



ANNEX 2

of the Commission Decision on the Annual Action Programme 2017 in favour of Ethiopia to be financed from the 11th European Development Fund

Action Document for the Civil Society Fund III

INFORMATION FOR POTENTIAL GRANT APPLICANTS

WORK PROGRAMME FOR GRANTS

This document constitutes the work programme for grants in the sense of Article 128(1) of the Financial Regulation (Regulation (EU, Euratom) No 966/2012) applicable to the EDF by virtue of Article 37 of the Regulation (EU) No 323/2015 in the following sections concerning calls for proposals: 5.3.1.1.

1. Title/basic act/ CRIS number	Civil Society Fund III CRIS number: FED/2016/039-017 Financed under the 11th European Development Fund	
2. Zone benefiting from the action/location	Region: East-Africa Country: Ethiopia The action shall be carried out at the following location: all over Ethiopia.	
3. Programming document	11 th EDF National Indicative Programme 2016-2020 for Ethiopia	
4. Sector of concentration/ thematic area	Civil society and synergetic governance	DEV. Aid: <u>YES</u> -NO ¹
5. Amounts concerned	Total estimated cost: EUR 16 618 420 Total amount of EDF contribution: EUR 16 000 000 This action is co-financed by potential grant beneficiaries for an indicative amount of EUR 618 420	
6. Aid modality(ies) and implementation modality(ies)	Project Modality Direct managements grants - calls for proposals ,procurement of services	
7 a) DAC code(s)	15150 – percentage:100% Democratic participation and civil society	

¹ Official Development Aid is administered with the promotion of the economic development and welfare of developing countries as its main objective.

b) Main Delivery Channel	N.A.			
8. Markers (from CRIS DAC form)	General policy objective	Not targeted	Significant objective	Main objective
	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	X
	Aid to environment	X	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality (including Women In Development)	<input type="checkbox"/>	X	<input type="checkbox"/>
	Trade Development	X	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, Maternal, New born and child health	X	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Main objective
	Biological diversity	X	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	X	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	X	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	X	<input type="checkbox"/>	<input type="checkbox"/>
9. Global Public Goods and Challenges (GPGC) thematic flagships	NA			
10. SDGs	<p>Main SDG Goal: 16 (Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels)</p> <p>Secondary SDG Goals : Goal 10 (Reduced inequalities) and 5 (Gender equality)</p>			

SUMMARY

The Civil Society Fund III aims at increasing participation of citizens and CSOs in the development and democratisation process of the country. The programme will firstly support the citizens' capacity in voicing their concerns and in policy dialogue in order to hold service providers and local administrations accountable, through the intermediary of CSOs. Secondly, the citizens will be supported, through the intermediary of CSOs, in monitoring of national and regional policies and budgets, essential for holding the Government accountable and for contributing to the design and implementation of national decisions. Thirdly the structural capacities of CSOs will be reinforced allowing them to be sustainable and efficient in representing their members. A technical assistance is put in place supporting the EU in the day to day management of the programme, including follow up of the grantees and delivery of capacity building activities. Grants and a service contract will be used for the implementation of the programme.

The CSF III is building on the successes of the two former phases of the programme. The Civil Society Fund is exceptional in the sense that the Government of Ethiopia has declared it as a "domestic" fund giving the project an opportunity to support all categories of civil society organisations, including "Ethiopian" charities and societies authorised to work on a broad range of development and governance issues.

The project will be implemented under direct management.

1 CONTEXT

1.1 Sector/Country/Thematic area

With an estimated population of 95 million, Ethiopia is the second-most populous country in sub-Saharan Africa. Ethiopia is also one of the world's low income countries, with a nominal GDP per capita of USD 794 in 2015/2016. It ranks 174 out of 188 countries in human development according to the 2015 Human Development report.

The Government of Ethiopia has however a strong commitment to pro-poor development and this has helped the country to make strong progress towards achieving most of the Millennium Development Goals. Although it started from a low base, the latest (2014) poverty analysis report shows a significant improvement on most of the economic and social development indicators.

