with better governance, with a specific focus on advancing active citizenship and socio-economic reforms.

The two objectives that the action pursues capitalise and sustain the efforts and investment that the EU has been making in advancing the role of civil society since the Facility was established (2011). Therefore, on the one hand it aims to maintain successful interventions that are critical to EU's infrastructure of support to civil society across the region, on its three priority lines: enabling environment, capacity development and policy dialogue. On the other, it seeks to capture current trends in civic engagement and attempt to foster and adapt to innovation in civic participation and state-of-the-art development in financing of CSOs.

Overall, the action is giving a comprehensive response to country-specific needs and general expectations to support civil society in the EU's Eastern Neighbourhood.

The visualisation of the intervention logic below indicates how the proposed implementation modalities relate to the different activities.



### **4.3 Mainstreaming**

Mapping studies and analyses of sectors in which civil society organisations are active indicate that on average about 70% of CSOs in the Eastern Neighbourhood work on issues related to human rights, gender equality and environment. The intervention logic of this action will support civil society organisations develop according to their own vision, mission and mandates, as long as respect for fundamental EU values is ensured. For this reason, country-specific objectives have been identified, however no particular themes have been identified as priorities for this intervention. In general, actions will pursue to support commitments made by the EU in its Gender Action Plan II, as well as its climate change commitments. Actions under the programme shall ensure the involvement of CSOs working on gender equality, and be implemented in a way that maximises their contribution to women and girls' human rights, participation and economic empowerment. Actions will further be responsive to factors such as age, vulnerability and conflict-affectedness, and shall contribute to a balanced representation of women and men in all activities, including from minority communities.

#### **Contribution to SDGs**

This intervention is relevant for the 2030 Agenda. It contributes primarily to the progressive achievement of SDG(s) 16. Promote peaceful & inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

## **5 IMPLEMENTATION**

### **5.1 Financing agreement**

In order to implement this action, it is not foreseen to conclude a financing agreement.

### **5.2 Indicative implementation period**

The indicative operational implementation period of this action, during which the activities described in section 4 will be carried out and the corresponding contracts and agreements implemented, is 60 months from the date of adoption by the Commission of this Financing Decision.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Decision and the relevant contracts and agreements.

### **5.3 Implementation modalities**

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures<sup>15</sup>.

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<sup>15</sup> [www.sanctionsmap.eu](http://www.sanctionsmap.eu). Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

### **5.3.1 Grants: Build capacities of CSOs to engage in advocacy, policy development and promote accountability**

#### (a) Purpose of the grant(s)

To reach Objective 1, Output 1 and implement Activities 1 and 2, grants will be concluded in order to develop country specific capacity development programmes in selected Eastern Partnership countries and in the wider Eastern Neighbourhood region. These programmes will be designed in line with the respective country's Roadmap for EU Engagement with Civil Society, and will focus on one or more of the following priorities:

- design and test new ways (financing tools) to fund CSOs and work towards improving CSOs' financial sustainability.
- adjust capacity development programmes to the needs of local CSOs' and communities,;
- support CSOs in their agenda to do outreach and to engage with citizens and communities in an inclusive manner:
- support the development of professional not-for-profit management and strengthen internal control and governance; Promote self-governance standards, possibly through the establishment of a self-voluntary transparency framework for CSOs;
- advance regional and thematic policy dialogue between civil society and relevant stakeholders, ensuring the involvement of a wide variety of CSOs, including women's organisations.
- support to the elaboration of country-specific studies and events (mobilisation of country-specific expertise mandatory), on-going support, monitoring and evaluation.

Grants will be awarded in order to:

- Conduct activities to strengthen the capacities of CSOs to participate in the democratisation process in Eastern Partnership countries and the Russian Federation and become better communicators of their work.
- Provide Financial Support to Third Parties in Eastern Partnership countries and the Russian Federation, and provide step-by-step support in the implementation of project funding received through, coupled with oversight of the organisations' own development strategies and ambitions.
- Coordinate appropriately with EU Delegations and relevant donors on the implementation and monitoring of supported initiatives.

