

United Nations
Division for the Advancement of Women
Expert Group Meeting on financing for gender equality
and the empowerment of women
Oslo, Norway
4-7 September 2007

**FINANCING FOR GENDER EQUALITY
AND THE EMPOWERMENT OF WOMEN
IN EASTERN EUROPE**

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** The views expressed in this paper are those of the author and do not necessarily represent those of the United Nations.*

Introduction

This paper focuses on the assessing the impact of a decrease in financing for women human rights NGOs in Eastern Europe caused by the withdrawal of donors from the region, and also geopolitical changes related to the EU enlargement in 2004. It is based on the experience of women human rights NGOs as well as Eastern European women's network. Finally, based on the analysis, it proposes the recommendations for future action.

How are women's organizations funded and what are the trends in such funding?

A boom in funding by foreign large private and public donors in the nineties in Eastern Europe lasted only for a decade. It was a new region for them after the collapse of a totalitarian regime, and contributing to building NGOs including women's human rights organizations was an evident priority. A sharp withdraw of donors at the beginning of the new century caused an alarming decline in the funding of women's organizations¹. It was a devastating depart that created a serious financial insecurity, and many of women's NGOs were forced to reduce significantly their staff and activities, limit their office space or even close down their organizations. The consequences are even more disastrous since many organizations were relatively young (less than ten years) - being in the stage of promising process of institutional development of their organization - and reducing an experienced staff caused a significantly diminished capacity in fundraising, and, as consequence, their perspective of survival.

A fast withdraw of donors from the middle income countries in Eastern Europe and the former Soviet Union created a real threat for young civil society and women's human rights groups which were ill prepared to face new situation with no alternative sources of funding at the country level. Moreover, it affected badly low income Eastern European countries (e.g. Moldova), and they are again somehow forgotten and not included in the donors agenda for developing countries.

A new trend in funding became visible within the process of geo-political changes related to the EU enlargement in Eastern Europe. The region, called by UN terminology CEE/CIS has split in sub-regions in relation to their EU accession perspective. The donors who remained in the region, in most cases specify what countries can be covered under specific calls for proposal (EU, CIS, non-EU, developing countries etc). Due to the new divisions in the CEE/CIS, a number of regional networks have lacked available funds for continuing a cooperation with women's NGOs from the entire region. It disturbed drastically some of women's networks, and it had further consequences. A break in cooperation increased the gap and polarization between those living in 'developed' (i.e. EU members) and those living in the remaining parts of CEE/CIS. This trend affected most of all the current EU new member states (NMS) that were first to experience a large pulling out of the donors funding.

¹ Where is the money for women's rights? Assessing the resources and the role of donors in the promotion of women's rights and the support of women's rights organizations. An action research project of AWID with Just Associates. Revised Edition, 2006; at: http://www.awid.org/publications/where_is_money/web_book.pdf

For women's NGOs from NMS some new financing opportunities have emerged at the governmental level. Three years after the accession, many women's NGOs have turned towards the European Funds managed by governments, since for many of them, these are one of the very few available sources of funding that allow them to work (or rather survive) but on the other hand rarely permit them to follow the organization's mission and strategy. Although organizations may apply for quite high amounts of money for project(s), the application process itself is extremely complicated in terms of administrative and bureaucratic requirements, and the procedure of reimbursement of project's expenses is so long that it practically requires using the organization's funds for almost the whole period of the project implementation. Several women's NGOs collapsed due to a lack of sufficient funds on their own, and not many have an adequate financial and administrative capacity to apply for a project as a leading organization. An additional obstacle is the management of European Funds which is still only at the stage of building capacity of the civil servants who deal with these tasks and the process is rather slow, due to, among other things, a political instability of the governments in NMS.

Building a temporary partnership for the projects is a new way of funding women's NGOs. Many women's groups enter in a partnership within a project led by a profit organization (and even intergovernmental UNDP) with a strong administrative and financial base. While women's NGOs contribute with their broad expertise in gender equality to project implementation, they receive usually a small percentage of the project funds that do not secure the organization institutional stability.

The European Economic Area (EEA) and the Norwegian Financial Mechanisms are the most recent sources of funding that operate in NMS. In Poland², 7% of EEA Financial Mechanism goes to the NGO Fund that equals 37,8 million Euros for 2007-2009. The NGO Fund consists of three thematic areas. Unfortunately, there is no gender equality as a thematic area, and gender mainstreaming is just one of the three (optional) horizontal issues within the Fund. As a result of the first call on democracy and civil society (on 8th August, 2007), among 86 winners (out of 789 submitted) there were neither women's NGOs nor projects on gender equality. It is despite the fact that in the Memorandum of Understanding signed by the Polish Government and the donor countries, gender mainstreaming and gender equality are mentioned as important issues. Further, it is also quite alarming that the NGO Fund, according to its guidelines, discourages projects on organizing protests, legal manifestations and other forms of democratic lobbying. This paradox within a call on democracy indicates where civil society may arrive when democracy is financed via governmental bodies³.