The national development policy framework, the Growth and Transformation Plan II (2015/16-2019/20) - the current national development strategy that the European Commission and other donors acknowledge as the central reference for their own initiatives - aims to reach lower middle income status by 2025 within stable macroeconomic environment while pursuing aggressive measures towards rapid industrialisation and structural transformation. To achieve this, the Government of Ethiopia has developed a massive public infrastructure investment policy coupled with a pro-poor spending policy.

1.1.1 Public Policy Assessment and EU Policy Framework

In terms of governance, Ethiopia had a long feudal history, which was succeeded by a Marxist-Socialist regime (DERG) from 1974 to 1991. Since the fall of the Derg in 1991 and in particular at the beginning of the new millennium, Ethiopia has taken the firm path of a 'developmental state'. A new Constitution of the Federal Democratic Republic of Ethiopia was adopted in 1994 establishing a federal form of government with a parliamentary democratic system. The Constitution also recognises a wide range of fundamental rights and freedoms of the population. Ethiopia is party to 7 of the 9 core international human rights treaties, to the African Charter on Human and Peoples' Rights and the African Charter on Democracy, Elections and Governance.

Civil society was comparatively underdeveloped both in size and diversity during the imperial and socialist regimes, with only a few - mostly international - humanitarian and faith-based organisations focusing on relief, welfare and education.

The fall of the military regime in 1991 marked the most significant development, shaping the profile of Ethiopian civil society. Capitalizing on the improved freedom of association, the number of CSOs, in particular local CSOs, increased drastically. The sector has become a key actor in development and it has made significant and documented contributions to the development and governance process in the country. Many CSOs have demonstrated good results and strengths, such as piloting basic non formal education, education services at large, health, including HIV/AIDS, rural developments and micro-finance.

Nevertheless, Ethiopia's CSOs are still less developed than in some other East African countries, despite the country's large population and a government committed to rapid development and poverty eradication. Many Ethiopian CSOs have difficulties to act as catalysts, relays and facilitators for the empowerment of the population. The main factors explaining these weaknesses are the limited capacity of CSOs, material resources and enabling environment.

In 2009, the Government introduced the Charities and Societies Proclamation No. 621 to replace fragmentary and partial regulation of the sector with the stated purpose of ensuring the realisation of citizens' right to association enshrined in the Constitution, and facilitating the role of Charities and Societies in the overall development of the country. The Proclamation defines the general rights of charities and societies, as well as responsibilities of transparency and accountability. There is an obligation to maintain registration with the Charities and Societies Agency, which reports regularly to the Government on progress towards the consolidation and development of the sector. The kinds of CSOs governed by the Charities and Societies Proclamation are: the Ethiopian charities and societies (usually including the mass-based, women, youth or professional associations), the Ethiopian resident

charities and societies, the foreign charities and the networks. Only the Ethiopian charities and societies are allowed to work on governance related issues, like human and democratic rights, advocacy and oversight related activities, equality of gender and religion, conflict resolution and the efficiency of the justice system, but they are not allowed to receive more than 10% of funds from foreign sources. The Ethiopian resident charities and societies are not allowed to work on governance related issues and are limited to service delivery interventions but can receive more than 10% of their annual funds from foreign sources. The number of registered charities and societies at national level decreased from 3128 in 2008 to 3077 in 2014. Out of those 3077 charities and societies only 870 are operational² (against 964 operational charities and societies in 2008³). Since 2009, ten Directives have also been introduced to enforce the various provisions of the CSO Proclamation.

The Growth and Transformation Plan II recognizes among its strategic pillars "Strengthening good governance and capacity building, stating that *"in order to facilitate the strengthening of the stable, democratic and developmental state that creates an enabling environment for development, major emphasis will be given to strengthening democratic institutions, building up the capacity of civil service and civil society organisations and establishing a system for citizens' access to information"*.