In 2019, Financial Framework Partnership Agreements will be concluded with selected CSOs, which have significant experience in providing technical and financial support to grass-root organisations in the wider Eastern Neighbourhood. For the regional capacity development programme (Activity 2), a restricted Call for Proposals will be launched to those framework partners only. For the country-specific capacity development programmes (Activity 1), the respective Authorising Officer may also launch restricted Calls for Proposals to those framework partners only, or they may choose to launch Calls for Proposals for which they define their own eligibility criteria.

#### (b) Type of applicants targeted

Potential applicants for the grants will be:

- organisations that have signed a financial framework partnership agreement with the EU following the call for proposals “Strategic Partnerships for Capacity Development of Civil Society Organisations in the Eastern Partnership” launched in 2019, or
- civil society organisations who have a solid experience in implementing CSO capacity building activities and in awarding and managing financial support to local CSOs in the Eastern Neighbourhood.

**5.3.2 Grant: “Monitoring tool for enabling environment for civil society development in the Eastern Partnership countries” (direct management)**

(a) Purpose of the grant(s)

To reach Objective 1, Output 1 and implement Activity 4.1, a grant will be awarded with the objective of contributing to an improvement of the environment in which civil society organisations operate in the Eastern Partnership countries, with the following planned results:

- The environment in which CSOs operate is regularly monitored, recommendations produced and changes introduced in order to ensure a more enabling environment for CSOs.
- Local stakeholders have a better understanding of issues on enabling environment for CSOs and solid basis for advocacy for improved legal framework for CSOs.

(b) Type of applicants targeted

The grant will be awarded without a call for proposals to the European Center for Not-for-Profit Law (ECNL).

(c) Justification of a direct grant

Under the responsibility of the Commission’s authorising officer responsible, the grant may be awarded without a call for proposals to the European Center for Not-for-Profit Law (ECNL).

Under the responsibility of the Commission’s authorising officer responsible, the recourse to an award of a grant without a call for proposals is justified because of ECNL’s competence, high degree of specialisation, strong proven experience in the field, and its unique methodology used to assess the environment in which civil society organisations operate.

In particular, ECNL gained unique expertise and experience in preparing similar monitoring tools for the Western Balkans and Eastern Partnership regions. The Monitoring Matrix on Enabling Environment for Civil Society Development in the Balkans was developed with leadership and expertise of ECNL, together with members of the Balkan Civil Society Development Network. ECNL also supported Commission services (ex-Directorate-General for Enlargement) in the development of the Guidelines for EU Support to Civil Society in Enlargement Countries, 2014-2020. In addition, ECNL recently developed a monitoring tool specific for the processes of consultation in policy and law making in Turkey.

ECNL, with its affiliate the International Centre for Not-for-Profit Law (ICNL), currently has ongoing programmes in support of enabling CSO law reform in each country of the EaP region and has been engaged in the region directly since 2007.



### **5.3.3 Grant: 'Support to the Secretariat of the Eastern Partnership Civil Society Forum III' (direct management)**

#### (a) Purpose of the grant(s)

To reach Objective 1, Output 1 and implement Activity 5, a grant will be awarded to the Secretariat of the Civil Society Forum, aiming at increasing impact on policy change of civil society-led advocacy in sectors covered by the Eastern Partnership deliverables, by supporting the ambitions of the Civil Society Forum to become a fully independent actor within the Eastern Partnership architecture.

#### (b) Type of applicants targeted

The target organisation for this grant is the secretariat of the Eastern Partnership Civil Society Forum, which is a self-organised body of civil society from the six EaP countries and the EU. Its main objective is to engage in structured dialogue with the EU on issues related to policies carried out at regional level. It has been operational since 2009, and received EU funding since 2011 to carry out regional dialogue. Eastern Partnership National Platforms engage in national level policy dialogue in each of the EaP countries, however their level of funding – from the EU and other donors – has been inconsistent.

#### (c) Justification of a direct grant

Under the responsibility of the Commission's authorising officer responsible, the grant may be awarded without a call for proposals to the Secretariat of the Eastern Partnership Civil Society Forum.

