



2021 CIVIL SOCIETY ORGANIZATION SUSTAINABILITY INDEX

FOR MEXICO

4th EDITION – NOVEMBER 2022



Cover Photo: Youth volunteers painting a school in Puebla, Mexico, during the eighth edition of the World Youth Volunteer Conference, which was organized by the Mexican Center for Philanthropy (Cemefi), the Mexican Association of Volunteers (AMEVOL), and the International Association for Volunteering Efforts (IAVE).

Photo Credit: Roberto Aguilar Franco, Mexican Center for Philanthropy (Cemefi)

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United States Agency for International Development

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Disclaimer: The opinions expressed herein are those of the panelists and other project researchers and do not necessarily reflect the views of USAID or FHI 360.

TABLE OF CONTENTS

INTRODUCTION..... i

ACKNOWLEDGMENTS..... ii

MEXICO COUNTRY REPORT I

ANNEX: CSO SUSTAINABILITY INDEX METHODOLOGY..... 12

INTRODUCTION

The United States Agency for International Development (USAID) is pleased to present the fourth edition of the *CSO Sustainability Index for Mexico*, covering developments in 2021.

The *CSO Sustainability Index* is an important tool that allows local civil society organizations (CSOs), governments, donors, academics, and others to understand and monitor the sustainability of the CSO sector. The Index addresses both advances and setbacks in seven key components or “dimensions” of the sustainability of civil society sectors: legal environment, organizational capacity, financial viability, advocacy, service provision, sectoral infrastructure, and public image.

The Index’s methodology relies on CSO practitioners and researchers, who in each country form an expert panel to assess and rate these dimensions of CSO sustainability during the year. The panel agrees on a score for each dimension, which ranges from 1 (the most enhanced level of sustainability) to 7 (the most impeded). The dimension scores are then averaged to produce an overall sustainability score for the CSO sector of a given country. An editorial committee composed of technical and regional experts reviews each panel’s scores and the corresponding narrative reports, with the aim of maintaining consistent approaches and standards to facilitate cross-country comparisons. Additionally, an electronic survey was carried out among active CSOs in the country in order to increase the representativeness and quality of this report; 352 CSO representatives completed the survey. Further details about the methodology used to calculate scores and produce narrative reports, including information on the electronic questionnaire, are provided in Annex A.

CSOs in Mexico continue to operate in a context of insecurity, violence, and impunity. In this context, the overall sustainability of Mexican CSOs deteriorated slightly in 2021, driven by negative developments in the legal environment and advocacy dimensions. The legal environment governing civil society deteriorated significantly, continuing the trend observed over the last few years, largely as the result of two major developments: a tax reform that limits the amount of deductions that individuals can make as a result of donations to eligible organizations and a presidential decree that ordered the dissolution of the federal government agency responsible for providing capacity building for CSOs. CSOs also continued to be subjected to significant state harassment. CSOs’ capacity to advocate and participate in public policy making deteriorated moderately in 2021 as the federal government has replaced the channels of institutional dialogue with discursive confrontation, restrictive legislation, and authoritarian excesses. Further, the president’s routine verbal attacks on the press and CSOs create an unfavorable environment for cooperative work between government agencies and CSOs. These negatives were balanced out to some extent by a slight improvement in the infrastructure supporting Mexican CSOs—already the strongest dimension of CSO sustainability—fueled by a notable increase in the supply of training content for CSOs offered by foundations and consultants.

The *CSO Sustainability Index for Mexico* complements similar publications covering other regions. The various regional editions of the 2021 *CSO Sustainability Index* assess the civil society sectors in seventy-three countries, including thirty-two in Sub-Saharan Africa; twenty-four in Central and Eastern Europe and Eurasia; eight in Asia; and eight in the Middle East and North Africa.

A publication of this type would not be possible without the contributions of many individuals and organizations. We are especially grateful to the individuals who participate in the expert panel. Their knowledge, perceptions, ideas, observations, and contributions are the foundation upon which this Index is based.

In addition, special thanks goes to Eka Imerlishvili from FHI 360, the project manager Jennifer Stuart from ICNL, the report’s editors; and Edward Gonzalez and Christina Del Castillo from USAID. A full list of acknowledgments can be found on page ii.

Happy reading,



Michael Kott

Director, Civil Society and Peace Building Department, FHI 360

November 9, 2022

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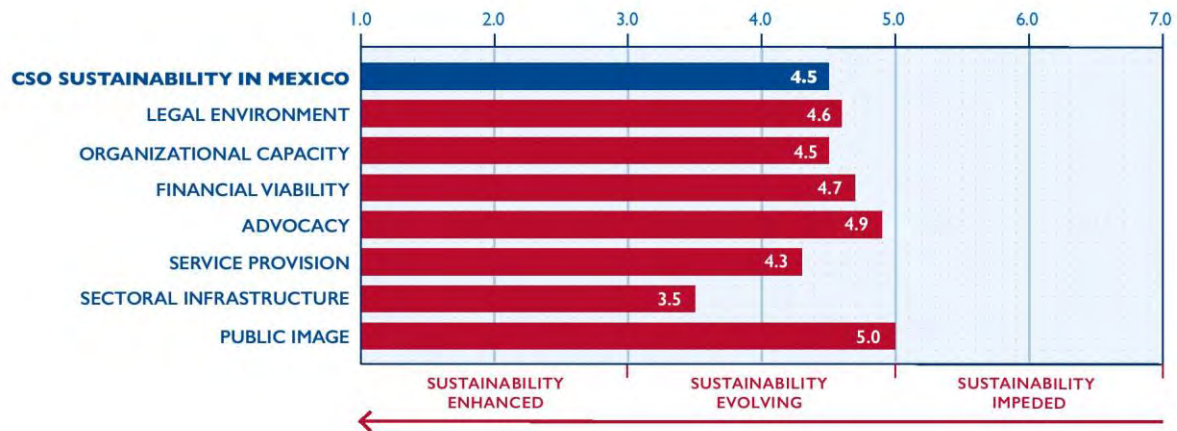
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MEXICO

Capital: Mexico City
Population: 129,150,971
GDP per capita (PPP): \$17,900
Human Development Index: High (0.758)
Freedom in the World: Partly Free (60/100)

OVERALL CSO SUSTAINABILITY: 4.5



CSOs in Mexico operate in a context of insecurity, violence, and impunity. According to government statistics, there were 33,315 homicides in 2021, or 91 murders per day. This violence has particularly affected women. Amnesty International reports that there were 3,427 homicides of women in 2021, 887 of which were considered gender crimes. Civil society expressed its dismay towards the country's insecurity by organizing various demonstrations, including a national mobilization in November to mark the International Day for the Elimination of Violence Against Women.

Violence against journalists also continued to be a problem. The Committee to Protect Journalists documented nine murders of journalists in Mexico as of December 1, 2021, none of which have been legally resolved. Reporters Without Borders ranked Mexico as the deadliest country for journalists in 2021 for the third consecutive year. Various organizations and collectives also mobilized against this violence in 2021.

Violence against environmental defenders also increased, even though the Escazu Agreement, the first legally binding regional instrument to guarantee the rights and protection of environmental defenders, entered into force in April 2021. According to data from the Mexican Center for Environmental Law (CEMDA), in 2021, there were a total of 108 assaults against environmental defenders, 25 of which resulted in homicides.

The scope of violence in Mexico also impacted the mid-term federal elections, in which, according to data from the U.S. State Department, ninety political actors were assassinated. In light of this dynamic, the Global Organized Crime Index 2021 report ranked Mexico in fourth place in the world, behind only the Republic of Congo, Colombia, and Myanmar.

The federal government continues to adopt authoritarian and repressive measures. For example, 246 civilian tasks, including textbook distribution, construction of public works, immigration control, and airport administration, are now administered by the military, which lacks mechanisms for citizen participation, transparency, and accountability. In December 2021, the Senate approved a reform to Article 533 of the Law of General Means of Communication (Ley de Vías Generales de Comunicación) which CSOs warn will threaten the exercise of

*Capital, population, and GDP for all country reports are drawn from the Central Intelligence Agency, The World Factbook, available online at <https://www.cia.gov/the-world-factbook/>. Human Development Index data available at <http://hdr.undp.org/en/composite/HDI>. Freedom in the World data available at <https://freedomhouse.org/report-types/freedom-world>.

demonstrations and civil mobilization as it allows the use of force to repress civic manifestations. In December, public security forces intervened during a demonstration carried out by students of the Centro de Investigación y Docencia Económicas (CIDE), a public research center, in response to restrictions on academic autonomy imposed by the federal government.

Civic space has narrowed against this backdrop, as documented by various international watchdogs. Mexico's score on Freedom House's Freedom in the World has fallen for the past five years and was just 60 out of 100 in the 2022 edition, while the CIVICUS Monitor categorizes civic space in Mexico as repressed.

Since the beginning of the pandemic, the federal government has encouraged voluntary social distancing and other preventive actions but did not impose mandatory nationwide measures to limit the spread of the virus. Local governments, as well as the private sector, however, did put such measures in place, which included mask mandates, bans of public gatherings, social distancing requirements, and even curfews in some states like Yucatan. Despite these efforts, the pandemic claimed 15 percent more lives in 2021 than in 2020, reaching a total of 461,561 deaths.

CSOs, the government, and the private sector worked together in 2021 to promote the vaccination campaign against COVID-19 in order to reactivate the country's economy. Corporate foundations played a key role in this regard. As a result of this collaboration, by the end of 2021, 73 million people in Mexico were fully vaccinated, and the number of hospitalized people was significantly reduced. Furthermore, the rate of vaccination allowed face-to-face activities to resume in public schools on August 31, 2021, after eighteen months of closure.

The success of the vaccination campaign also helped to fuel a slight recovery of the country's economic activities, allowing gross domestic product (GDP) to increase by 5 percent in 2021, after the 8.2 percent drop reported the previous year. The Mexican peso (MXN) also recovered value against the U.S. dollar (USD): after reaching highs of between 22 and 24 pesos per dollar in 2020, the exchange rate stabilized at rates of between 21 and 22 pesos per dollar in 2021.

In this context, overall CSO sustainability declined slightly, driven by deterioration in the legal environment and advocacy dimensions. At the same time, the infrastructure supporting the sector improved slightly as CSOs had increased access to training. All other dimensions of sustainability remained unchanged.

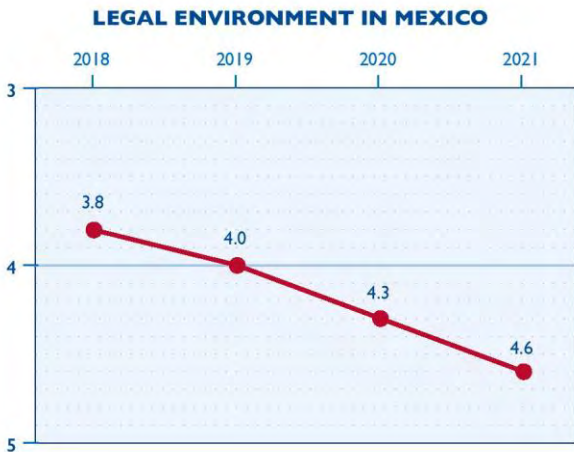
At the end of 2021, according to data from the Mexican Center for Philanthropy (CEMEFI), a total of 46,403 CSOs were registered in Mexico. This is the equivalent of 46 organizations per 100,000 citizens, a figure that is considerably lower than that of other countries in the region such as Brazil (170 organizations per 100,000 citizens), Argentina (270), and Chile (650).

The growth of the sector has stalled in recent years in large part because of the disappearance of government funding, which has reduced the incentives for creating new organizations. According to CEMEFI data, the number of organizations registered with the federal CSO registry (*Registro Federal de las Organizaciones de la Sociedad Civil*, RFOSC), which is a prerequisite to receive most federal grants, grew by only 0.3 percent in 2021, with only 31 organizations newly registered in 2021, compared to 185 in 2020 and 531 in 2019. The registration of organizations authorized to grant tax-deductible receipts, known as *donatarias autorizadas* (authorized donees, DAs), also stagnated, growing by less than 1 percent during the year, from 9,603 to 9,673.

LEGAL ENVIRONMENT: 4.6

The legal environment governing civil society deteriorated significantly in 2021, continuing the trend observed over the last few years.