Improved respect for human rights, equal citizens' participation and an increased democratic space are central prerequisites for the long-term stability and sustainable development of Ethiopia. During its 2014 Universal Periodic Review, Ethiopia accepted a significant number of recommendations with regard to meaningful participation of civil society, in line with its human rights obligations to guarantee freedom of assembly.

On 9 October 2016, the Government of Ethiopia declared a State of Emergency in the country for six months (extended for four months in March 2017), after large scale civil unrest since November 2015, prohibiting to hold any outdoor public meetings without the permission of the Command Post and forbidding for any person to engage in communication with foreign governments or foreign charities which might jeopardize 'the country's sovereignty and security'. Expectations have been raised by the President of Ethiopia speech on 10 October 2016 that incorporated areas where the Government felt reforms were urgently required to address popular grievances, including giving attention to directly involve citizens in civil society and discussion fora to allow all stakeholders to participate fully in issues of national interest. A consultation of the civil society sector took place on 21 April 2017 giving the opportunity for the Government and the CSOs to dialogue on experiences, challenges and the way forward.

At local level however, CSOs have strengthened linkages with local authorities playing an intermediary role between their beneficiaries and the service providers accountable to local governments and their constituents for producing results. Indeed service delivery and governance service delivery are still weak and don't always meet citizens' needs. CSO can play an important intermediary role in that regard. They have started to develop capacities and successful interventions have shown the efficiency of such an approach.

The EU has a well-established engagement with Ethiopian civil society. The EU Delegation has identified three policy priorities for engagement: 1) promoting a conducive environment for CSOs and their meaningful and structured participation in policy discussions, 2) promoting the meaningful involvement of CSOs in EU-Ethiopia cooperation programming and implementation, 3) increasing the capacity of local CSOs to participate in governance and development activities⁴. The proposed action is a continuation of the "Civil Society Fund II" (CSF II) successfully implemented under the 10th European Development Fund. Within Ethiopia's 11th EDF envelope, EUR 16 million have been earmarked for Non State Actors (NSA) support, in order to strengthen the role of civil society in the national development and democratisation process, as well as building its capacity to engage in governance and development activities.

³ Data from the Charities and Societies Agency

⁴ Ethiopian-EU country roadmap for engagement with civil society 2014-2017, p.3

The Civil Society Fund is exceptional in that the Government of Ethiopia has declared it as "domestic" fund⁵. This gives CSF III an unparalleled opportunity to support all categories of organisations according to Proclamation 621, including "Ethiopian" charities and societies authorised to work on a broad range of development and governance issues. In addition, the CSF is benefitting from a tripartite project steering committee, with representatives of the Government (National Authorising Officer office and Ministry of Federal Affairs), the civil society sector (networks) and the EU Delegation, allowing a common understanding on the overall strategy direction of the project.

The action is in line with GTP II that acknowledges 'the promotion of women and youth empowerment, their participation in the development process and the equitable benefit from the outcomes of development' as a pillar strategy. In particular the GTP II identified strategic interventions as the strengthening of women and youth organisations, the active participation of these women and youth organisations in the development and governance programmes and the coordination of these organisations with other bodies working on women and youth affairs.

The action is also in line with the EU Gender action plan 2016-2020: it especially contributes to the achievement of the thematic priority related to political and civil rights, voice and participation, through women's organisations and other CSOs working for gender equality and women empowerment.

1.1.2 Stakeholder analysis

This project will mainly work with local CSOs, namely the Ethiopian charities and societies and Ethiopian resident charities and societies under Ethiopian legislation, in order to strengthen meaningful participation and to enable them to serve as relays and intermediaries to the citizens and communities that are the final beneficiaries of the programme. Involvement of coalitions and networks of CSOs will be encouraged. Larger and more experienced local CSOs, as well as CSOs established in a Member State of the European Union or the African Union, will be encouraged to link with and support the development of their smaller counterparts. Women and marginalised segments of the Ethiopian society (people with disability, elderly, pastoralists) will receive special attention.