This recourse to an award of a grant without a call for proposals is justified because the Civil Society Forum (with its regional setup and National Platforms) has a unique role in the region: it represents civil society as a policy dialogue partner in the political framework of the EaP. Its organisation mirrors to a large extent the areas of engagement of the EaP. It presents a self-styled governance model, and under the leadership of its elected Steering Committee, it needs continuous support to develop its strategic vision, streamline its organisational processes to reflect the changes in the EaP into its own structure, and to develop its own theory of change strategy. This grant will build on these efforts and support the Forum in its ambitions to become a truly independent actor. The Secretariat of the Eastern Partnership Civil Society Forum is the organisation set up to ensure technical and administrative support for the functioning of the Forum and will receive and administer this grant.

### **5.3.4 Grants: direct awards under the 'Eastern Neighbourhood Rapid Response Mechanism' (direct management)**

#### (a) Purpose of the grant(s)

To reach Objective 1, Output 1 and implement Activity 6, low-value grants will be awarded to increase the reaction capacity of CSOs to participate in partner countries' policy debates on critical governance issues.

The political developments in the last years in the wider Eastern Neighbourhood showed that, when an unexpected political or policy change occurs, CSOs need to be enabled to react rapidly to such changes, including sudden restrictions on civil society space. In order to respond to these threats to civil society, under the Civil Society Facilities 2017 and 2018, the EU set-up a pilot for a reactive mechanism. This Rapid Response Mechanism allows to make rapidly available reasonable support in the form of grants for policy-oriented CSOs, to react to sudden shifts in the policy agenda and enable them to contribute effectively to public debates, increase public awareness, and/or scale up targeted advocacy.

Pending a positive outcome of a joint review exercise of the implementation of the Rapid Response Mechanism under the Civil Society Facilities 2017/18, this activity earmarks funds for a possible continuation of this ad-hoc support. It will continue to allow for a rapid reaction to unexpected changes and threats to civil society by providing ad hoc support to CSOs through the direct award of up to 20 grants of up to EUR 60.000 each. It is expected that a maximum of 20 grants will be awarded. The grant contracts will be managed by the respective Delegations (or exceptionally by HQ where this would be justified by the politically sensitive context).

Should the joint review exercise of the implementation of the Rapid Response Mechanism under the Civil Society Facilities 2017/18 planned to take place in autumn 2019 conclude that a continuation of this mechanism is not considered appropriate/justified, the earmarked funds will be reallocated to Activity 7.1 Regional Social Entrepreneurship actions (EUR 500.000 from 2019), and Activity 3. Regional technical assistance for capacity development of CSOs to support work on civil society at local level (EUR 500.000 from 2020).

(b) Type of applicants targeted

Potential applicants are CSOs with a proven track record of action on a particular governance issue, ad-hoc coalitions of CSOs (or particular extensions of advocacy work conducted by established coalitions, networks and platforms), CSOs having proven citizen support for a particular advocacy idea and public policy think tanks based either in the European Union or in one of the Eastern Partnership countries, with a track record on policy work aimed at EU policy in the Eastern Partnership.

Grants will be awarded without a call for proposals to CSOs in order to respond to immediate and isolated needs arising from sudden changes in their environment. The recourse to such a direct award will be subject to fulfilling the conditions defined in Article 195 of the 2018 Financial Regulation and will be considered on a case-by-case basis in the light of these requirements.

(c) Exception to the non-retroactivity of costs

The Commission authorises that the costs incurred may be recognised as eligible as of 1 June 2019 in case funds allocated to the 2018 Rapid Response Mechanism finish.

**5.3.5 Grant(s): “Promote social entrepreneurship in the Eastern Neighbourhood’ (direct management)”**

(a) Purpose of the grant(s)

To reach Objective 2, Output 2 and implement Activities 7.1 and 7.2, grant(s) will be awarded aiming at creating a favourable environment for social impact investing, social entrepreneurship development and growth of purpose-driven business in the Eastern Neighbourhood, and notably in Armenia and Georgia.

(b) Type of applicants targeted

Potential applicants are civil society organisations with competencies in promoting venture philanthropy and administering social impact investment funds, and with experience in working in the Eastern Neighbourhood countries, and/or notably in Armenia, Azerbaijan and Georgia.