CSOs can register as one of several legal forms, although more than 90 percent of CSOs incorporate as *asociación civil* (civil association). While registering under this form is a rather straightforward process, it must be carried out before four different authorities: a notary public, the Mexican tax authority (*Servicio de Administración Tributaria*, SAT), the department of foreign affairs, and a state-level property registry. Registration for other legal forms, such as those reserved for religious or political associations, involve different but similarly lengthy processes. The second most common legal form, *institución de asistencia privada* (private assistance institution, IAP), is available in half the states of the country. In addition to federal regulations, IAPs are governed by laws and oversight bodies in



the state in which they register. These bodies—known as *juntas de asistencia privada* (private assistance councils)—are charged with supervising the fulfillment of IAPs’ charters and supporting their development.

During the year, two major developments negatively affected the legal environment under which CSOs operate. In October, a tax reform was approved which, as of 2022, will limit the amount of deductions that individuals can make as a result of donations to DAs. According to CEMEFI, this will likely result in the loss of approximately USD 400 million for the more than 5,100 DAs that depend significantly on donations from individuals to implement assistance programs for the most vulnerable segments of society.

Second, at the end of the year, a presidential decree was published ordering the dissolution of Instituto Nacional de Desarrollo Social (INDESOL), the federal government agency responsible for promoting actions to encourage and provide capacity building for CSOs. Between 2004 and 2019, INDESOL granted an annual average of USD 18 million to CSOs. Although INDESOL suspended its economic support to CSOs in 2019 at the instruction of President Andrés Manuel López Obrador, until 2021 the agency continued to fulfill other responsibilities assigned to it through the Federal Law for the Promotion of Activities Performed by CSOs (*Ley Federal de Fomento a las Actividades Realizadas por Organizaciones de la Sociedad Civil*, LFFAROSC). Among these responsibilities were the promotion of training and networking, management of the federal CSO registry, and follow-up on various initiatives promoting civic involvement in the solution of public problems. INDESOL’s functions were transferred to the Ministry of Social Welfare beginning in January 2022.

CSOs are subject to significant state harassment. President Andrés Manuel López Obrador's rhetoric implicates CSOs of defending a coup-plotting neoliberal agenda financed by private sector interests and foreign organizations. The president's discourse towards CSOs that receive foreign funding to promote journalists’ rights, human rights, the environment, transparency, and accountability discredit civil society’s participation in matters of public and democratic relevance. The tax benefits received by individuals who donate to CSOs have also been the subject of criticism from the federal government. For example, the Ministry of Finance pointed out that deductions for donors represent a tax loss of USD 4.4 billion, an argument that was used to reduce such deductions for private individuals at the end of the year.

The president's animosity towards the civil sector also took legal form in 2021. For example, a senator from the ruling party proposed new legislation to restrict CSOs’ access to international funding and implement control mechanisms supervised by the Financial Intelligence Unit (UIF) of the Ministry of Finance. Although this bill was not approved during the year, the idea is still of interest to the ruling party, and therefore continues to present a major concern to the third sector. At the local level, a rule was approved in Mexico City's Criminal Code that identifies directors and administrators of CSOs that receive public financing as public officers in cases of corruption investigations. This means that they may be subject to harsh sanctions in case of any legal controversy.

To some extent, legislation at the local level that has favored civil society has been a counterweight to the federal government’s restrictive approach to the sector. During 2021, some entities successfully strengthened and created norms to promote CSO sustainability. The states of Chihuahua, Hidalgo, Jalisco, Nayarit, and Nuevo León, for example, presented initiatives that in most cases were approved and strengthened the legal framework of CSOs. Notably, in Jalisco, a reform recognizing networks and collectives as actors eligible for promotion actions was approved; the measure also guarantees CSO participation in the definition of budgetary rules aimed at strengthening CSOs.

Beginning in 2021, DAs were subject to a new regulation that established a 50 percent cap on income from activities unrelated to the activity for which the organization received DA status. This fundamentally limits those organizations’ ability to carry activities aimed at mobilizing resources, including fundraising events.

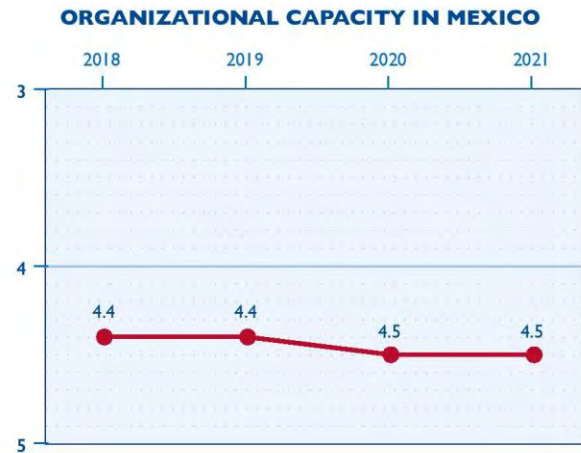
Some organizations, like Centro Mexicano Pro Bono and Applesseed México, offer high-quality pro bono legal advice to CSOs. Applesseed conducted eighty-nine trainings for the staff of 6,267 CSOs in 2021 and developed a digital tool that was used by 424 organizations to self-diagnose their legal compliance with tax, corporate, labor,

personal data protection, and money laundering prevention regulations. Additionally, with funding from USAID, it published manuals on the defense of CSO employees' labor rights and the fulfillment of tax regulations approved in 2020 and 2021. According to Appleseed, the administrative issues that most concern CSOs today are tax restrictions and the development of legal instruments to strengthen their relationship with the private sector.

ORGANIZATIONAL CAPACITY: 4.5

Organizational capacity in the CSO sector remained unchanged in 2021. The most recent report of the National Institute of Statistics and Geography (*Instituto Nacional de Estadística y Geografía*, INEGI) on the productivity of nonprofit institutions in Mexico indicated that the sector's productivity dropped by 10.1 percent in 2020 as a consequence of the pandemic, which is 2 percent greater than the contraction in the national GDP. While the situation was not as dire in 2020, CSOs had few opportunities for growth in 2021.

For more than half of CSOs, the pandemic resulted in a decrease in operating income and a reduction in the number of donors. CSOs maintained remote operations until schools and major business resumed on-site activities in August 2021, forcing many organizations to cancel programs and projects, modify their service delivery models, or decrease the number of participants in their programs. In an effort to reorient the focus of their programs, some organizations implemented assistance activities, which often entailed significant changes in their strategic planning and relationships with participants in their programs.



In September 2022, Pulso OSC (PO), a group of twelve donors and CSOs, published the second edition of a report on the vulnerability of CSOs in the context of the COVID-19 pandemic crisis, which covered the situation in 2021. Using the same sample of 424 CSOs that were included in the first edition, the report found that 32 percent of CSOs reported an increase in demand for their goods and services during 2021. This indicator portrays the resilience and recovery of CSOs' relationships with their constituents after a year of the COVID-19 pandemic. PO's 2021 report also finds that 62 percent of surveyed CSOs implemented measures to adapt and respond to the crisis. Some of the main actions in this regard were changes in the scope of services and budget adjustments. In addition, this report indicates that the percentage of CSOs exhibiting a medium level of vulnerability fell from 77 percent in 2020 to 52 percent in 2021 as conditions for the operations of CSOs improved. Only 2 percent of surveyed organizations reported a high level of vulnerability in 2021, with the remaining 45 percent reporting low levels of vulnerability.

CSOs in Mexico face various administrative requirements that demand robust organizational capacities. Faced with the loss of income and the consequent layoffs of staff during the pandemic, they now find it especially costly to comply with these obligations. For example, CSOs are required to submit annual activity reports to maintain their registration in the RFOSC. However, only 28 percent of registered CSOs submitted reports in 2021, indicating that in the absence of government support, a significant number of organizations no longer see the benefit in complying with this federal requirement to report on their activities.

Another data point that provides evidence of organizational capacity to comply with the federal government's administrative requirements is CSOs' maintenance of their accreditation as DAs. According to a report by SAT, during 2021, sixty-nine organizations had their DA status revoked for various reasons, including lack of current legal provisions, missing documentation, and failure to comply with tax obligations.

During 2021, many CSOs strengthened their monitoring and evaluation efforts through capacity-building programs offered by national foundations. For example, Nacional Monte de Piedad financed several CSO impact evaluations of interventions in areas such as social re-insertion of incarcerated persons, community development, distribution of perishable food, and employability skills training. These evaluations better enabled these organizations to

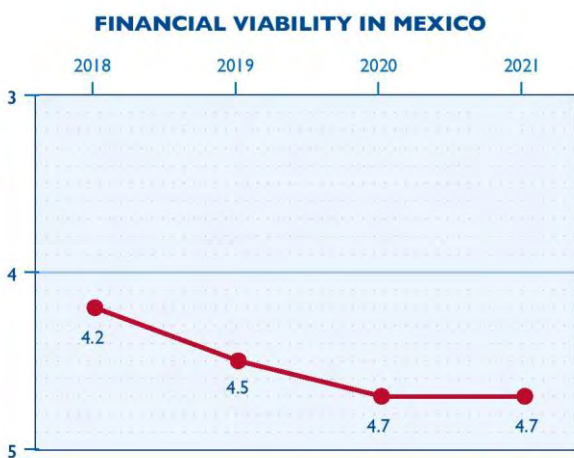
communicate about their social impact. Fundación Merced offered training to more than 500 CSOs in monitoring and evaluation, increasing their capacity to learn and develop based on evidence.

Weak management structures remain the norm among Mexican CSOs. Smaller organizations with modest operations frequently lack a division of responsibilities, with staff members and volunteers fulfilling several roles at once and boards only existing on paper. As most organizations struggle with understaffing and underfunding, they do not prioritize the development of internal management structures or protocols. Fiscal rules disincentivize investment in administrative capacity and overhead costs, and donors seldom support this kind of investment, instead focusing on project-based support.

According to the reports provided to SAT, 48 percent of DAs do not have a consistent workforce, while another 32 percent have teams of less than twenty collaborators. Many CSOs engage help on a consultant basis, without providing social security benefits. According to INEGI's 2020 annual report, which was published in December 2021, the number of jobs in CSOs decreased by 9.3 percent in 2020, and volunteer participation dropped by 20 percent.

During 2021, CSOs continued to utilize digital platforms to facilitate organizational operations, particularly in the fields of communication and staff training. Causas Ciudadanas, a group of twenty-one CSOs seeking to improve the sector's enabling environment, conducted a study in 2020 that found that 53 percent of CSOs had migrated to virtual operations since the onset of the COVID-19 pandemic. According to the study, 60 percent of surveyed organizations reported that they have computer equipment for their personnel, and 74 percent reported having the necessary platforms to facilitate virtual operations. While data for 2021 is not available, the situation is thought to have remained largely unchanged.

FINANCIAL VIABILITY: 4.7



The overall financial viability of the CSO sector did not change significantly in 2021 as negative factors, such as the suspension of federal governmental funding and fiscal restrictions on DAs, were balanced out by positive developments, such as the active role of corporate foundations in mitigating the impact of the pandemic and the availability of funding from local governments for the smallest CSOs. During the first half of 2021, the pandemic restricted the activities of many organizations, significantly affecting their funding levels. PO's 2021 report indicates that only 40 percent of surveyed CSOs had emergency funds in 2021, and 55 percent of those organizations had to use these funds to survive.

According to data from the Ministry of Finance, DAs received 7.8 percent more resources in 2021 than in

2020. In total, these organizations received donations in cash and in kind valued at USD 2.6 billion; 23 percent of this amount was granted by individuals, 71 percent by legal entities or private organizations, and 6 percent by governmental agencies.

The private sector focused its philanthropy on meeting the needs of the pandemic. Of particular note is the case of the coalition *Juntos por la Salud*, an intersectoral national program created to strengthen the country's health-care response capacity during the most critical moments of the pandemic, in which corporate philanthropy played a fundamental role. This coalition, which operated from April 2020 until June 2021, contributed USD 76 million, which was channeled to 600 hospitals around the country, in addition to in-kind support in the form of equipment for first responders. The Temporary Hospital Unit COVID-19, with 618 beds and 90 ventilators, was created with the support of the Carlos Slim Foundation. In addition to these initiatives, corporate foundations donated spaces to expand the logistical and infrastructure capacity of the national vaccination campaign. For example, using the facilities of the Nemesio Diez soccer stadium in Toluca, 28,934 vaccines were administered in just three days in May.