Other constituency-based CSOs, like trade unions, cooperatives, think tanks, professional, cultural and arts-focused associations, faith based organisations, not-for profit higher learning institutions, media associations and Chambers of commerce will also be invited to take part and access the fund to implement activities both for strengthening their internal governance and for promoting their core mandates of constituency interest with respect to authorities and the public at large. In addition, the programme will strive to strengthen the collaboration between such constituency-based CSOs and the other CSOs.

The CSOs will also be directly targeted through capacity building actions enabling them to implement the activities, to play an oversight role and to be sustainable.

Local authorities and service providers will be indirectly targeted as they will be invited by the citizens to improve delivery of services.

Selected local CSOs, as well as representatives of trade unions, universities, professional and cultural associations, networks, CSF II/2 grantees and CSF II/2 project steering committee members, as well as representatives of other donor funded civil society related programmes, have been consulted for the formulation of this project. Women related CSOs and networks have also been consulted and will be key stakeholders in the implementation and the monitoring of the programmes activities.

1.1.3 Priority areas for support/problem analysis

The 'Update mapping on non-state actors in Ethiopia', dated 2015 and coordinated by the Civil Society Fund II and the Civil Society Support Programme, underlines the necessity for the donor agencies to support little addressed thematic areas like democratisation, human rights, gender equality, good

⁵ The 10th EDF Civil Society Fund has been confirmed as domestic resource by a letter from the NAO (ref NAO 1/5/6/6) dated 21 March 2014. A similar request will have to be secured for the 11th EDF CSF III.

governance, impacts of social transformation, access to information, quality and quantity of public services. The study also requires the donors to sponsor research on those interventions. Moreover it encourages the participation of CSOs in dialogue with the Government for policy formulation at regional and federal level. The consultation held for the formulation of the action document has highlighted in addition the need for capacity reinforcement of the civil society sector.

Firstly, currently in Ethiopia citizens face capacity and information shortage in voicing their concerns that would allow them to hold service providers and local administrations accountable in the service delivery effectiveness, quality and access. They need to be able to understand their responsibilities, rights and entitlements to quality basic services, as well as the options for voicing their concerns. They also have to be able to provide feedback to local administrations and service providers. Despite the challenges they face, some CSOs have shown capacities in acting as relays and facilitators in broadening and deepening the points of contact and space of dialogue between state authorities at various levels and the population. CSOs can offer knowledge, innovative opportunities and capacities (for instance on leadership) for citizens and communities to strengthen their voice and to engage in policy dialogue on relevant challenges and remedies. CSOs can indeed have a value addition in the ways to address challenges, for example on fostering economic empowerment, quality service delivery, access to justice at local level, free legal aid, anti-corruption campaigns, accountability, defence of minority rights and conflict transformation. Particular attention will be given to the weak and vulnerable segments of the Ethiopian society that have otherwise little space to plead for their entitlements. In order to achieve these different missions, the ability of CSOs to engage citizens and communities in policy dialogue has to be strengthened in terms of leadership, knowledge, administrative systems and material support. Existing dialogue platforms between local CSOs and the Government of Ethiopia will also be assessed and, if relevant, supported and reinforced.

The communities also lack access to accurate information, for instance on new laws and their implementation or on local expenses, while this information is needed for efficient and fruitful dialogue with the Government. The CSOs can help accessing this knowledge. Successful approaches on contribution to improve livelihoods and governance, developed at local level, could then serve as model for other communities and for regional and national authorities. In addition, broader awareness raising opportunities will help a larger audience to be advised on societal issues and solutions, local and national policies and citizens' rights.