### **5.3.6 Grant(s): “Promote social innovation and the development of new business models for financing CSOs and purpose-driven businesses” (direct management)**

#### **(a) Purpose of the grant(s)**

To reach Objective 2, Output 2 and implement Activities 8.1 and 8.2, grant(s) will be awarded to foster social innovation across the Eastern Neighbourhood region, and notably in Belarus. The grant(s) will set up a regional space for ‘trial and error’, offer tailor-made technical support and physical space for new civic actors, social entrepreneurs and aspiring civic leaders to develop new business models for their future organisations, and develop practical tools for their organisational development. Country-specific actions are foreseen to promote social innovation in Belarus.

#### **(b) Type of applicants targeted**

Potential applicants are civil society organisations with competencies in promoting social innovation, building ecosystems to drive collaboration and entrepreneurial innovation, and developing new business models for CSOs and purpose driven businesses.

### **5.3.7 Procurement (direct management)**

- Objective 1, Output 1, **Activity 3. Regional technical assistance** for capacity development of CSOs to support work on civil society at local level

- Objective 1, Output 1, **Activity 4.2. Monitoring results (and impact) of civil society work** in the Eastern Partnership and Russia (based on tool elaborated in 2019)

- Objective 1, Output 1 **Activity 6. Rapid Response Mechanism** (single tender under 20k)

### **5.3.8 Indirect management with an entrusted entity**

To reach Objective 1, Output 1 and implement Activities 1.2 and 1.5, and to reach Objective 2, Output 2 and implement Activity 7.2.4, in Azerbaijan and Georgia, a part of this action may be implemented in indirect management with an entity which will be selected by the Commission’s services using the following criteria:

In Azerbaijan:

- significant experience of implementing support to civil society in Azerbaijan, including through capacity development and financial support to third parties;
- expertise in social innovation and social entrepreneurship.

In Georgia:

- significant experience of implementing support to civil society in the breakaway regions of Abkhazia and South Ossetia in Georgia, including through capacity development and financial support to third parties.

The implementation by this entity entails the following:

- the implementation of CSO capacity development and management of a scheme of financial support to third parties, as well as the development of social entrepreneurship in Azerbaijan;
- the implementation of CSO capacity development and management of a scheme of financial support to third parties in the breakaway regions of Abkhazia and South Ossetia.

### **5.3.9 *Changes from indirect to direct management mode due to exceptional circumstances (one alternative second option)***

If negotiations with an entrusted entity fail, or if the above-mentioned preferred modality cannot be implemented due to circumstances outside of the Commission's control, to reach Objective 1, Output 1 and implement Activities 1.2 and 1.5, and to reach Objective 2, Output 2 and implement Activity 7.2.4, that part of this action may be implemented in direct management in accordance with the implementation modalities identified in sections 5.3.1. In such a case, instead of concluding a contract with an entrusted entity, the Delegations Azerbaijan and Georgia may also launch restricted Calls for Proposals to the existing Financial Framework Partners only, or they may choose to launch bilateral Calls for Proposals for which they define their own eligibility criteria.

## **5.4 Scope of geographical eligibility for procurement and grants**

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or in other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