What are the challenges?

The main challenges in financing for gender equality and the empowerment of women in Eastern Europe are related to the fact that the politicians, huge part of the organized civil society, human rights organizations, and even the Trust Fund for Civil Society operating in Poland seem to share a common belief that gender equality already exists and specific policy and/or financing are not needed to address inequalities. What is even more challenging for example in Poland, it is the fact that women's cross-cutting issues are viewed as 'politicized' by both right wing and left wing parties (the very issue depending on the eye of the perceiver)

² <http://www.funduszngo.pl/en/demokracja-i-spoleczenstwo-strona-glown-wyniki-i.html>

³ On the basis of an interview with Jolanta Plakwicz, Polish feminist.

which generally makes an impression of Poland being “an anti-feminist state”⁴. Other challenges arise from some donors’ approach - a stereotyped image of Eastern European and Soviet women “as women on tractors”, who enjoyed equality under previous regime; hence, gender equality is not a matter of great concern to them. Moreover, since most of the countries in Eastern Europe are middle income countries, many donors are not interested in the region.

Proposals for policy-makers on increasing resources for the women’s movement.

Increasing resources for women’s movement in Eastern Europe is a vital and timely issue since financial situation of many women’s NGOs in the region is rather dramatic. The “sandwich approach”⁵ toward Eastern European governments - a push from the top (by donor countries) - and the bottom (by women’s NGOs) could be an effective tool provided if there are clear and strong donors’ commitments to financing gender equality and women’s human rights NGO programs (e.g. European Commission, Norwegian and European Economic Area (EEA) Financial Mechanisms). For the Eastern European young democratic governments, obligations resulting from, for instance EU membership, have had much more ‘power’ (because of availability of EU financial assistance) than other international commitments (e.g.: UN).

Gender equality and women’s empowerment should be a separate thematic area in different financial instruments. Gender mainstreaming approach by Eastern European governments/society/donors is characterized by inconsistencies. If women’s empowerment or gender equality is not explicitly indicated in the agenda, the issue automatically disappears. Gender mainstreaming approach is often misunderstood and hardly ever used as a tool to achieve gender equality.

Funding for building institutional capacity of women’s NGOs as well as democratic governance is badly needed in Eastern Europe. In the current extremely competitive environment for access to European Funds, lack of solid administrative, including human and financial, base practically eliminate women’s NGOs from successful competition. Moreover, this development should include a democratic governance of NGOs. It needs to be improved particularly in the context of lacking such model in political and public life in the young democratic countries. Hence, there is a risk of perpetuating the existing available political model by NGOs.

Finally, it is necessary to undertake a constant monitoring of funding for the women’s movement. Such monitoring should be done by women’s ‘watch dog’ NGOs in cooperation with gender sensitive donors. Hence, funding for such NGOs should be secured.

What impact has the EU enlargement in 2004 and 2007 had on financing for gender equality and the empowerment of women in Eastern Europe?

Although the EU enlargement process was rather beneficial for the empowerment of women thanks to the EU gender equality legal provisions, policies and programs that have been transposed into national law and policies in the EU candidate/new member states, this process

⁴ Angela Coyle, *Fragmented Feminisms: women’s organisations and citizenship in ‘transition’ in Poland* (2003) in *Gender and Development*, vol 11, no 3, November, 2003 pp 57-65

⁵ Sonia Lokar, *A Central and Eastern European roadmap: from Communist welfare state to ‘social society*. Conference paper. 2006. At: <http://www.wide-network.org/index.jsp?id=139>

had also a negative impact on the condition of women's NGOs and financing for women human rights⁶. Since 2003-04 financial situation of women's NGOs has dramatically worsened. It was, among other trends, due to the assumption of international donors (who came to Eastern Europe after the fall of the Berlin wall with their 'democratization' agenda) that democratic mechanisms are already in place and guaranteed by EU membership of these countries, and that their civil society is strong enough (what a spectacular result to build a solid civil society from scratch within just 10 years!). Hence, they decided to withdraw from the region. The other assumption was that the NGOs from the countries which would join the EU in 2004 or later would have access to a significant amount of the EU funds. However, for gender equality NGOs, the reality has turned far from what was expected to happen while reading the EU policy papers.