Secondly, citizens and the CSOs representing them face today capacity challenges in monitoring national policies and budgets and in policy dialogue, an essential role for holding the Government accountable and for contributing to the design and the implementation of national decisions. Recent years have seen the development of specialised governance related CSOs and networks (partially thanks to the contribution of the previous phases of the Civil Society Fund) with some policy dialogue and advocacy functions. But these specialised CSOs, the Ethiopian Charities and Societies in particular, and networks lack capacities in the oversight of national and regional policies and their implementation, as well as in advocacy for improving those policies. Concretely, capacity building would enable them to analyse regional and national sectoral policies and budgets, as well as their implementation, and to dialogue, advocate and make recommendations to the regional and national Governmental structures. Support could be given to innovative ideas arising from the civil society sector itself and capacity building trainings could be provided for targeting specific needs. CSOs will have to strengthen internal coordination among others to harmonise their views and formulate articulated recommendations. Sectoral networks could be strategic in identifying and advocating on sector related issues. Researches and policy briefs on commonly identified topics can feed in an evidence based dialogue. Research organisations/think tanks and specialised centres within higher learning institutions can play key role in that regard.

Structural platforms of dialogue between CSOs/networks and the Government will then need to be revitalised or put in place in order to develop a constructive, sustainable and trustful relationship and hence a common understanding on key issues, with a view to ensure meaningful participation of civil society and creating an enabling environment in line with international standards. Regional networks could dialogue with regional councils for instance.

Thirdly many local CSOs lack capacity and knowledge to be sustainable and efficient in representing their members and Ethiopian citizens in general, for a proper contribution to the development of the country. Hence CSOs need to be structurally reinforced. Increasing CSOs ability to generate national funds would also help them in enhancing their sustainability. Considering the numerous gaps on gender equality and women empowerment in Ethiopia and the good quality delivered by the women related CSOs, continued support will be provided to gender equality focused endeavours and on strengthening the capacities of those CSOs. Particular attention will also be given to female headed CSOs for their role in enhancing women empowerment in the country. Furthermore CSOs know little about the existence and activities of others engaged in similar activities. A platform of dialogue and exchange of practices will help in fostering cooperation and collaboration among CSOs.

The CSF III will be in line with these concerns and will focus on strengthening citizens' voice for policy dialogue, through CSOs support, reinforcement of CSOs monitoring role and strengthening the sustainability and contribution of CSOs to the development and democratisation process of Ethiopia.

2 RISKS AND ASSUMPTIONS

Risks	Risk level (H/M/L)	Mitigating measures
The civil society enabling environment is more restrictive	M	A meaningful political and policy dialogue will be fostered through different channels (Prime Minister Office, Charities and Societies Agency, line Ministries; DAG...) to ensure appropriate environment for civil society. The CSF III will also support a platform of dialogue between the civil society sector and the Government
Overlap between the donors' civil society related programmes	L	The already existing coordination group will continue its meetings to avoid overlap and ensure harmonisation and complementarity
Government's insufficient interest in taking into consideration CSOs' recommendations into account	L	Political dialogue will be fostered through different channels. The CSF III will also support a platform of dialogue between the civil society sector and the Government. Dialogue with local authorities will be developed as well
Government lacks commitment to involve CSOs dealing with human rights, women's empowerment and gender equality in policy dialogue	L	Women's organizations and CSOs dealing with human rights, women empowerment and gender equality will be included in the platform of dialogue with the Government
Assumptions		
The Government reiterates its willingness to consider CSF as a domestic fund. The Government will continue to encourage the engagement of civil society in the development and democratic process of the country, in line with recommendations accepted during the Universal Periodic Review.		

3 LESSONS LEARNT, COMPLEMENTARITY AND CROSS-CUTTING ISSUES

3.1 Lessons learnt

This project concerns the third phase of the Civil Society Fund. It is the continuation of similar initiatives under 9th and 10th EDF (CSF I and II) and it will be built on the successes and challenges of these previous phases. The CSF I Results Oriented Monitoring report, the Mid-term evaluation and the Final evaluation of CSF I praised the project's methodology as interactive and flexible. In particular the strong engagement by the National Authorising Officer (NAO) as chair of the tripartite Project Steering Committee and the implementation modality through direct management by the EU Delegation were highlighted as contributing to the collective ownership and to the efficiency of the programme, ensuring transparency and building trust among the key stakeholders.