## 5.5 Indicative budget

	<b>EU contribution (amount in EUR) 2019</b>	<b>EU contribution (amount in EUR) 2020</b>	<b>Indicative third party contribution (amount in EUR)</b>
<b>Specific Objective 1: To increase CSOs' capacity</b>			
Activity 1: Build capacities of CSOs to engage in advocacy, policy development and promote accountability			
1.1 Armenia Grants (direct management) – cf section 5.3.1	<b>2m (ARM)</b>		0.22m
1.2.a Georgia Grants (direct management) – cf section 5.3.1	<b>3m (GE)</b>		0.33m
1.2.b Georgia (breakaway regions) Indirect management– cf section 5.3.8	<b>2m (GE)</b>		0.22m
1.3 in Moldova Grants (direct management) – cf section 5.3.1	<b>5m (MD)</b>	<b>4m (MD)</b>	0.99m
1.4. in Ukraine Grants (direct management) – cf section 5.3.1	<b>5m (UA)</b>		0.56m
1.5 (and 7.2.4 in Azerbaijan) Indirect Management– cf section 5.3.8)	<b>2m (AZ)</b>	<b>1m (AZ)</b>	0.33m
Activity 2: Regional capacity building programme Grants (direct management) – cf 5.3.1		<b>2.8m (REG)</b>	0.31m
Activity 3: Regional capacity building services Procurement (direct management) – cf 5.3.7		<b>3.7m (REG)</b>	
Activity 4.1: Monitoring tool for Enabling Environment Grant (direct management) – cf 5.3.2		<b>0.8m (REG)</b>	0.09m
Activity 4.2: impact monitoring tool Procurement (direct management) – cf 5.3.7	<b>1.5m (REG)</b>		
Activity 5: Eastern Partnership Civil Society Forum Grant (direct management) – cf 5.3.3		<b>1.2m (REG)</b>	0.13m
Activity 6: Rapid Response Mechanism Grants (direct management) – cf 5.3.4	<b>0.48m (REG)</b>	<b>0.48m (REG)</b>	0.11m
Procurement (direct management) – cf 5.3.7	<b>0.02m (REG)</b>	<b>0.02m (REG)</b>	

	<b>EU contribution (amount in EUR) 2019</b>	<b>EU contribution (amount in EUR) 2020</b>	<b>Indicative third party contribution (amount in EUR)</b>
<b>Specific objective 2: To promote social innovation and social entrepreneurship</b>			
Activity 7.1: Regional Social Entrepreneurship Programme Grants (direct management) – cf 5.3.5	<b>2m (REG)</b>		0.22m
Activity 7.2: Country-specific activities Grants (direct management) – cf 5.3.5 7.2.1 in Armenia 7.2.2 in Georgia 7.2.3 in Moldova	<b>1m (GE)</b>	<b>2m (AM)</b> <b>1m (MD)</b>	0.44m
Activity 7.2.4: Country-specific activities in Azerbaijan Indirect management– cf 5.3.8	<b>(see Activity 1.5)</b>		
Activity 8.1: Regional social innovation Programme Grants (direct management) –cf 5.3.6		<b>1m REG)</b>	0.11m
Activity 8.2: Social innovation in Belarus Grants (direct management) – cf 5.3.6		<b>1m (BY)</b>	0.11m
<b>Grants – total envelope</b>	<b>18.48m</b>	<b>14.28m</b>	<b>2.64m</b>
<b>Procurement – total envelope</b>	<b>1.52m</b>	<b>3.72m</b>	
<b>Indirect management</b>	<b>4m</b>	<b>1m</b>	<b>0.56m</b>
	<b>24m</b>	<b>19m</b>	<b>4.20m</b>
<b>Total</b>			<b>47.20</b>

## 5.6 Organisational set-up and responsibilities

Each of the components of this action will have their own governance structure.

All standalone projects except those stemming from the Rapid Response Mechanism will have their own Steering Committees.

In relation to the Rapid Response Mechanism, working arrangements within the EU have been developed in the pilot phase in order to guide the decision making process for the awards it would make available.

## 5.7 Performance and Results monitoring and reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its

results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the Logframe matrix (for project modality).

SDGs indicators and, if applicable, any jointly agreed indicators as for instance per Joint Programming document should be taken into account.

The reports will be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final reports, narrative and financial, will cover the entire period of the actions' implementation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

## **5.8 Evaluation**

Having regard to the nature of the action, an ex-post evaluation(s) will not be carried out for this action or its components.

A strategic evaluation on EU civil society support, focused on the Neighbourhood East Civil Society Facility was just completed.

The Commission may, during implementation, decide to undertake such an evaluation for duly justified reasons either on its own decision or on the initiative of the partner.

The evaluation reports shall be shared with the other key stakeholders, as appropriate. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

The financing of the evaluation shall be covered by another measure constituting a financing Decision.

## **5.9 Audit**

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

The financing of the audit shall be covered by another measure constituting a financing Decision.

## **5.10 Communication and visibility**

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

Actions stemming from this programme shall contain communication and visibility measures which shall be based on specific Communication and Visibility Plans of each action, to be elaborated at the start of implementation and endorsed within each project's governance setup.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, procurement and grant contracts, and delegation agreements.