At a country level, there is money from the European Structural Fund available for projects on equal opportunities for women in the labour market but almost no money for other programs e.g. combating gender discrimination in other spheres of life, including serious violations of women's reproductive rights, women's human rights and/or monitoring the implementation of international agreements. Many women's rights NGOs were forced to adopt 'a survival strategy' and to shift towards projects in relation to the labour market. They had to abandon their primary function of "watching" the government and influencing its gender equality legislation and policy, and as a result, the advocacy of women's NGOs became almost invisible in comparison to the period before 2003, and instead of lobbying women's groups returned to "softer" activities such as awareness rising programs.

The other source of funding is the European Commission's (EC) 'calls for proposals'. However, in its extremely competitive environment the Eastern European NGOs with little experience in complicated and lengthy application procedures have unequal chances as compared to more experienced civil society from the 'old' EU. Finally, a lack of 20% (or more) of their own contribution to the EC projects becomes an overwhelming obstacle, taking also into account that Eastern European governments are not used to sharing project costs with the NGO sector. The fact that the EC promotes project partnership, also with NMS' organizations, constitutes for them a better entry point to EU funding: through cooperation with other organizations. However, Eastern European NGOs are very seldom a leading organization and mostly function as project partners. Thus, their role is limited (and so are their funds within the project) but at least there is an advantage of developing their capacity in EC project management and building new partnerships. It is a pity, however, that such new forms of cooperation do not allow financing partners from non-EU countries, which affects seriously some of women's networks operating in CEE/CIS region.

Thus, joining the EU, instead of strengthening a young civil society and "watch dog" women's human rights organizations in the countries where democracy is not yet well grounded, alarmingly weakened the women's movement in Eastern Europe through a disturbing drop in gender equality financing and the scope of cooperation among women in Eastern Europe.

⁶ Lohmann, K., Seibert, A., 'Gender Assessment of the Impact of EU Accession on the Status of Women in the Labour Market in CEE. National Study: Poland', Karat Coalition, Warsaw, 2003

What are the challenges?

Although equality between men and women is included as a principle in the Treaty establishing European Community and should be incorporated in all activities, gender equality gradually disappears from the new EU policy papers and financial instruments for 2007-13. Replacing gender equality⁷ with equal opportunities with no emphasis put on gender is a serious threat for women's empowerment. Equal opportunities is too broad term and poses a risk that women's equal opportunities may become marginalized and/or lost completely, as was in case of celebration of the year 2007 as a European Year of Equal Opportunities for All in some of the NMS: gender equality programs were not a priority and received little support from the governing bodies. Another serious concern is the question of gender mainstreaming (see above), and the general notion of "equality" that includes many other forms of discrimination beside gender. This may lead to gender inequalities not being adequately addressed.

Proposals for policy-makers on increasing resources for the women's movement.

Since awareness on gender equality and women's empowerment is more advanced principally among the EU officials, the European Commission should put a "pressure" on NMS governments to increase financial resources for gender equality and women's empowerment in programs financed by the European Structural Funds. Moreover, there should be a requirement of certain percentage to be allocated to women's NGOs.

The European Commission should also take some actions to equalize the chances and opportunity of Eastern European women's NGOs in the access to the European Commission "call for proposals".

Gender Equality in Eastern European Development Policy.

For the middle income countries in Eastern Europe that have recently, as NMS, shifted from recipient to donor position, the development assistance is relatively a new issue for the governments and civil society. Some of the governments steadily increase the percentage of GNP for Official Development Assistance. The example of Poland is quite spectacular: in 2006 the Parliament voted an increase of the budget for ODA from around 4,5 mln Euro (2005) to 21,3 mln Euro (2006). Following this, the government allocated 0,11% of GNP for ODA in 2007, and plans to increase it up to 0,33 % in 2015. The Polish Program of Development Aid⁸ for 2007 issued by the Ministry of Foreign Affairs allocates almost 30% (around 6,7 mln Euro out of 22,5 mln) for grants for NGOs. While it is a very positive development in terms of funding allocation for NGOs, the very document is totally gender blind, and there is no mention of empowerment of women, gender equality, gender mainstreaming or equal opportunity, neither as objectives nor as activities of the Program. There is no awareness among politicians and civil servants that gender equality is essential to achieve a sustained economic development. The results of the "call for proposals" for 2007⁹ are also disappointing as far as gender equality is concerned since among 110 project