Data from the National Survey on Solidarity and Voluntary Action (ENSAV) from 2020 reveals that people prefer to donate directly to individuals, the church, or other community projects, rather than through DAs or other CSOs. According to a survey conducted by Alternativas y Capacidades, Mexicans who donate to CSOs are generally driven by trust and empathy built on personal past experiences or those of relatives during volunteer activities: 58 percent of respondents stated that their motivation to make donations was for their own well-being, while 42 percent were motivated by a desire to contribute to the well-being of others.

While not widely used in Mexico yet, crowdfunding is growing in popularity. Fifteen crowdfunding platforms work together through *Asociación de Plataformas de Fondeo Colectivo (AFICO)* to promote good practices and support research to improve public understanding of the benefits of using crowdfunding to channel individual contributions to worthy causes.

Foreign donor funding increased from USD 270.3 million in 2020 to USD 301.9 million in 2021. According to CEMEFI, the major private foreign donors during 2021 were the Bill & Melinda Gates Foundation, Feeding America, and the Silicon Valley Community Foundation. According to the Organization of Economic Co-operation and Development (OECD), Mexico received a total of USD 198 million in 2020 in official development assistance, only a small portion of which benefits CSOs directly, a decrease of more than 50 percent in comparison to 2019. However, USAID funding increased from USD 47.7 million in 2020 to USD 51.4 million in 2021. The major priorities of foreign funders in Mexico include humanitarian assistance, human rights, policy development, and low emission planning development in land use. However, it should be acknowledged that only 20 percent of CSOs in the country—those with greater organizational capacities, transparency, and legal compliance—benefit from these resources.

Domestic funding has decreased significantly since the federal government suspended assistance activities through an internal presidential order issued in 2019, commonly known as Bulletin One (Circular Uno), that claimed there was discretionary allocation, opacity, and corruption in the process. This has particularly affected small and recently created organizations which, in many cases, rely on local or state funding programs for support as they have limited access to financial support from individuals or companies since they do not offer donors the same tax incentives as DAs. Data from the federal government shows that the organizations receiving federal funding are largely government-organized non-governmental organizations (GONGOs), such as sports federations, that are misguidedly recognized by the government as CSOs. In 2021, the federal government reported the distribution of USD 83.5 million to these organizations.

Alternativas y Capacidades states that out of the thirty-two states in the country, nineteen have financial assistance schemes for CSOs. In 2021, local governments provided support to CSOs in amounts ranging from USD 980 dollars per organization in entities such as Tlaxcala and Baja California, to USD 30,000 per organization in entities such as Nuevo León and Chihuahua.

Community foundations have also become an important source of financing for small CSOs, helping to replace the loss of federal assistance. Community foundations are characterized by the exercise of joint philanthropy, in which the participating communities contribute their own resources in an exercise of shared investment with third parties from the private sector. In 2021, the Coca-Cola Mexico Foundation invested USD 600,000 and fifteen community foundations within the Alianza de Fundaciones Comunitarias de México (Comunalía) contributed USD 4.1 million to develop forty-two initiatives in thirty-five different communities. These projects, which benefited a total of 39,000 people, focused on the empowerment of women and youth, humanitarian aid, access to water, and support for small businesses.

While no comprehensive and up-to-date information is available regarding the extent to which CSOs obtain income from services, products, or rent from assets, data recently published by the tax authority (SAT) indicates that half of the income of 2,220 DAs (which represent 23 percent of the total number of registered DAs) was self-generated in 2020. Major sources for these revenues included fees for services and interest on their own funds, while income obtained from property rentals, as well as shares and bonds placed in investments were less commonly used. The total revenue earned through these activities was USD 7.8 billion. While the amount of revenue generated in this manner is significant, it only benefits a small portion of the sector; the other 77 percent of DAs and CSOs without DA status do not issue reports indicating the amount of self-generated income they earn.

Professional financial management and accounting remain the exception among CSOs. Most organizations lack the resources and expertise to meet their current financial obligations, let alone those required to successfully apply

for grants from large international donors. According to PO's 2021 report, while the majority of CSOs comply with their legal and tax obligations, they do not have complete information on the regulations to which they are subject. Knowledgeable accounting services are rare. As even experts and relatively well-resourced organizations struggle to comply with administrative requirements, many CSOs face costly consequences for simple and innocuous errors, such as filing inaccuracies.

ADVOCACY: 4.9

CSOs' capacity to advocate, participate in, defend, and promote public policy agendas in Mexico deteriorated moderately in 2021. The federal government has replaced the channels of institutional dialogue with discursive confrontation, restrictive legislation, and authoritarian excesses demonstrated by the assignment of several civilian tasks to the army. Further, President López Obrador's routine verbal attacks on the press and CSOs creates an unfavorable environment for cooperative work between government agencies and CSOs.

The federal government's reluctance to implement mechanisms to include third sector considerations in the fiscal reform approved in October 2021 and the dissolution of INDESOL in December sent a clear signal that the federal government has no intention of considering the interests of CSOs in public policy decision making. For example, various civil society actors called for dialogue with the federal government regarding the tax reform, with more than 600 CSOs signing a press release to this effect. However, the call for dialogue was ignored by legislators who approved the reform that, as of 2022, will considerably limit the amount that individuals can deduct through donations to DAs.

Although the Consejo Técnico Consultivo (CTC) is tasked with providing advice to the government on civil society promotion policy, during 2021 this body's meetings were dedicated to the review of bureaucratic procedures and other issues, rather than being a space for advocacy and defense of the budget for the promotion of CSO activities.

After decades of political harassment, however, the sector has developed significant resilience, as demonstrated by the fact that CSOs achieved some significant advocacy accomplishments in 2021, despite the difficult conditions. For example, the civil association GIRE challenged the constitutionality of the criminalization of abortion in the state of Coahuila in the Supreme Court of Justice of the Nation (SCJN). In another example, the civil association Tecnologías Indígenas Comunitarias (TIC A.C.), which operates a mobile telephone network for indigenous people in Oaxaca, successfully defended the digital rights of indigenous communities. In response to a TIC-initiated case, SCJN exempted communities with a high degree of marginalization from fees for the use of radioelectric space.

In another notable advocacy success, Pacto por la Primera Infancia, an advocacy coalition made up of more than 470 CSOs, succeeded in encouraging various governmental actors, including governors and municipal presidents, to sign an agenda with commitments to improve public policy for early childhood. As a result of these efforts, the coalition reported an increase of 3 percent in the budget for early childhood development.

CSOs also made noteworthy achievements in their opposition to the Tren Maya infrastructure megaproject in the Yucatan peninsula. Organizations such as Mexicanos Contra la Corrupción y la Impunidad (MCCI) and CEMDA successfully used strategic litigation to increase national and international visibility of the human and environmental rights violations of this project, including its failure to comply with international standards in public consultation processes with indigenous peoples, the lack of environmental impact studies, and the obstruction of access to justice for environmental defenders. Through public statements, interviews with the media, demonstrations, and other strategies, these organizations have increased public support for more than twenty-five lawsuits filed by various groups defending the right to territory, housing, and consultation. In the face of these accusations, the



federal government has involved the military in the construction process, arguing that it is a work of national security. This move has also created concern among international organizations and watchdogs.

The situation surrounding a shortage of oncological medicine is illustrative of the way in which CSOs are able to raise public awareness of concrete problems in society. The shortage of oncology medicines began in the first year of President López Obrador's administration, when the government modified the rules for the public supply of medicine in order to avoid practices that favored overpriced purchases. However, after the regulations were modified, the Mexican Social Security Institute (IMSS) began to register an increase in the number of prescriptions that were not effectively filled. The shortage was denounced by the media and CSOs, and the *Colectivo Cero Desabasto*, made up of sixty-eight CSOs, was created to analyze and report on the problem through a digital platform.

At the local level, in February 2021, the Congress of Jalisco approved a reform to the Law for the Promotion and Participation of CSOs in response to advocacy carried out by various local organizations. This reform stood out for recognizing networks and collectives as eligible recipients of public funds. In addition, an agreement was reached in Jalisco to allow civil society representatives to participate in the processes that define the rules of operation of state support programs for CSOs.

SERVICE PROVISION: 4.3



CSOs' capacity to provide goods and services remained unchanged in 2021, despite adverse regulatory, financial, and political conditions and the restriction of on-site activities during the pandemic.

Mexican CSOs provide a diverse range of services to the communities they serve. CSOs must carry out at least one of nineteen possible activities to be listed in the RFOSC. In 2021, the five most common focus areas remained educational, cultural, artistic, scientific, and technological promotion; social assistance; community development; indigenous people's development; and economic development. For DAs, social assistance; education, culture, and social development; and grantmaking were the most important activities.

According to the American Council of Social Sciences (CLACSO), Mexico ranks third in Latin America in terms of the number of initiatives dedicated to mitigating the effects of the pandemic, just after Chile and Argentina. CLACSO's regional mapping identified twenty-three relevant initiatives implemented by CSOs in Mexico to provide assistance to migrants and refugees, child protection, distribution of food and essential items, defense of women's human rights, and other activities supporting various vulnerable groups.

As a result of the ongoing health risk, many organizations continued to modify their provision of services to meet the needs of their constituencies by redefining the functions of their personnel, reducing their geographic coverage, suspending in-person activities, and adjusting the focus of development-oriented interventions towards care and assistance centered approaches. Fundación Tarahumara José A. Llaguno (FTJAL), an organization that implements programs to improve access to education for the native peoples of the Sierra Tarahumara, stands out as a good example in this regard. The challenges faced in the communities in which this organization works were complex, as schools in rural indigenous populations also function as temporary residence facilities; as a result, when the schools were closed, thousands of indigenous students not only lost their access to education, but also the food and housing provided by the lodging facility. FTJAL implemented an emergency program to provide support to 215 students through the distribution of notebooks, food supplies, and on-site educational counseling in fourteen indigenous communities in the Sierra Tarahumara. This program was suspended when the school boarding houses reopened their doors in August 2021.

Another sector of the population particularly affected by the pandemic were the elderly. The World Health Organization (WHO) estimated that more than 40 percent of the deaths from COVID-19 occurred in nursing homes and other care facilities. According to INEGI data, 1,068 organizations are dedicated to the care of more than 10,000 elders in Mexico. The National Geriatrics Institute surveyed these organizations to identify their capacity to respond to the COVID-19 epidemic. According to the survey results, 79 percent of organizations received infection control training and 75 percent had a pandemic response protocol. CSOs also provided mental health care to the elderly. During 2021, for example, AVU Foundation provided 365,000 minutes of phone-based mental health support to 400 elders with the support of 843 volunteers from different corporate social responsibility (CSR) programs.

While some CSOs were able to adapt to the changing environment imposed by the pandemic, this took place in the context of restricted civic space, with no federal government support for the provision of services by smaller organizations. For instance, organizations dedicated to the promotion of community radio in indigenous communities faced barriers to receiving public funding; there are just twenty-three concessions for indigenous radio stations throughout the country, while there are more than one hundred organizations and collectives with radio initiatives in the country. As described elsewhere in the report, local governments were more likely to provide support for CSO services.

SECTORAL INFRASTRUCTURE: 3.5

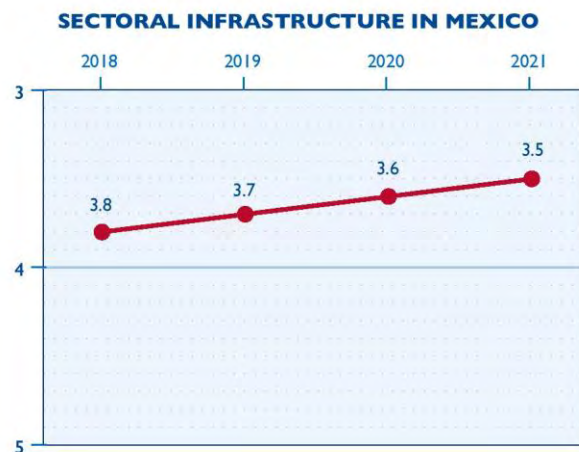
The infrastructure supporting Mexican CSOs improved slightly in 2021. In particular, there was a notable increase in the supply of training content for CSOs.