The Communication and Visibility Requirements for European Union External Action (or any succeeding document) shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

Communication and visibility requirements for the Regional Technical Assistance and the Impact Monitoring project will be specified in their respective Terms of Reference.

## **6 PRE-CONDITIONS**

The results of previous evaluations of ongoing programmes, and as a result of testing a number of assumptions, here are the pre-conditions for this programme.

First, the operating environment for civil society will not worsen past the point where EU civil society policy in certain countries would need revision, or funds withdrawn. For that EaP governments need to maintain their commitments in relation to freedom of speech, association and peaceful assembly. Second, civil society will be receptive to the solutions proposed. For example, there will be support to develop and implement self-governance standards related to accountability and transparency of CSOs. Thirdly, relevant strategic partners will have been selected prior to the start of the implementation of this action.

**APPENDIX - INDICATIVE LOGFRAME MATRIX (FOR PROJECT MODALITY)**

	<b>Logical chain</b>	<b>Indicators</b>	<b>Baselines (incl. reference year)</b>	<b>Targets (incl. reference year)</b>	<b>Sources and means of verification</b>	<b>Assumptions</b>
<b>Impact (Overall Objective)</b>	<b>Strengthen participatory and inclusive democracy in the Eastern Neighbourhood</b>	The level of participation of the civil society sector in governance processes in the Eastern Neighbourhood, as measured by the Civicus Enabling Environment Index and the Worldwide Governance Indicators on the dimension of Voice and Accountability	<ul style="list-style-type: none"> <li>○ EEI mean score (2013) for the Eastern Neighbourhood : 0,48</li> <li>○ Percentile ranking of countries in the Eastern Neighbourhood on "Voice and Accountability" - WGI (2017)</li> </ul>	<ul style="list-style-type: none"> <li>○ EEI mean score for the Eastern Neighbourhood and/or country specific ranking improved</li> <li>○ WGI country percentile ranks on 'Voice and Accountability' improved</li> </ul>	<ul style="list-style-type: none"> <li>○ Civicus Enabling Environment Index (EEI)<sup>i</sup></li> <li>○ 'Voice and Accountability' score of the World Bank's Worldwide Governance Indicators (WGI)<sup>ii</sup></li> </ul>	<i>Not applicable</i>
<b>Specific Objective 1: Outcome (Oc 1)</b>	<i>Oc1:</i> To <b>increase CSOs' capacity</b> to engage in policy making processes and policy dialogue, promote reforms and public accountability, foster local democracy and engage citizens, women and men, in public debate	<ul style="list-style-type: none"> <li>○ Evidence of strengthened technical and advocacy capacities and public dialogue skills of CSOs;</li> <li>○ Number and diversity of CSOs<sup>16</sup> (including women's organisations)/invited/participating in/contributing to national/sectoral development plans/strategy discussions or consultations/debates on national/sectoral reforms.</li> </ul>	CSO Sustainability Index (2017) - Median score of Overall CSO Sustainability across countries in the Eastern Neighbourhood	CSO Sustainability Index - Median score of overall CSO Sustainability across countries in the Eastern Neighbourhood improved	<ul style="list-style-type: none"> <li>○ Civil Society Organisation (CSO) Sustainability Index for Central and Eastern Europe and Eurasia<sup>iii</sup></li> <li>○ Eastern Partnership Index<sup>iv</sup></li> <li>○ Mapping studies on CSOs</li> <li>○ Baseline survey and progress reports conducted by the TA project on 'Impact Monitoring of EU Civil Society Support in EaP Countries'</li> </ul>	<ul style="list-style-type: none"> <li>○ Institutions across the wider Eastern Neighbourhood willing to address priorities for CSO participation in the policy and law making processes</li> <li>○ EaP governments reaffirm their commitment to engage with civil society in policymaking</li> <li>○ EaP governments remain committed to the implementation of 20 Deliverables</li> <li>○ Strategic Partners are sufficiently engaged and involved in supporting small grassroots CSOs across the wider Eastern Neighbourhood</li> </ul>

<sup>16</sup> Including Grassroots CSOs, CSOs in remote/badly connected areas, CSOs working on policy areas lacking attention so far, Women organisations/organisations led by women, organisations led by conflict-affected people or otherwise vulnerable groups, etc.