In addition, the Mid-term review of CSF II 1st phase, conducted in 2014, underlined the pioneering domestic fund status of the CSF and the tripartite management arrangement of the programme involving the Government and the CSOs. The level and quality of the technical support provided to the Contracting Authority through a service contract in the day-to-day implementation of the activities have also been praised. Overall the CSF I and II provided real added-value for the civil society sector in Ethiopia, especially for Ethiopian charities and societies. They have been successful in securing local ownership amongst CSOs, in strengthening weak CSOs by stronger ones, in strengthening the capacity of women organisations, in reinforcing capacities of marginalised and vulnerable social groups (like women and girls or people living with disability) and in benefitting judiciary, law-enforcement and other rights focused actions and organisations. It has addressed gaps in Government governance and service delivery for issues such as prevention work and legal aid for women who are victims of violence, improvement of pastoral community's reproductive health service or contribution to the recognition and protection of the rights of elderly citizens. The mid-term review and the consultations also highlighted some gaps in the implementation of CSF I and II, like the lack of space for grantees to meet and discuss issues, share best practices and lessons learned, some projects in emerging regions had to be terminated, some organisations liquidated because of lack of knowledge about the management of a project, no sustainable mechanisms for domestic resource mobilisation have been developed and, in a challenging context, there has been a lack of solidarity among CSOs and few alliances, even when there were opportunities to sub-grant.

Hence the grant and capacity building related activities will have to progress in tandem in order to ensure the overall efficiency of the programme. Particular attention will also be given to exchange of best practices and experiences amongst the grantees and also with other CSOs, as well as to the scaling up of success stories. The CSF II 2nd phase is currently developing an experience exchange platform.

Based on the lessons drawn from former CSF phases, CSF III will work on strengthening the capacities of women related CSOs and on gender equality and women empowerment endeavours, with an emphasis on women, gender based violence and women rights issues.

3.2 Complementarity, synergy and donor coordination

A multi-donor Civil Society Support Programme (CSSP) started implementation in 2011. It is funded by Canada, Ireland, Netherlands, Norway, Denmark (has left the programme in 2013), Sweden and Great Britain for a total amount of USD 38 million. This programme has a strong emphasis on hard to reach civil society, citizens and issues and uses a regional-led programming approach. Its work streams are: capacity development for service delivery in a range of sectors, grant making and strengthening the link between CSOs' activities and policy. A reduced scope of the programme continues as a bridging phase between October 2016 and September 2017.

The Ethiopian Social Accountability Programme (ESAP) is a multi-donor trust fund financed by multilateral and bilateral donor organisations (Ireland, Canada, Great Britain, KFW, EU) and administered by the World Bank. It is part of the national Promotion of Basic Services (PBS) programme and funds CSO initiatives for promoting social accountability at local levels focusing on key basic service areas, as health, education, water and sanitation, rural roads and agriculture. ESAP II supports among others women's organizations in focal sectors and gender mainstreaming. The Social

Accountability tools Community Score Card, Participatory Planning and Budgeting, and Gender Responsive Budgeting are used to carry out projects such as community conservations, women leadership training, awareness and capacity building workshops. ESAP has concluded its second phase in 2016 (with a budget of EUR 24 million). Alongside CSF II, it is currently the only programme that incorporates a strong capacity-building component in the field of governance (although limited to accountability and fiscal transparency) and is co-managed by the Government of Ethiopia and donors, with Ethiopian NSAs present in the governance arrangements.

The EU Delegation also manages projects in the framework of the European Instrument for Democracy and Human rights. The amount made available for the 2015 call for proposals was 1.190.300 EUR. This Instrument is not considered as local fund and hence is mainly working on service delivery issues. In addition, the EU Delegation is implementing some of its development activities in the food security, biodiversity, energy, WASH and health sectors through international NGOs together with local CSOs.

Other small scale civil society related projects complement the donors' interventions: USAID local CSOs capacity support programme, French Embassy's programme 'Projets innovants des sociétés civiles et coalitions d'acteurs' (PISCCA), supporting local CSOs projects, and the multi-donor initiative 'Tracking Trends in Ethiopia's civil society project' (TECS) conducting researches on the civil society sector (funding finished in November 2016).