According to a 2020 study conducted by the Center for Research and Studies on Civil Society (CIESC), there are 292 agents (known as *fortalecedoras*) in Mexico dedicated to the strengthening of CSO capacities. Half of these are CSOs, and a quarter are consultants. These *fortalecedoras* offer a wide array of training opportunities; the five most widely available focus areas are strategic planning, networks and alliances, fundraising, project monitoring and evaluation, and organizational affairs.

Slightly more than a quarter (27 percent) of the capacity-building agents identified by CIESC are foundations that, in addition to their funding, provide capacity-building support to a larger number of CSOs. Among these organizations, Nacional Monte de Piedad stands out, as it invested USD 15.7 million in 2021 in various initiatives to generate better opportunities for quality assistance and the promotion of sustainable development. As a result of this investment, thirty-eight CSOs strengthened their capacities, and a learning community consisting of twenty-eight CSOs from around the country was formed. Similarly, Fundación Merced, with the support of a digital platform, provided training for 608 CSOs based in twenty-four states on topics such as strategic planning, design of intervention models, theory of change, and evaluation.

The sectoral infrastructure has been strengthened in recent years through initiatives that seek to unite capacity-building agents. For example, in 2021, CIESC launched the virtual platform *Rutas para Fortalecer*, which enables networking and collaboration between capacity-building agents and CSOs. Red Grupo Mexico trained more than 22,000 people belonging to CSOs in 160 online workshops. This effort involved the participation of thirty-four *fortalecedoras*, as well as collaboration with business foundations and socially responsible companies.

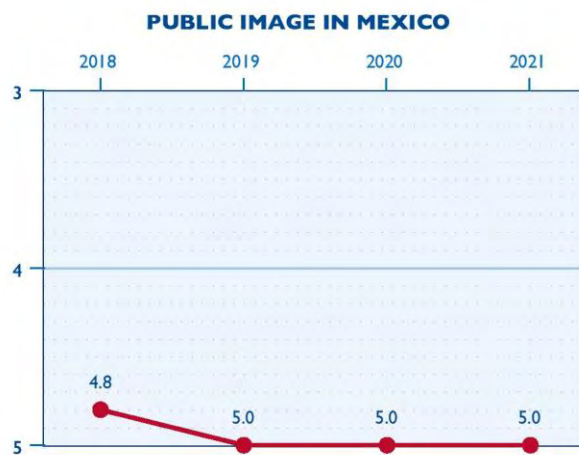
The project Red de Actores Estratégicos para el fortalecimiento de la Sociedad Civil Organizada (Strategic Actors Network for Organized Civil Society Strengthening) began in 2018 with the participation of eighty-six capacity-building agents located across the country. In 2021, Alternativas y Capacidades published an analysis of the results achieved by this initiative, finding that the project enhanced citizen confidence in CSOs, promoted advocacy activities to ensure an enabling legal environment, promoted strategic social investment initiatives with a long-term vision, and finally, strengthened CSO capacities to engage in public problems.



Another achievement of the Strategic Actors Network project was the creation of three thematic groups of capacity-building agents. The first group is focused on creating enabling conditions for advocacy at the local level; the second group is focused on improving CSO financing mechanisms and practices; and the third group is aimed at data collection and narrative building to better communicate CSOs' contributions to solving public problems.

Three hundred CSOs came together in November 2021 at the National Meeting of CSOs to discuss the suspension of federal support to CSOs, as well as recent tax reforms limiting incentives for donations to DAs. This meeting focused on the relationship between CSOs and the federal government and the proposal of possible paths to mitigate the risk of greater restrictions to civic space in the short term. Although this meeting convened a significant number of CSOs in substantive discussions, it did not result in the opening of a dialogue with the federal government. The CSO Focal Group on Business and Human Rights, on the other hand, did engage in a dialogue with the government, in which an official from the Ministry of the Interior presented its National Human Rights Program and committed to guaranteeing spaces for dialogue with CSOs.

PUBLIC IMAGE: 5.0



The public image of the CSO sector remained largely unchanged in 2021, despite President Andrés Manuel López Obrador's rhetoric against CSOs through his morning press conferences. While this campaign has damaged the sector's image, its continuation has also led both the private sector and the media to provide support and attention to the sector in the face of the seemingly endless harassment. For instance, in response to the legislation that proposed a reduction in tax deductions for individual donations in October 2021, a coalition of 225 CSOs implemented a digital media campaign using the hashtag #ElSietelImporta (#SevenMatters). This campaign demanded that individual taxpayers continue to be allowed to deduct donations up to 7 percent of their income. The coalition achieved the support of journalists, as well as coverage by several mass media. In spite of

this, the tax deduction for donations was eliminated.

CSOs were also part of the public debate in 2021 on other issues, such as denouncing the ecocide happening during the development of the Tren Maya project, the shortage of oncological medicine, and the unstoppable violence against women, journalists, and environmental and human rights defenders. Although the federal government did not engage in any dialogue with CSOs regarding these important issues, CSOs' engagement helped increase public awareness about these policies. The visibility that the media and opposition political parties gave to the shortage of oncological medicine, for example, allowed several small CSOs focused on providing assistance to children with cancer to articulate campaigns that raised a significant amount of funds in 2021. For example, Casa de la Amistad para de Niños Cáncer raised USD 2.6 million; the Asociación Mexicana de Ayuda a Niños con Cáncer raised USD 1 million; and Nariz Roja raised USD 900,000. Indeed, two of these three organizations exceeded their annual fundraising goals. This case shows that even in the face of challenging conditions, CSOs can build trust with the public, particularly when the media and opposition political groups increase their visibility.

For many decades, the public has viewed CSOs largely as organizations with good intentions. This image of the third sector in Mexico is inherited from its historic ties with charity and the culture of ecclesiastical beneficence. However, political groups, most notably the López Obrador movement or so-called Obradorismo, criticize this image, as they strive for a similar moral quality and popularity. López Obrador even issued a moral booklet called the Moral Constitution, and he repeatedly refers to himself as an official who exercises power out of love and his commitment to service to others. Through his press conferences, the president promotes a narrative that contrasts the moral quality of his government with that of the alleged neoliberal and pro-coup interest groups that finance CSOs.

In this context, third sector actors and collectives began to develop strategies to change the way the public sees and talks about CSOs' work, with a focus on their defense of the fundamental rights that a democracy relies on to survive. In October 2021, Alternativas y Capacidades launched a social media campaign through the hashtag #SiConLaSociedadCivil to highlight CSOs' work to promote and defend human rights, as well as their efforts to strengthen civic space. The collective DECA - Equipo Pueblo launched the National Campaign for the Recognition of CSO Rights and an Enabling Environment in December 2021. That campaign, endorsed by seventy-two CSOs, highlights the role civil society plays in advocating for the right to freedom of association, freedom of expression, political dialogue, and civic involvement in public issues.

The transparency of CSOs is limited. A 2020 study by Arellano, Diaz, and Titova reported that out of a sample of 100 organizations, 43 percent report publicly on the sources of funding for their activities, and only 9 percent present annual transparency reports on their websites. While there are important opportunities in this regard, there are also effective mechanisms in operation to narrow these gaps. Since 2004, CEMEFI has been promoting its institutional and transparency certification, which validates the organizational performance of CSOs in various areas, including the use of transparency and accountability mechanisms. In 2021, CEMEFI granted accreditations to 225 CSOs, bringing the total number of organizations with current accreditation to 425.

ANNEX: CSO SUSTAINABILITY INDEX METHODOLOGY

INSTRUCTIONS FOR CSOSI IMPLEMENTING PARTNERS

I. INTRODUCTION

USAID's Civil Society Organization Sustainability Index (the Index or CSOSI) reports annually on the strength and overall viability of CSO sectors in Africa, the Middle East and North Africa (MENA), Central and Eastern Europe and Eurasia, and Mexico. The CSO Sustainability Index is a tool developed by USAID to assess the strength and overall viability of CSO sectors in countries around the world. By analyzing seven dimensions that are critical to sectoral sustainability, the Index highlights both strengths and constraints in CSO development. The Index allows for comparisons both across countries and over time. Initially developed in 1997 for Central and Eastern Europe and Eurasia, the CSOSI is a valued tool and methodology used by non-governmental organizations (NGOs), governments, donors, academics, and others to better understand the sustainability of the civil society sector. USAID is continually striving to ensure the cross-national comparability of the Index scores and to improve the reliability and validity of measurements, adequate standardization of units and definitions, local ownership of the Index, transparency of the process of Index compilation, and representative composition of panels delivering the scores.

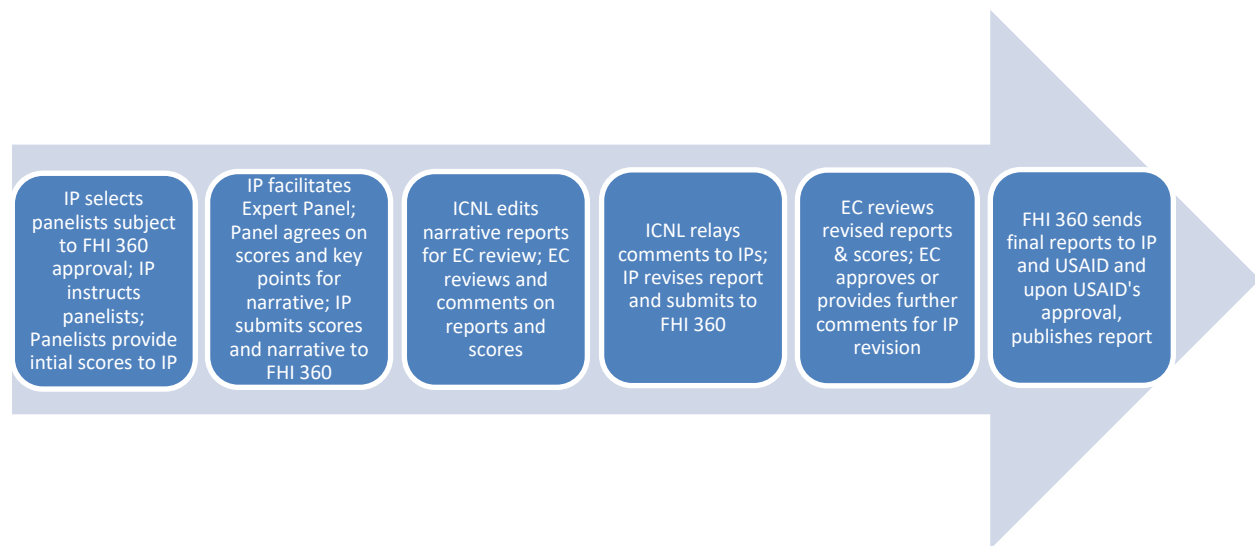
Beginning with the 2017 Index and for the following four years, FHI 360 and the International Center for Not-for-Profit Law (ICNL) are managing the coordination and editing of the CSOSI. A senior staff member from both FHI 360 and ICNL will serve on the Editorial Committee as will one or more senior USAID/Washington officials. FHI 360 will provide small grants to local CSOs to implement the CSOSI methodology in the country, while ICNL will be primarily responsible for editing the reports. Local Implementing Partners (IPs) play an essential role in developing the CSO SI and need a combination of research, convening, and advocacy skills for carrying out a high-quality CSOSI.

Local Implementing Partners should please remember:

- Panels must include a diverse range of civil society representatives.
- Panelists should formulate initial scores for dimensions and justifications individually and in advance of the Panel Meeting.
- Discuss each indicator and dimension at the Panel Meeting and provide justification for the proposed score for each dimension.
- Compare the score for each dimension with last year's score to ensure that the direction of change reflects developments during the year being assessed.
- Note changes to any indicators and dimensions in the country report to justify proposed score changes.
- The Editorial Committee will request additional information if the scores are not supported by the report. If adequate information is not provided, the EC has the right to adjust the scores accordingly.

II. METHODOLOGY FOR THE IMPLEMENTER

The following steps should be followed by the IP to assemble the Expert Panel that will meet in person to discuss the status of civil society over the reporting year, determine scores, and prepare a country report for the 2021 Civil Society Organization (CSO) Sustainability Index.