	Logical chain	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions
Specific Objective 2: Outcome (Oc2)	<i>Oc2:</i> To promote <b>social innovation and social entrepreneurship</b> in the Eastern Neighbourhood	<ul style="list-style-type: none"> <li>○ Evidence on the formation of an enabling policy and legal framework on social entrepreneurship across the Eastern Neighbourhood</li> <li>○ Evidence of improved visibility and recognition of social innovation and entrepreneurship in the Eastern Neighbourhood</li> </ul>	<ul style="list-style-type: none"> <li>○ CSO Sustainability Index (2017) individual country score on the dimensions of 'Legal environment'</li> <li>○ Final Report: State of Play of EaP countries and Country Reports 'Social Economy in Eastern Neighbourhood and in the Western Balkans' (2018)</li> </ul>	Improved legal and regulatory environment governing the CSO sector as evidenced by the CSO Sustainability Index (country scores on the dimensions of 'Legal environment')	<ul style="list-style-type: none"> <li>○ CSO Sustainability Index for Central and Eastern Europe and Eurasia</li> <li>○ Mapping studies on CSOs</li> <li>○ Baseline survey and progress reports conducted by the TA project on 'Impact Monitoring of EU Civil Society Support in EaP Countries'</li> <li>○ Country Reports and Final Report 'Social Economy in Eastern Neighbourhood and in the Western Balkans' (2018) – FWC BENEf 2013 - Lot 10 – Trade, Standards and Private Sector</li> </ul>	<ul style="list-style-type: none"> <li>○ CSOs embrace the concept of social entrepreneurship as a way to boost their financial sustainability</li> <li>○ Government support to CSOs' involvement in social innovation, in exercising and in promoting social entrepreneurship is available</li> <li>○ Legal framework regulating social entrepreneurship is introduced across the Eastern Neighbourhood</li> </ul>
Outputs	<i>Output 01 (related to Oc 1):</i> <b>Increased capacities of CSOs</b> to engage in advocacy, policy development and promote accountability	<ul style="list-style-type: none"> <li>○ Number of CSOs receiving EU support through grants or Financial Support to Third Parties to strengthen their technical and advocacy capacities</li> <li>○ Number of EU supported CSOs<sup>17</sup> conducting evidence-based advocacy/ independent monitoring of public services at local and/or national level and performing social accountability roles</li> </ul>	<ul style="list-style-type: none"> <li>○ Current number of CSOs receiving EU support to strengthen their technical and advocacy capacities (<i>to be determined</i>)</li> </ul>	<ul style="list-style-type: none"> <li>○ Target number of CSOs receiving EU support to strengthen their technical and advocacy capacities (<i>to be determined</i>)</li> </ul>	<ul style="list-style-type: none"> <li>○ Monitoring TA</li> <li>○ EU project/programme ROM and evaluation reports</li> <li>○ Joint statements issued by EaP EUDs and/or other donors</li> <li>○ Political reports by MS embassies</li> <li>○ CSOs' reports on consultations, dialogues, access to national and regional stakeholders in the Eastern Neighbourhood</li> </ul>	idem

<sup>17</sup> Including Grassroots CSOs, CSOs in remote/badly connected areas, CSOs working on policy areas lacking attention so far, Women organisations/organisations led by women, organisations led by conflict-affected people or otherwise vulnerable groups, etc.

	Logical chain	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions
	<i>Output 02: (related to Oc2):</i> <b>Advancement of social entrepreneurship</b> in the Eastern Neighbourhood	<ul style="list-style-type: none"> <li>○ Number of CSOs receiving EU support to strengthen social entrepreneurship skills for the establishment of income-earned ventures (social enterprises)</li> <li>○ Number of EU-funded actions to improve CSOs' sustainability strategies (i.e. cultivation of local philanthropy, IT applications, commercialisation of services, impact measurement, etc.)</li> </ul>	Current number of EU-funded projects aimed at strengthening social entrepreneurship in the Eastern Neighbourhood <i>(to be determined)</i>	Target number of EU-funded projects aimed at strengthening social entrepreneurship in the Eastern Neighbourhood <i>(to be determined)</i>	<ul style="list-style-type: none"> <li>○ Monitoring TA</li> <li>○ EU/CSO consultation agendas and meetings ' proceedings</li> <li>○ Reports issued by EU-funded projects/programmes</li> </ul>	idem