The Civil Society Fund is complementary to the other civil society related programmes by focusing mainly on governance issues and hence on support to Ethiopian Charities and Societies.

A technical coordination group (with representatives of the different civil society related programmes listed above) meets regularly to avoid overlap and ensure synergy with regard to the targeted categories of organisations, as well as to the thematic and geographical scope. Most donor agencies support CSOs working on education, health and HIV/Aids, children, agriculture and livelihoods, gender equality and environment protection.

Coordination of donors' approach towards the civil society sector and the enabling environment is ensured through the Donor Assistance Group structures, particularly the Civil Society Support Group (CSSG). The CSSG is co-chaired by the EU Delegation since 2015 and meets monthly. In the gender area, donor coordination and harmonisation is ensured through the EU+ Gender task force, gathering the EU donors working on gender equality and women empowerment, and through the broader Donor group for gender equality chaired by UN Women. Political and policy dialogue is one of the objectives of the EU+ Gender task force.

3.3 Cross-cutting issues

The programme directly addresses the cross-cutting theme of democratic governance. CSOs are key actors to promote democratisation and development of community capacities, acting as a bridge between citizens and authorities. While the sector scope of the project is likely to be broad and responsive to the priorities of Government of Ethiopia and CSOs, a significant part of both grant and capacity building activities is likely to support CSO work that touches other cross-cutting themes such as gender equality and environmental sustainability. Following the recommendations of the CSF I evaluation, the issue of gender has been addressed at all levels of CSF II and will further be tackled in CSF III. Equal participation of women and men, as well as of other vulnerable groups (elderly, people with disabilities, pastoralists) will be ensured in all processes. Recurrent drought, land degradation and reduction in soil fertility, limited or absence of irrigation opportunities and overall degradation of natural resources are issues tackled in CSF II and will continue to attract attention in CSF III.

Mainstreaming of crosscutting issues is included in the monitoring and evaluation system (grantees' reports, external evaluations, etc.).

4 DESCRIPTION OF THE ACTION

4.1 Objectives/results

The overall objective of the Civil Society Fund III is to increase participation of citizens and CSOs in the development and democratisation process of the country. The specific objectives related to this overall objective are:

- 1) Strengthening citizens' voice for policy dialogue
- 2) Reinforcing citizens' role in the monitoring of national policies
- 3) Strengthening the sustainability and contribution of CSOs, including those working on gender equality and women's empowerment, and of women's groups to the development and democratisation process

The expected results related to these objectives are:

Result 1: Citizens have increased their capacity in policy dialogue and their knowledge on their responsibilities and rights

Result 2: Local civil society organisations have increased their capacity in policy analysis and dialogue

Result 3: Local civil society organisations, including CSOs working on gender equality and women empowerment, have increased their institutional capacity to ensure constituency building, leadership, accountability, financial management and credibility

This programme is relevant for the Agenda 2030. It contributes primarily to the progressive achievement of SDG Goal 16 (Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels), but also promotes progress towards Goal 10 (Reduced inequalities) and Goal 5 (Gender equality). This does not imply a commitment by the country benefiting from this programme.

4.2 Main activities

Result 1: Citizens have increased their capacity of policy dialogue and their knowledge on their responsibilities and rights

- 1.1. Support to governance related local actions boosting citizens and community structures, including woman, child, disability, pastoralist and elderly related structures, in the identification of their challenges and needs, in the setting up or reinforcement of local networks, in strengthening citizens' initiatives in reinforcing capacities, skills and knowledge, in accessing relevant information and in facilitating platforms of dialogue with the Government, including the women bureaus, and other social actors
2. Support to innovative and pilot initiatives for the protection and promotion of rights/entitlements of weak and vulnerable segments of society, including women, children, persons living with disability, elderlies, pastoralists
3. Support to innovative approaches in awareness raising and access to information on societal issues and remedies, local and national policies and budgets and citizens' responsibilities, rights and entitlements, including on gender, child, elderly, disability and pastoralist issues
4. Support to the implementation of the grant projects and capacity building trainings (on project cycle management, monitoring and evaluation, reporting, gender mainstreaming...) to the CSO grantees in the implementation of result 1 projects (through service contract)