I. Select Panel Experts. Carefully select a group of at least 8-10 civil society representatives to serve as panel experts. Panel members must include representatives of a diverse range of CSOs and other stakeholders, such as:

- CSO support centers, resource centers, or intermediary support organizations (ISOs);
- CSOs, community-based organizations (CBOs), and faith-based organizations (FBOs) involved in a range of service delivery and/or advocacy activities;
- CSOs involved in local and national level government oversight/ watchdog/ advocacy activities;
- Academia with expertise related to civil society and CSO sustainability;
- CSO partners from government, business, or media;
- Think tanks working in the area of civil society development;
- Member associations such as cooperatives, lawyers' associations, and natural resources users' groups;
- Representatives of diverse geographic areas and population groups, e.g., minorities;
- International donors who support civil society and CSOs; and
- Other local partners.

It is important that the Panel members be able to assess a wide spectrum of CSO activities in various sectors ranging from democracy, human rights, and governance reforms to the delivery of basic services to constituencies. CSOs represented on the panel must include both those whose work is heavily focused on advocacy and social service delivery. To the extent possible, panels should include representatives of both rural and urban parts of the country, as well as women's groups, minority populations, and other marginalized groups, as well as sub-sectors such as women's rights, community-based development, civic education, microfinance, environment, human rights, and youth. The Panel should to the extent possible include an equal representation of men and women. If two or more representatives of the same CSO participate in the Panel, they can only cast one vote. It is recommended that at least 70 percent of the Expert Panel be nationals of the country that is being rated.

In countries experiencing civil war, individuals should be brought from areas controlled by each of the regimes if possible. If not, individuals from the other regime’s territory should at least be contacted, to incorporate their local perspective.

In some instances, it may be appropriate to select a larger group in order to better reflect the diversity and breadth of the civil society sector in the country. For countries where regional differences are significant, implementers should incorporate, to the greatest extent possible, differing regional perspectives. If financial constraints do not allow for in-person regional representation, alternative, low-cost options, including emailing scores/ comments, and teleconferencing/Skype, may be used.

If there is a USAID Mission in the country, a USAID representative must be invited to attend the panel. USAID representatives that attend are welcome to provide some words of introduction to open the event, as it is funded by USAID, and they are welcome to observe and participate in the discussion. However, they will not have the ability to cast their vote in terms of scores.

Please submit to FHI 360 for approval the list of the Panel members whom you plan to invite at least two weeks before the meeting is scheduled to occur using the form provided in Annex A. It is the responsibility of the IP to ensure that the panel composition, and the resulting score and narrative, are sufficiently representative of a cross-section of civil society and include the perspectives of various types of stakeholders from different sectors and different areas of the country.

2. Prepare the Panel meeting. Ensure that panel members understand the objectives of the Panel, including developing a consensus-based rating for each of the seven dimensions of civil society sustainability covered by the Index and articulating a justification or explanation for each rating consistent with the methodology described below. We encourage you to hold a brief orientation session for the panelists prior to the panel discussion. This is particularly important for new panelists but is also useful to update all panelists on methodology and process changes. Some partners choose to hold a formal training session with panel members, reviewing the methodology document and instructions. Other partners provide a more general discussion about the objectives of the exercise and process to the panelists.

Definition of CSO:

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

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

The overall goal of the Index is to track and compare progress in the sector over time, increasing the ability of local entities to undertake self-assessment and analysis. To ensure a common understanding of what is being assessed, the convener shall provide a definition of civil society to the panel members. The CSOSI uses the enclosed definition to ensure the report addresses a broad swath of civil society.

In order to allow adequate time to prepare for the panel, distribute the instructions, rating description documents, and a copy of the previous year’s country chapter to the members of the Expert Panel a minimum of three days before convening the Panel so that they may develop their initial scores for each dimension before meeting with the other panel members. It is critical to emphasize the importance of developing their scores and justifications before attending the panel. It is also important to remind panel members that the scores should reflect developments during the 2021 calendar year (January 1, 2021, through December 31, 2021).

We also recommend you encourage panelists to think of concrete examples that illustrate trends since this information will be crucial to justifying their proposed scores. In countries with closing civic space, the IP should take initiative to ensure that expert panel members do not self-censor themselves, including by taking whatever

measures possible to build trust. The confidentiality of all members must be ensured and participants must be protected against retaliation; to this end, the IP can choose to enforce Chatham House Rules. Lastly, it is highly recommended to compile and send to panelists data and information sources to guide them as they score. Recommendations for information sources are listed below under #4.

We are very interested in using the preparation of this year’s Index to track lessons learned for use in improving the monitoring process in upcoming years. We would appreciate implementers recording and submitting any observations they might have that will increase the usefulness of this important tool. In addition, we will solicit feedback through regional debriefs and will continue to maintain an online forum where IPs can share best practices, ask questions, and submit their comments or suggestions. These methods will be supplemented by brief satisfaction surveys that will be used to help evaluate the success of methodological and process innovations.

3. Convene a meeting of the CSO Expert Panel.

3.a. We do not require panelists to score individual indicators but only overall dimensions. For each dimension, allow each panel member to share his or her initial score and justification with the rest of the group. (Note: If two or more representatives of the same CSO participate in the Panel, only one vote can be cast on their behalf.) Although scoring will not take place at the indicator level, please be sure that panel members discuss each indicator within each dimension of the CSOSI and provide evidence-based, country-relevant examples of recent or historical conditions, policies, and events within each of the dimension narratives. Please take notes on the discussion of each indicator and dimension, detailing the justification for all dimension scores, in the template provided. These notes must be submitted to FHI 360 with the first draft of the narratives (they do not have to be translated into English if not originally written in English).

At the end of the discussion of each dimension, allow panel members to adjust their scores if desired. Then, for each dimension, eliminate the highest score and the lowest score (if there are two or more of the highest or lowest scores, only eliminate one of them) and average the remaining scores together to come up with a single score for each dimension. Calculate the average or arithmetic mean¹ of these scores for a preliminary score for the dimension. Please keep all scores on record, making sure that personal attribution cannot be made to individual panel members. Use a table similar to the one provided below to track panel members’ scores without personal attribution.

| Panel Member | Legal Environment | Organizational Capacity | Financial Viability | Advocacy | Service Provision | Sectoral Infrastructure | Public Image |
|---------------------|-------------------|-------------------------|---------------------|----------|-------------------|-------------------------|--------------|
| 1 | | | | | | | |
| 2 | | | | | | | |
| 3 | | | | | | | |

3. b. Once a score is determined for a dimension, please have panel members compare the proposed score with last year’s score to ensure that the direction and magnitude of the change reflect developments during the year. For example, if an improved score is proposed, this should be based on concrete positive developments during the year that are noted in the report. On the other hand, if the situation worsened during the year, this should be reflected in a worse score (i.e., a higher number on the 1-7 scale).

Please note that for countries where a democratic revolution took place in the previous year, the panelists should be conscious to avoid scoring based on post-revolution euphoria. The score-change framework should be closely followed to avoid panelists scoring based on anticipated changes, rather than the actual level of change thus far.

A change of 0.1 should generally be used to reflect modest changes in a dimension. Larger differences may be warranted if there are more significant changes in the sector. The evidence to support the scoring change must always be discussed by the panel and documented in the dimension narrative. **See CSOSI Codebook – Instructions for Expert Panel Members** for more details about this scoring scale.

¹ Arithmetic mean is the sum of all scores divided by the total number of scores.

In addition, for each dimension score, review the relevant description of that dimension in “CSOSI Codebook – Tiers and Scores: A Closer Look.” Discuss with the group whether the score for a country matches that rating description. For example, a score of 2.3 in organizational capacity would mean that the civil society sector is in the “Sustainability Enhanced” phase. Please read the “Sustainability Enhanced” section for Organizational Capacity in “Ratings: A Closer Look” to ensure that this accurately describes the civil society environment.

If the panel does not feel that the proposed score is accurate after these two reviews, please note this when submitting proposed scores in your narrative report, and the Editorial Committee will discuss whether one or more scores need to be reset with a new baseline. Ultimately, each score should reflect a consensus among group members.

3. c. Discuss each of the seven dimensions of the Index and score them in a similar manner. Once all seven dimensions have been scored, average the final dimension scores together to get the overall CSO sustainability score. Please submit the table with the scores from the individual panelists together with the narrative report. Panelists should be designated numerically.

3. d. Please remind the group at this stage that reports will be reviewed by an Editorial Committee (EC). The Editorial Committee will ensure that all scores are adequately supported and may ask for additional evidence to support a score. If adequate information is not provided, the EC may adjust the scores.

4. Prepare a draft country report. The report should focus on developments over the calendar year 2021 (January 1, 2021, through December 31, 2021).

The draft report should begin with an overview statement and a brief discussion of the current state of sustainability of the civil society sector with regard to each dimension. In the overview statement, please include an estimated number of registered and active CSOs, as well as a description of the primary fields and geographic areas in which CSOs operate. Also include a brief overview of any key political, economic, or social developments in the country that impacted the CSO sector during the year. If this information is not provided, the editor will request it in subsequent rounds, which will require additional work from you.

The report should then include sections on each dimension. Each of these sections should begin with a summary of the reasons for any score changes during the year. For example, if a better score is proposed, the basis for this improvement should be clearly stated upfront. These sections should include a discussion of both accomplishments and strengths in that dimension, as well as obstacles to sustainability and weaknesses that impact the operations of a broad range of CSOs. Each indicator within each dimension should be addressed in the report.

The report should be written based on the Panel members’ discussion and input, as well as a review of other sources of information about the CSO sector including but not limited to analytical studies of the sector, statistical data, public opinion polls, and other relevant third-party data. Some international sources of information and data that should be considered include the following:

- CIVICUS State of Civil Society Report - <https://www.civicus.org/index.php/media-center/reports-publications/socs-reports>
- CIVICUS Monitor - <https://monitor.civicus.org/>
- World Giving Index - <https://www.cafonline.org/about-us/publications>
- Varieties of Democracy (V-Dem) - <https://www.v-dem.net/>
- Media Sustainability Index - <https://www.irex.org/projects/media-sustainability-index-msi>
- Nations in Transit - <https://freedomhouse.org/report-types/nations-transit#.VdugbqSF0hI>
- Freedom in the World - <https://freedomhouse.org/report/freedom-world>
- Freedom of the Press - <https://freedomhouse.org/report-types/freedom-press>
- ITUC Global Rights Index - <https://www.globalrightsindex.org/en/2021>
- ITUC Survey of Violations of Trade Union Rights - <https://survey.ituc-csi.org/?lang=en>
- U.S. Department of State Human Rights Report - <https://www.state.gov/j/drl/rls/hrrpt/>
- ICNL Civic Freedom Monitor - <https://www.icnl.org/resources/civic-freedom-monitor>
- Carnegie Endowment for International Peace - <https://carnegieendowment.org/regions>

- Afro-Barometer - <http://www.afrobarometer.org/>

Please limit the draft reports to a maximum of **ten pages in English**. Please keep in mind that we rely on implementers to ensure that reports are an appropriate length and are well written.

While the individual country reports for the 2021 CSO Sustainability Index must be brief, implementers may write longer reports for their own use to more fully describe the substance of the panel meetings. Longer reports may include additional country context information or examples and could be used for a variety of purposes, including advocacy initiatives, research, informing project designs, etc.

Please include a list of the experts who served on the panel using the form provided. This will be for our reference only and will not be made public. Also, **please remember to provide the individual panelists' ratings for each dimension** (with the names replaced by numbers).

Submit the draft country reports with rankings via email to FHI 360 by the date indicated in your grant's Project Description.

5. Initial edits of the country report. Within a few weeks of receiving your draft report, FHI 360 and its partner, ICNL, will send you a revised version of your report that has been edited for grammar, style, and content. As necessary, the editors will request additional information to ensure that the report is complete and/or to clarify statements in the report. Please request any clarification needed from the editor as soon as possible, then submit your revised report by the deadline indicated.