<sup>i</sup> The Enabling Environment Index (EEI) is a composite index and ranks 109 countries on the conditions for civil society (<http://www.civicus.org/eei/>). The EEI examines the conditions within which civil society work. Using secondary statistical data, it ranks the governance, socio-cultural and socio-economic environments for civil society in 109 countries. New Zealand ranks highest on the EEI with a score of 0.87

Country	Rank	EEI score 2013
AR	73	0.47
AZ	83	0.43
BE	93	0.41
GE	66	0.5
MD	61	0.52
RU	75	0.45
UA	46	0.56
<b>Mean score</b>		<b>0.48</b>

<sup>ii</sup> The Worldwide Governance Indicators (WGI) report aggregate and individual governance indicators for over 200 countries and territories for six dimensions of governance: 1) Voice and Accountability, 2) Political Stability and Absence of Violence, 3) Government Effectiveness, 4) Regulatory Quality, 5) Rule of Law, and 6) Control of Corruption. We are examining the dimension of Voice and Accountability, which reflects perceptions of the extent to which a country's citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association, and a free media. The percentile rank indicates the country's rank among all countries covered by the aggregate indicator, with 0 corresponding to lowest rank, and 100 to highest rank (<http://info.worldbank.org/governance/wgi/#home>).

Country	WGI 2017 Voice and Accountability Percentile Rank (0 to 100)
AR	32.02
AZ	6.9
BE	12.32
GE	54.68
MD	45.32
RU	18.72
UA	47.29

<sup>iii</sup> The 2017 CSO Sustainability Index

([https://www.usaid.gov/sites/default/files/documents/1866/CSOSI\\_EE\\_2017\\_Regional\\_Report\\_FINAL\\_2.pdf](https://www.usaid.gov/sites/default/files/documents/1866/CSOSI_EE_2017_Regional_Report_FINAL_2.pdf)) uses a seven-point scale, with 1 representing the highest and 7 the lowest level of sustainability. These levels are clustered into three general stages: Sustainability Enhanced (1 to 3), Sustainability Evolving (3.1 to 5), and Sustainability Impeded (5.1 to 7). Dimensions examined: Legal Environment: The legal and regulatory environment governing the CSO sector and its implementation; Organisational Capacity: The internal capacity of the CSO sector to pursue its goals; Financial Viability: The CSO sector's access to various sources of financial support; Advocacy: The CSO sector's ability to influence public opinion and public policy; Service Provision: The CSO sector's ability to provide goods and services; Sectoral Infrastructure: Support services available to the CSO sector; Public Image: Society's perception of the CSO sector.

Country	Overall CSO Sustainability Aggregate score	Legal environment	Organizational Capacity	Financial Viability	Advocacy	Service Provision	Sectoral Infrastructure	Public Image
AR	3.7	3.7	3.6	5	3	3.8	3.1	3.9
AZ	6.0	6.6	6.1	6.6	5.8	5.4	5.9	5.8
BE	5.5	6.8	4.7	6.4	5.2	5	5.1	5.5
GE	4.1	3.3	4.4	5	3.7	4.1	4.3	3.8
MD	3.8	4.1	3.6	4.5	3.1	4.2	3.3	3.9
RU	4.7	5.8	4.5	4.9	4.7	4.2	4	5.1
UA	3.2	3.5	3.2	4.2	2.1	3.2	3.2	3.3
Mean score	4.4	4.8	4.3	5.2	3.9	4.3	4.1	4.5
Median score	4.1	4.1	4.4	5.0	3.7	4.2	4.0	3.9

<sup>iv</sup> The Eastern Partnership Index (<http://eap-csf.eu/eastern-partnership-index/>) charts the progress made by the six EaP countries towards sustainable democratic development and European integration. The Index measures steps taken on the path towards good governance, including the observance and protection of democracy and human rights, sustainable development, and integration with the EU.