⁷ Institutional Mechanisms for Gender Equality. Despite a formal progress – still very weak. Fact sheet by Karat Coalition, 2005 at: http://www.karat.org/beijing_10/fs_im.html

⁸ http://www.polskapomoc.gov.pl/files/dokumenty_publicacje/Program_polskiej_pomocy_zagranicznej_2007.pdf

⁹ http://www.polskapomoc.gov.pl/files/aktualnosci/maj%202007/Wyniki%20konkursu/Listy%20projektow_Wyniki_konkursu_2007_alfabetycznie.pdf

proposals approved (out of 261), there was no project of women's NGO, and only 4 referred to women (care of mother and child; awareness raising among women about new vegetable agriculture technique; women's entrepreneurship, development of women's economic activities).

The NMS' civil society has not yet a strong non-governmental development organization, neither women's NGOs are not yet involved in the development issue but they have quite a long experience based on a common recent historical background of working with a civil society in Eastern European neighboring countries (former Soviet Union) and Western Balkans, and consequently, they look at the EU neighborhood policy and pre-accession instruments. The Eastern European women's networks/NGOs look at these two EU financial instruments to strengthen cooperation with Eastern and Southern European women living in non-EU countries, learning their views on this policy, building capacity of women's NGOs especially from NMS to understand in detail gender and development policies and financing gender equality policy in particular.

Proposals for policy-makers on increasing resources for the women's movement.

The strategy should go in the following directions: first - a financial and institutional improvement of women's NGOs from Eastern Europe that allow them to be involved in watching/lobbying for the inclusion, implementation and financing for gender equality, as well as financing the women's NGOs by ODA; second - raising the awareness and building an Eastern European women's NGOs capacity on governments' international commitments on allocation of funds for gender equality and the empowerment of women included in the Monterey Consensus, the Paris Declaration on Aid Effectiveness as well as in the European Neighborhood Policy and Instrument for Pre-Accession.

Recommendations for the future actions

An alarming decrease in financing of Eastern European women's human rights organizations and consequences caused by the withdrawal of donors requires an organized solution to allocate the resources in a better, more strategic and more efficient way. A consortium of women's rights donors¹⁰ including bilateral, multilateral, private, public and other donors is urgently needed. Such gathering should be a forum for assessing the situation, taking into account women's group opinions/proposals and making strategic decisions about who will fund what, which region, portions, etc. Such a system is likely to ensure sustainable funding of women's human rights, including institutional strengthening and lobbying activities of women's organizations, and not just single project support.

Actions to be taken:

1. By Private, Public Bilateral and Multilateral Donors

¹⁰ Greenberg M., An evaluation of the UNIFEM project: "Gender and economic justice in European Accession and Integration", implemented by Karat Coalition and NEWW-Polska 2002-2003.

- (a) Fill a funding gap in financing gender equality and women's empowerment programs.
- (b) Introduce women's empowerment and gender equality as a separate thematic area of funding.
- (c) Support institutional and human resources development, and democratic governance of women's NGOs
- (d) Promote funding for 'watch dog' women human rights NGOs, for their monitoring of financing for gender equality and democratic lobbying activities.

2. By the Governments within European Structural Funds

- (a) Monitor mainstreaming of gender perspective in the projects financed by Structural Funds.
- (b) Give more consideration to the proven expertise in gender equality issues in the organizations implementing projects on gender equality.
- (c) Reduce and simplify detailed technical administrative requirements in the application for and implementation of structurally funded projects.
- (d) Build capacity of operating personnel of European Structural Funds responsible for financial and administrative verification of implemented projects.

3. By the Governments within the Norwegian and European Economic Area (EEA) Financial Mechanisms

- (a) Monitor the mainstreaming of gender perspective in the projects financed by the Norwegian and EEA Financial Mechanisms.
- (b) Bring gender equality experts on the Board of the Norwegian and EEA Financial Mechanisms supervision.
- (c) Reaffirm and promote funding for gender equality projects within the Norwegian and EEA Financial Mechanisms.
- (d) Establish gender equality bloc grants in beneficiary states.

4. By the European Commission:

- (a) Establish a separate budget for NGOs from the EU new member states within European Commission's calls for proposals. Increase budget for women's NGOs.
- (b) Promote funding for 'watch dog' women human rights NGOs, for their monitoring of financing gender equality and for their democratic lobbying activities.
- (c) Withdraw the requirement of own financial contribution of the NGOs from the 'calls for proposals'.
- (d) Create users friendly European Commission website on current and foreseen 'calls for proposals' in the area of empowerment of women and gender equality.