6. Editorial Committee review. In Washington, an Editorial Committee (EC) will review the scores and revised draft country reports. The EC consists of representatives from USAID, FHI 360, ICNL, and at least one regional expert well-versed in the issues and dynamics affecting civil society in the region. A USAID representative chairs the EC. If the EC determines that the panel's scores are not adequately supported by the country report, particularly in comparison to the previous year's scores and the scores and reports of other countries in the region, the **EC may request that the scores be adjusted, thereby ensuring comparability over time and among countries, or request that additional information be provided to support the panel's scores.** Further description of the EC is included in the following section, "The Role of the Editorial Committee."

7. Additional report revision. After the EC meets, the editor will send a revised report that indicates the EC's recommended scores, and where further supporting evidence or clarification is required. Within the draft, boxes will be added where you will note whether you accept the revised scores or where you can provide further evidence to support the original proposed score.

The report should be revised and returned to the editor within the allotted timeframe. The project editor will continue to be in contact with you to discuss any outstanding questions and clarifications regarding the scoring and the report's content. Your organization will be responsible for responding to all outstanding comments from the EC, as communicated by the project editor until the report is approved and accepted by USAID.

8. Dissemination and promotion of the final reports. After the reports are approved by USAID and final formatting is conducted, the country reports will be grouped into regional reports. Each Implementing Partner will be responsible for promoting both the final, published country report and the regional report. Your organization will conduct activities to promote the Index's use and visibility. This may include organizing a local public event, panel discussion, or workshop and making the report available electronically by web posting or creating a social network page for the country report and through the other methods described in your Use and Visibility Plan. Documentation that you have conducted these activities as described in that Plan must be submitted to FHI 360 before it will authorize the final payment.

III. THE ROLE OF THE EDITORIAL COMMITTEE

As an important step in the CSO Sustainability Index process, all country reports are reviewed and discussed by an Editorial Committee composed of regional and sector experts in Washington, DC, and an expert based in the region. This committee is chaired by a USAID Democracy Specialist and includes rotating members from USAID (past members have included experts from regional bureaus, the USAID Bureau for Democracy, Conflict and Humanitarian Assistance’s Center of Excellence on Democracy, Human Rights and Governance (DCHA/DRG), the USAID Bureau for Economic Growth, Education and the Environment’s Local Solutions Office, and USAID Democracy, Human Rights and Governance foreign service officers). The committee also includes civil society experts from FHI 360 and ICNL.

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

CSOs are encouraged to remind their panels from the outset that the Editorial Committee may ask for further clarification of scores and may modify scores, where appropriate. **While implementing partners will have the chance to dispute these modifications by providing more evidence for the scores the panel proposed, the USAID Chair of the EC will ultimately have the final say on all scores.** However, by asking panels to compare their scores with last year’s scores and “Ratings: A Closer Look” (which is essentially what the Editorial Committee does), it is hoped that there will be few differences between proposed scores and final scores. Ensuring that the narrative section for each dimension includes adequate explanations for all scores will also limit the need for the Editorial Committee to ask for further clarification.

INSTRUCTIONS FOR CSOSI EXPERT PANEL MEMBERS

INTRODUCTION

USAID's Civil Society Organization Sustainability Index (the Index or CSOSI) is a tool developed by USAID to assess overall viability of civil society organizations (CSOs) in a particular country. By analyzing seven dimensions that are critical to sectoral sustainability on an annual basis, the Index highlights both strengths and constraints in CSO development.

The Index allows for comparisons both across countries and over time. Initially developed in 1997 for Central and Eastern Europe and Eurasia, the CSOSI is a valued tool and methodology used by CSOs, governments, donors, academics, and others to better understand the opportunities, challenges, and sustainability of the civil society sector in a particular country or region. In 2021 the CSOSI was implemented in 73 countries.

For the period of 2017-2022, FHI 360 and the International Center for Not-for-Profit Law (ICNL) are managing the coordination and editing of the CSOSI. To develop the Index each year, FHI 360 provides small grants and technical support to local CSOs who serve as Implementing Partners (IPs) responsible for leading the in-country process to prepare the annual country report, using the CSOSI methodology. ICNL oversees the editing of the country reports once they are drafted by IPs. A senior staff member from both FHI 360 and ICNL serves on an Editorial Committee that reviews all reports, as do one or more senior USAID/Washington officials.

The Expert Panel (EP) members for whom this Codebook is designed participate in in-country panel discussions on the seven dimensions of sustainability covered by the Index. The IP convenes these panel discussions annually to assess the situation of civil society in their countries and determine scores based on an objective analysis of the factual evidence.

The CSOSI management team is continually striving to ensure the cross-country and cross-year comparability of the Index's scores, as well as to improve the reliability and validity of measurements, standardization of definitions, local ownership of the Index, and transparency of the Index's methodology and processes.

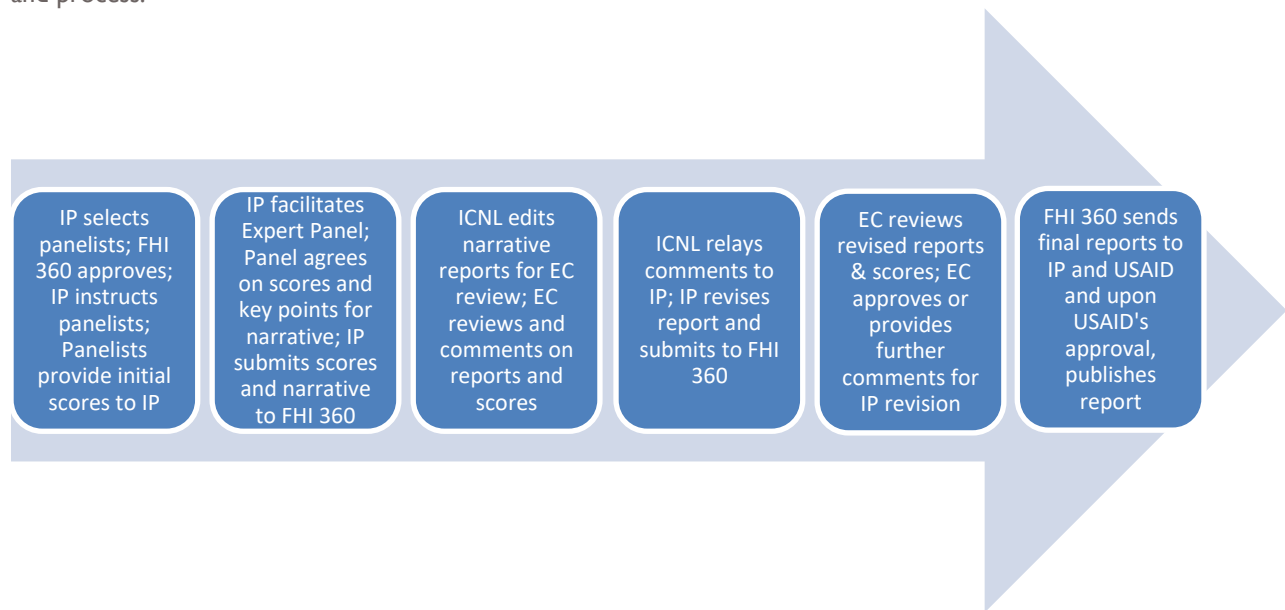
Therefore, FHI 360 has created this Codebook to inform and guide expert panel members through the scoring process. The Codebook provides definitions of the key concepts used to assess the overall strength and sustainability of the civil society sector in a given country, explains the scoring process, and standardizes the scale to be used when proposing score changes.

This document is the first part of the Codebook, providing an overview of the concepts and processes that guide the expert panel members' role in the CSOSI's methodology. The second part of the Codebook provides descriptions, or vignettes, of each score for each dimension, to standardize expert panel members' understanding of the scoring scale and to assist them in ensuring that scores are accurate.

CSOSI METHODOLOGY

The CSOSI measures the sustainability of each country's CSO sector based on the CSOSI's seven dimensions: legal environment, organizational capacity, financial viability, advocacy, service provision, sectoral infrastructure, and public image. Its seven-point scoring scale used not only by CSOSI, but also variety of well-known reviews such as Freedom House in its publications "Nations in Transit" and "Freedom in the World."

The IP in each country leads the process of organizing and convening a diverse and representative panel of CSO experts. EPs discuss the level of change during the year being assessed in each of the seven dimensions and determine proposed scores for each dimension. The IP then drafts narratives that document the rationale for each score. The scores are organized into three basic "tiers" representing the level of viability of the civil society sector: Sustainability Impeded; Sustainability Evolving; and Sustainability Enhanced. All scores and narratives are then reviewed by a Washington, D.C.-based Editorial Committee (EC) for consistency, completeness, and methodological adherence, assisted by regional civil society experts. The graph below summarizes the approach and process.



Definition of Concepts

The overall goal of the Index is to track progress or regression in the CSO sector over time, increasing the ability of local entities to undertake self-assessment and analysis. To ensure a common understanding of what is being assessed, panel members need a shared understanding of the key concepts underlying their assessment.

Civil Society Organization

Civil society organizations are defined:

"...As any organizations, whether formal or informal, that are not part of the apparatus of government, that do not distribute profits to their directors or operators, that are self-governing, and in which participation is a matter of free choice. Both member-serving and public-serving organizations are included. Embraced within this definition, therefore, are private, not-for-profit health providers, schools, advocacy groups, social service agencies, anti-poverty groups, development agencies, professional associations, community-based organizations, unions, religious bodies, recreation organizations, cultural institutions, and many more."¹

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

This definition of CSO includes informal, unregistered groups and movements, but to be included in the CSOSI, the movement must possess the structure and continuity to be distinguished from a single gathering of individuals and from personal or family relationships. In many countries political parties and private companies establish and support CSOs, but these entities are usually either public, for-profit, or not self-governing.

Civil Society Sector

The CSOSI defines the CSO sector to include all of the following: non-governmental organizations (focused on advocacy, oversight, or service provision), social movements, community-based organizations and faith-based organizations, trade and labor unions, women’s groups, youth groups, resource centers and intermediary support organizations, research institutes and think tanks, professional associations, cooperatives, and natural resource users’ groups, recreational organizations, cultural institutions, social enterprises, and informal movements, networks, and campaigns.

Throughout the report, please address differences between these different types of CSOs and note where trends and developments have affected specific types of CSOs.

Seven Dimensions of Sustainability

The CSOSI measures sustainability across seven dimensions by analyzing a series of indicators related to each dimension. (see **Scoring: Dimensions and Indicators, provided as Annex A, for the full list of questions to guide your analysis of each indicator**):

1- LEGAL ENVIRONMENT: The legal and regulatory environment governing the CSO sector and its implementation.

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|--|
| <i>Registration – Legal procedures to formalize the existence of a CSO</i> |
| <i>Operation – The enforcement of the laws and its effects on CSOs</i> |
| <i>State Harassment – Abuses committed against CSOs and their members by state institutions and groups acting on behalf of the state</i> |
| <i>Taxation – Tax policies that affect CSOs</i> |
| <i>Access to Resources – Legal opportunities for CSOs to mobilize financial resources</i> |
| <i>Local Legal Capacity – Availability and quality of legal expertise for CSOs</i> |

2- ORGANIZATIONAL CAPACITY: The internal capacity of the CSO sector to pursue its goals

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|--|
| <i>Constituency Building – Relationships with individuals or groups affected by or interested in issues on which CSOs work</i> |
| <i>Strategic Planning – Organizational goals and priorities for a set timeframe</i> |
| <i>Internal Management – Structures and processes to guide the work of CSOs</i> |
| <i>CSO Staffing – Quality and management of human resources</i> |
| <i>Technical Advancement – Access to and use of technology</i> |

3- FINANCIAL VIABILITY: The CSO sector’s access to various sources of financial support

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|---|
| <i>Diversification – Access to multiple sources of funding</i> |
| <i>Local Support - Domestic sources of funding and resources</i> |
| <i>Foreign Support – Foreign sources of funding and resources</i> |
| <i>Fundraising – CSOs’ capacity to raise funds</i> |
| <i>Earned Income – Revenue generated from the sale of products and services</i> |
| <i>Financial Management Systems – Processes, procedures and tools to manage financial resources and operations.</i> |

4- ADVOCACY: The CSO sector’s ability to influence public opinion and public policy

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| <i>Cooperation with Local and Central Government – Access to government decision-making processes</i> |
| <i>Policy Advocacy Initiatives – Initiatives to shape the public agenda, public opinion, or legislation</i> |
| <i>Lobbying Efforts – Engagement with lawmakers to directly influence the legislative process</i> |
| <i>Advocacy for CSO Law Reform – Initiatives to promote a more favorable legal and regulatory framework for the CSO sector</i> |

5- SERVICE PROVISION: The CSO sector’s ability to provide goods and services

| |
|---|
| <i>Range of Goods and Services – Variety of goods and services offered</i> |
| <i>Responsiveness to the Community – Extent to which goods and services address local needs</i> |
| <i>Clientele and beneficiaries – People, organizations and communities who utilize or benefit from CSOs’ services and goods</i> |
| <i>Cost Recovery – Capacity to generate revenue through service provision</i> |
| <i>Government Recognition and Support – Government appreciation for CSO service provision</i> |

6- SECTORAL INFRASTRUCTURE: Support services available to the CSO sector

| |
|---|
| <i>Intermediary Support Organizations (ISOs) and CSO Resource Centers – Organizations and programs that provide CSOs with training and other support services</i> |
| <i>Local Grant-Making Organizations – Local institutions, organizations, or programs providing financial resources to CSOs</i> |
| <i>CSO Networks and Coalitions – Cooperation within the CSO sector</i> |
| <i>Training – Training opportunities available to CSOs</i> |
| <i>Intersectoral Partnerships – Collaboration between CSOs and other sectors</i> |

7- PUBLIC IMAGE: Society’s perception of the CSO sector

| |
|---|
| <i>Media Coverage – Presence of CSOs and their activities in the media (print, television, radio, and online)</i> |
| <i>Public Perception of CSOs – Reputation among the larger population</i> |
| <i>Government/Business Perception of CSOs – Reputation with the government and business sector</i> |
| <i>Public Relations – Efforts to promote organizational image and activities</i> |
| <i>Self-Regulation – Actions taken to increase accountability and transparency</i> |

How to Score

The CSO Sustainability Index uses a seven-point scale from 1 to 7. **Lower numbers indicate more robust levels of CSO sustainability.** These characteristics and levels are drawn from empirical observations of the sector’s development in the country, rather than a causal theory of development. Given the complex nature of civil society sectors, many contradictory developments may be taking place simultaneously. The levels of sustainability are organized into three broad clusters:

Sustainability Enhanced (1 to 3) - the highest level of sustainability, corresponds to a score between 1.0 and 3.0;
*Sustainability Evolving*² (3.1 to 5) - corresponds to a score between 3.1 and 5.0;
Sustainability Impeded (5.1 to 7) – the lowest level of sustainability, corresponds to a score between 5.1 and 7.0.

| Sustainability Enhanced | Sustainability Evolving | Sustainability Impeded |
|-------------------------|-------------------------|------------------------|
| 1.0 – 3.0 | 3.1 –5.0 | 5.1 –7.0 |

² The ‘Sustainability Evolving’ categorization does not assume a direct or forward trajectory. Dimension and Overall Sustainability scores that fall within this category may represent both improvements and regressions.

Scoring Process³

The primary role of the EP is to provide an assessment of the CSO environment based on the seven dimensions mentioned above. During the panel discussion, panel members are tasked with analyzing each dimension and any recent developments, identifying and discussing initial scores for each dimension, including their evidence for these scores, and determining their final proposed scores for each dimension. The overall score for the country will be an average of these seven scores.

Each expert panel member is asked to follow the steps below:

Step 1: Please start by reviewing last year’s report and other sources of information about sectoral developments from the last year of which you are aware related to each dimension and its indicators. Then, based on the evidence, rate each dimension on the scale from 1 to 7, with a score of 1 indicating a very advanced civil society sector with a high level of sustainability, and a score of 7 indicating a fragile, unsustainable sector with a low level of development. Fractional scores to one decimal place are encouraged. See “Scoring based on Level of Change” on page 6 below for guidance on how to determine proposed scores.

When rating each dimension, please remember to consider each indicator carefully and make note of any specific, country-relevant examples of recent or historical conditions, policies, or events that you used as a basis for determining this score.

Step 2: Review your proposed score for each dimension to ensure that it makes sense in comparison to last year’s score and narrative. Please carefully consider the importance of any developments and weigh more heavily those changes that have had an impact at the sector level, especially in cases when there have been both positive and negative changes. In determining the level of change, including the incremental change over the past year, look at the evidence of change, the various factors over the year being assessed that led to those changes (events, policies, laws, etc.), the durability of the change and the extent to which the change impacts the sector as a whole.

Step 3: Once you have scores for each dimension, average these seven scores together to arrive at an overall CSO sustainability score and provide all these scores to the IP before you attend the expert panel discussion.

Step 4: Attend the EP discussion. Listen to other experts describe the justification for their scores. After discussing each indicator in a dimension, you will have the opportunity to revise your proposed score. Should the panel achieve consensus regarding the scores, the consensus scores will be the panel’s final proposed scores. If consensus is not reached among the panelists, the IP will average the panelists’ scores, removing one instance of the highest and lowest scores each, to arrive at the final scores that will be proposed to the EC.

It is very important that the discussion includes specific examples and information that can be used to justify the Expert Panelist’s scores. Therefore, please come prepared to share specific evidence to support trends you have noted during the year. **If adequate supporting information is not provided, the EC has the right to adjust the scores accordingly, to ensure objectivity and methodological consistency in scoring.**

³ NOTE: For countries in which the CSOSI is being implemented for the first time, the below scoring process does not apply. Instead, please refer to the document Scoring Process for Setting Country Baselines. For countries discussing baseline score recalibration, please use the Recalibration Guidance Sheet.

Important Note: In countries with disputed territories or areas (e.g., self-declared states, breakaway states, partially recognized states, declared people’s republics, proto-states, or territories annexed by another country’s government), panelists should score based only on the area under the national government’s control. However, these territories’ contexts should be discussed, to be referenced briefly in the introduction of the country report.

In countries experiencing civil war (political and armed movements that administer parts of the country, regions governed by alternative ruling bodies), panelists should balance the situation in each of the territories when determining all scores and discuss trends and developments under each regime.

In countries where a great deal of regional autonomy is recognized (e.g., Iraqi Kurdistan), expert panelists should take those areas into account when scoring and compiling examples, and IPs should ensure the situation in these areas are well-integrated into the scoring decisions and narrative report.

For countries with closing civic space, sufficient data and information sources should be discussed to both acknowledge the changes in civic space and consider its impacts on dimensions. The panelists should respond to published sources and present their evidence to ensure the balance between positive and negative developments affecting civil society in their country. To avoid self-censorship and ensure the confidentiality of and non-retaliation against any expert panel member, the IP could choose to enforce the Chatham House Rule. When a meeting, or part thereof, is held under the Chatham House Rule, participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed.

In countries where a democratic revolution took place in the previous year, the panelists should still closely follow the score-change framework when determining the new dimension-level scores to justify the changes, avoiding exaggerated score increases that may be due to a post-revolution feeling of euphoria. The proposed scores should always measure the actual changes thus far and not anticipated impacts in the near future.

Scoring Based on Level of Change

The level of change in a dimension from one year to the next is determined by assessing the impact of multiple factors including new policies and laws, changes in implementation of existing policies and laws, various organization-level achievements and setbacks, changes in funding levels and patterns, as well as contextual political, economic, and social developments. While individual examples may seem impactful on their own, ultimately a sector’s long-term sustainability only changes gradually over time as the implications of these positive or negative developments begin to be felt and their long-term effects take hold. Therefore, dimension-level score changes each year should not in normal circumstances exceed a 0.5-point change from the previous year⁴.

When determining what weight to give different trends and developments in how they affect the scores, consider the relative scope of the changes and the duration of their impacts. Those trends and developments that will have larger and longer-term impacts on the sector as a whole should be weighted more heavily compared to those that affect only limited parts of the sector and are more likely to change from year to year. For example, a demonstrated increased capability to mobilize domestic resources (e.g. through corporate philanthropy or crowdfunding) broadly witnessed throughout the sector, or a new mechanism for long-term funding of CSOs (e.g. through a basket fund or a tax designation mechanism) would signal a longer-term change in a sector’s financial viability than a one-year increase in donor funding to CSOs such as during a year of national elections or following an emergency.

In determining how the level of change in the dimension of sustainability should translate into a change in score, the following scale can be used to assist expert panel members’ decision-making:

⁴ **Note:** This scale has been adjusted for the 2018 CSOSI to more accurately reflect the scale at which trends and developments should impact a score given the definitions of the scoring scale above.

What was the overall impact of the change(s) on the dimension?

| | | |
|----------------------|---|----------------|
| Deterioration | <p>Cataclysmic deterioration: Trends and developments have had a completely transformative negative effect on at least one or two indicators in the dimension and significantly affected other dimensions as well.</p> <p>Example: Legal Environment – A law has banned all international CSOs and their affiliates from the country, as part of the government’s systematic crackdown on civil society organizations.</p> | 0.5 or greater |
| | <p>Extreme deterioration: Trends and developments have had very important negative effects on at least one or two indicators in the dimension.</p> <p>Example: Organizational Capacity – Economic depression and instability have led donor basket funds to close abruptly, leaving many major CSOs without funding for their activities. Outreach efforts to constituencies have been halted due to funding shortages and many major CSOs have lost their well-qualified staff members.</p> | 0.4 |
| | <p>Significant deterioration: Trends and developments have had important negative effects on at least one or two indicators in the dimension.</p> <p>Example: Public Image – The government conducts a relentless media campaign to discredit the image of CSOs by calling them agents of foreign actors seeking to destabilize the country. At the same, the government intimidates media outlets and threatens them with retaliation should they partner with or cover CSO activities without prior approval by the government.</p> | 0.3 |
| | <p>Moderate deterioration: Trends and developments have had a somewhat negative impact in at least one or two indicators in the dimension.</p> <p>Example: Legal Environment – In an effort to increase public revenue, the government has decided to increase fees by 100% for some types of government services, including CSO registration renewal fees, which were already very high according to many CSOs. As a result, some CSOs, particularly community-based organizations (CBOs), had to delay or suspend their activities.</p> | 0.2 |
| | <p>Slight deterioration: Trends or developments have had a slightly negative impact on at least one or two indicators in the dimension.</p> <p>Example: Legal Environment – The government has decided that CSOs should submit their financial statement and annual activity report to the registration agency every year. This may have a long-term positive effect but in the short term, it has increased bureaucratic hurdles and the possibility of harassment by overzealous government officials.</p> | 0.1 |
| No Change | <p>The country has not encountered any significant trends or developments in the dimension or developments have been both positive and negative in equal measure.</p> | 0 |
| | <p>Slight improvement: Trends or developments have had a slightly positive impact on at least one or two indicators in the dimension.</p> <p>Example: Legal Environment – To facilitate CSO registration, particularly for those in rural areas, the government has decided its registration agency will allow the agency to take applications locally and process registration directly at the district level. Now, CSOs in rural areas are not required to travel to the capital to apply. However, this measure is accompanied with a small increase in the registration fee.</p> | 0.1 |

| | | |
|--------------------|--|----------------|
| Improvement | <p>Moderate improvement: Trends and developments have had a somewhat positive impact in at least one or two indicators in the dimension.</p> <p>Example: Service Provision – To improve the effectiveness of public service delivery, the central government has decided that at least 10% of local government contracts for basic service delivery will be set aside for CSOs. The law is lacking in specificity, particularly around the application process, but it reinforces CSOs’ image as credible partners.</p> | 0.2 |
| | <p>Significant improvement: Trends and developments have had important positive effects on at least one or two indicators in the dimension.</p> <p>Example: Public Image – There has been a net increase of CSO partnerships with businesses. CSOs have also agreed to and published a general code of conduct for the sector, reinforcing a positive trend of greater transparency and accountability.</p> | 0.3 |
| | <p>Extreme improvement: Trends and developments have had very important positive effects on several indicators in the dimension.</p> <p>Example: Organizational Capacity – The government and international donors have launched a five-year multi-million-dollar basket fund to support CSO-led activities and to strengthen CSO capacity, with a special focus on skills training for CSO staff members, particularly those from CBOs.</p> | 0.4 |
| | <p>Transformative improvement: Trends and developments have had a completely transformative positive effect on at least one or two indicators in the dimension and will potentially affect other dimensions as well.</p> <p>Example: Legal Environment – A nonviolent revolution that toppled an authoritarian regime and installed a more democratic regime has produced sudden political and legal changes that will protect basic freedoms and human rights.</p> | 0.5 or greater |

INSTRUCTIONS FOR BASELINE RECALIBRATION

BACKGROUND

To enhance its methodology, the Civil Society Organization Sustainability Index (CSOSI) incorporated several activities into its annual process. These activities respond directly to the methodological issues identified through consultations conducted with stakeholders in 2018 and 2019.

One of these activities to strengthen the CSOSI methodology is to reset dimension-level scores which are not accurate, either because their baseline scores were inaccurate or because they have not moved significantly enough over time to reflect structural changes in the sector's sustainability. The goal of resetting these scores is to improve the cross-country comparability of scores and to increase the analytical usefulness of the CSOSI to its target audiences.

There are two scenarios in which a score can be recalibrated:

- Scenario 1 - FHI 360 informs the Implementing Partner (IP) about the dimension score(s) that the Editorial Committee (EC) has flagged for needing recalibration
- Scenario 2 - A majority of expert panelists flag the score for recalibration at the panel discussion.

Scenario 1: EC recommended recalibration

Instructions

- 1. Inform participating expert panel members about the scores flagged for recalibration –** When the IP sends the expert panelists the annual CSOSI package of relevant materials, it also communicates to them the purpose of baseline score recalibration and the dimension scores that have been selected by the EC, in consultation with regional experts, for recalibration.
- 2. To determine the new score(s), use Sustainability Categories and Scores – A Closer Look and a comparison to other scores in the region –** Instead of using the scoring guidance whereby proposed scores are determined by analyzing the level of change from the previous year, the scores identified for recalibration are determined by analyzing where they should fall on the one-to-seven scoring scale, as well as a comparison with the other countries' CSOSI scores for that dimension in the same region. The expert panelists should review the vignettes and illustrative examples in Sustainability Categories and Scores – A Closer Look to familiarize themselves with how various levels of CSO sustainability should correspond to the CSOSI's scoring spectrum. Scores should be proposed to the tenth decimal point based on how well they match the descriptions of the various full-point scores listed in this codebook. To help narrow proposed scores to the tenth decimal point, experts can review other countries' scores listed for that dimension in the most recent CSOSI regional report.
- 3. Discuss evidence for recalibrated scores, as well as trends and developments in the past year that led to improvements and deterioration in the dimension –** The narrative report should be drafted the same as in the other dimensions, reviewing the current situation and discussing what has changed over the previous year. A note will be included in the final report that clarifies that the new score for that dimension is based on a recalibration and should not be compared with the previous year's score to make assertions about improvement or deterioration.
- 4. Prepare and submit a recalibration justification note to FHI 360 –** To justify a proposed baseline recalibration, or to disagree with the EC's recommendation to recalibrate a score, the IP should prepare a justification note to be sent to FHI 360. The note should summarize the panel members' decision to accept or reject a requested recalibration. It should also outline the evidence and examples provided by the panelists related to each and every dimension being recalibrated, justifying the new score specifically in relation to the vignettes in Sustainability Categories and Scores – A Closer Look.
- 5. The Editorial Committee will decide to accept or reject the proposed score –** As with scoring decisions based on the level of change, the EC will make a final decision on the proposed baseline recalibration. If EC rejects the proposed new score, it will propose an alternative score for the dimension.

Scenario 2: Expert Panel (EP) recommended recalibration

Instructions

- 1. Inform participating expert panel members about the changes in methodology regarding recalibration** – When the IP sends the expert panelists the annual CSOSI package of relevant materials, it also communicates to them the purpose and the process of optional baseline score recalibration. If expert panel members believe that one or more dimension-level scores are significantly out of place, they should attend the panel discussion about a proposed score recalibration, bringing supporting evidence for the score(s) to be recalibrated.
- 2. To determine the new score(s), use Sustainability Categories and Scores – A Closer Look and a comparison to other scores in the region** – Instead of using the scoring guidance whereby proposed scores are determined by analyzing the level of change from the previous year, the scores identified for recalibration are determined by analyzing where they should fall on the one-to-seven scoring scale, as well as a comparison with the other countries' CSOSI scores for that dimension in the same region. Expert panelists that want to propose a recalibration should review the vignettes and illustrative examples in Sustainability Categories and Scores – A Closer Look for the relevant dimension(s), to familiarize themselves with how various levels of CSO sustainability should correspond to the CSOSI's scoring spectrum. Scores should be proposed to the tenth decimal point based on how well they match the descriptions of the various full-point scores listed in this codebook. To help narrow proposed scores to the tenth decimal point, experts can review other countries' scores listed for that dimension in the most recent CSOSI regional report.
- 3. Discuss evidence for recalibrated scores, as well as trends and developments in the past year that led to improvements and deterioration in the dimension** – If a majority of expert panelists want to recalibrate a score, the dimension(s) should be discussed in the context of what the recalibrated score should be. The narrative report should be drafted the same as in the other dimensions, reviewing the current situation and discussing what has changed over the previous year. A note will be included in the final report that clarifies that the new score for that dimension is based on a recalibration and should not be compared with the previous year's score to make assertions about improvement or deterioration.
- 4. Prepare and submit a recalibration justification note to FHI 360** – To justify a proposed baseline recalibration, the IP should prepare a justification note to be sent to FHI 360. The note should summarize the panel members' decision. It should also outline the evidence and examples provided by the panelists related to each and every dimension being recalibrated, justifying the new score specifically in relation to the vignettes in Sustainability Categories and Scores – A Closer Look.
- 5. The Editorial Committee will decide to accept or reject the proposed recalibration** – As with scoring decisions based on the level of change, the EC will make a final decision on the proposed baseline recalibration. If EC rejects the proposed new score, it will propose a score for the dimension(s).

Tips

If FHI 360 informs the IP that certain dimension scores have been identified for recalibration by the EC, the IP should communicate with the expert panelists which dimensions have been selected for baseline recalibration at least one week in advance of the panel discussion. This advance notification will give the panelists an opportunity to prepare evidence about the status quo in the country under this dimension to inform their selection of a new baseline score.

If the local EP decides to recalibrate the score unprompted by the EC, the IP should ensure that the panelists present evidence during the panel discussion to justify the change and include it in the recalibration justification note.

In either case, the IP should be prepared to respond to the EC's questions about the justifications for recalibrated scores.

INSTRUCTIONS FOR ELECTRONIC QUESTIONNAIRE

BACKGROUND

To enhance its methodology, the Civil Society Organization Sustainability Index (CSOSI) has incorporated several activities into its annual process. These activities respond directly to the methodological issues identified through the feedback and consultation process conducted with project stakeholders in 2018 and 2019.

One of these activities to enhance the methodology's implementation is to disseminate an electronic questionnaire or e-questionnaire to a larger group of individuals. The questionnaire allows a larger, more diverse group of individuals to contribute their perspectives and insights on the CSOSI dimensions, strengthening the representativeness and inclusiveness of the process and data, enhancing Expert Panel (EP) deliberations, and providing Implementing Partners (IPs) more evidence to improve report quality. Dissemination of the questionnaire also helps to improve the visibility of the IP and Index and foster engagement with stakeholders who are the most likely to subsequently use the Index when completed.

Instructions

- **Identify approximately 50 participants to whom to send the questionnaire** – The IP selects individuals who will expand the scope and diversity of inputs into the process. The selected individuals should include representatives of or specialists in specific sub-sectors of civil society organizations (CSOs), such as labor unions, capacity-building organizations, organizations representing marginalized and vulnerable groups, informal movements, community-based organizations, faith-based organizations, intermediary support organizations, resource centers, and research institutes. Emphasis should be placed on selecting individuals who are in other localities of the country and those located in rural areas. The objective is for the IP to select a group of people who would add new perspectives on various aspects of the sector on which the in-person panelists might not have deep expertise, as well as individuals who have broad knowledge but would be unable or available to attend the in-person panel discussion. FHI 360 and the local USAID Mission may request additions to the list of questionnaire recipients from their own network of contacts.
- **Design your e-questionnaire** – Look at the mandatory and optional questions shared by FHI 360 to design an e-questionnaire that best responds to the needs of the civil society sector in your country. You can translate the e-questionnaire into the principal local language(s) of the country. The country-specific questionnaire should be brief and should take no more than 10-15 minutes to complete.
- **Disseminate the electronic questionnaire to your selected additional participants** – The IPs can disseminate the electronic questionnaire on the online platforms of their choice or consult with FHI 360 on setting up the e-questionnaire on SurveyMonkey, to be distributed to the IP's selected additional participants. The IP can use snowball sampling to disseminate the questionnaire to both increase the number of responses as well as to diversify them. To reach larger audiences, the IP can work with local CSO umbrella organizations to tap into their mailing lists, social media pages, and other sector-specific online platforms to share the questionnaire link. The IP should ask the additional participants to complete the questionnaire within a period of two weeks or less.
- **Compile analysis of the questionnaire's results** – After the e-questionnaire deadline that the IP identified has expired, the IP compiles the quantitative and qualitative data received. In cases when FHI 360 supported the IPs to set up the e-questionnaire on SurveyMonkey's CSOSI account, FHI 360 collects the electronic questionnaire results and submits them to the IP.
- **Incorporate the findings into the panel discussion** – Statistics and examples that are raised through the questionnaire responses should be presented to the in-person panel to serve as an additional data source for the scoring process and the discussion around the relevant indicators. When responses are not conclusive or do not align with the experts' opinions, the IP should still present them at the panel discussion for the panelists' consideration.

- **Write the conclusions reached into the narrative report** – While panels should analyze the questionnaire results and use them to inform their discussions, the e-questionnaire responses do not directly translate into scoring decisions. The data received from the electronic questionnaire should be incorporated into the narrative report in the same way that the expert panelists’ insights are incorporated -- justifying scores, sharing without attribution to a particular individual, or reference to the questionnaire. Instead, the inputs should simply be mentioned where relevant as evidence of what has changed positively or negatively in ways that affected the sustainability of the CSO sector in the relevant year. Anecdotal evidence, specific examples, and references to events through open-ended questions may provide IPs necessary data to strengthen their narrative reports.

Tips

- When selecting additional participants, please keep the following points in mind:
 - Sending the e-questionnaire to people with whom you already have a working relationship may increase the response rate, so consider sharing it with organizations and individuals in other areas of the country with whom you have worked;
 - Sharing the e-questionnaire with donor agencies operating in your country and allowing them to propose individuals to receive the e-questionnaire can be a useful way of reaching new experts and perspectives outside of your own organization’s network;
 - Sharing the e-questionnaire with civil society networks and allowing them to forward it to their member organizations’ leaders, or other experts with whom they work, is a useful way of maximizing circulation outside of your network;
 - When sending out the e-questionnaire, it may be useful to commit to sending participants a copy of last year’s final country and regional reports, so they feel a sense of participation in the larger process of developing the CSOSI;
 - When preparing your distribution list, consider whether the situation in the country is such that individuals may try to manipulate the e-questionnaire results. If that is a possibility, consider steps to target distribution, and establish specific time frames or other measures to address the concern.
- When disseminating an e-questionnaire, inform your audience about the survey deadline, and send a reminder a few days before the last day.
- As a best practice, the IP can compile a written overview of the conclusions and evidence of the additional participants and send it to the EP members before the panel discussion, so they can review it. If a written overview is sent out before the panel discussion, the IP can ask the expert panelists at the discussion which findings stood out most to them, to spur discussion.
- When e-questionnaire findings are not conclusive, the IP should ask the expert panelists to analyze the results to better understand the data.
- Pay special attention to geography – if your country has breakaway regions, is experiencing a civil war, or has regions’ that may be unrepresented or marginalized, make extra efforts to reach people in all the relevant areas.
- Convincing the participants that their inputs are confidential is key to obtaining a high participation rate and meaningful findings. Especially in countries where self-censorship might be an issue, be very clear that only your organization and FHI 360 will see their inputs, and no comments made will be personally attributed under any circumstances.
- The IPs can use any online platform of their choice to disseminate the electronic questionnaire. In the past, FHI 360 used SurveyMonkey while some other IPs reported using Google Forms.
- The IPs should take relevant measures to ensure data privacy.

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