Result 2: Local civil society organisations have increased their capacity of policy analysis and dialogue

- 2.1. Capacity building trainings to local CSOs and networks, including CSOs working on gender, child, elderly, disability, pastoralist issues, on analysis, dialogue and advocacy on sectoral

- policies and budgets and their implementation (through grants to CSOs projects and service contract)
- 2.2. Support to the production of relevant researches and briefs for an evidence based dialogue (through service contract and grants to CSOs projects)
 - 2.3. Support to the setting up of innovative platforms of dialogue between the civil society sector, including women headed CSOs and woman, child, elderly, disability and pastoralist related CSOs, and the Government (through grants to CSOs projects)

Result 3: Local civil society organisations, CSOs working on gender equality and women empowerment, have increased their institutional capacity to ensure constituency building, leadership, accountability, financial management and credibility

- 3.1. Capacity building trainings for CSOs and networks, including woman, child, elderly, disability and pastoralist related CSOs (through service contract)
- 3.2. Setting up of an exchange platform of best practices and experience among CSOs, documentation and circulation of innovative approaches and best practices, including on gender, child, elderly, disability and pastoralist issues (through service contract and grants to CSOs projects)

Drawing lessons from the CSF II technical assistance unit successful support, the same kind of support will be provided in CSF III through a service contract. This technical assistance will assist the Contracting Authority in the day-to-day management of the Fund and will be responsible for the implementation of the service components of the three results, i.e. activities 1.4, 2.1, 2.2, 3.1 and 3.2.

4.3 Intervention logic

CSF III will put a particular focus on the role of intermediary and facilitator that the CSOs can play between the citizens and the authorities as well as their potential role in deepening participatory processes and promoting accountability. Firstly CSOs will support citizens and communities allowing them to voice their concerns and needs and hence hold service providers and local administrations accountable in the service delivery effectiveness, quality and access. Access to information will also be strengthened for an evidence based and efficient dialogue with the Government. Secondly citizens will be supported in their oversight role of Government decisions through the intermediary of CSOs. Hence CSOs will be capacitated to effectively play that role and the production of researches and briefs will feed in the dialogue with the Government. Platforms of dialogue between the stakeholders will help developing a trustful relationship for a common understanding on key issues. Thirdly structural capacity building of CSOs will complement the interventions to increase CSOs efficiency and reliability. CSF III will consider promotion of the rights and entitlements of vulnerable segments of Ethiopian society (including women, elderly, people with disabilities and pastoralists). The exchange platform, inherited from CSF II2, will continue working.

5 IMPLEMENTATION

5.1 Financing agreement

In order to implement this action, it is foreseen to conclude a financing agreement with the partner country, referred to in Article 17 of Annex IV to the ACP-EU Partnership Agreement.

5.2 Indicative implementation period

The indicative operational implementation period of this action, during which the activities described in section 4.1 will be carried out and the corresponding contracts and agreements implemented, is 60 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's authorising officer responsible by amending this decision and the relevant contracts and agreements; such amendments to

this decision constitute non-substantial amendment in the sense of Article 9(4) of Regulation (EU) No 322/2015. Implementation of the budget support component N/A

5.3 Budget Support

N/A

5.4 Implementation modalities

5.4.1 Grants: call for proposals "Support CSOs projects" (direct management)

(a) Objectives of the grants, fields of intervention, priorities of the year and expected results

To support local CSOs to implement actions related to governance, policy analysis and dialogue, Human rights including women rights, access to information and awareness raising, capacity building.

(b) Eligibility conditions

The potential applicants are local Civil Society Organisations and networks/consortia, as well as international NGOs established in a Member State of the European Union or the African Union with an office in Ethiopia. The international NGOs are eligible as co-applicants in order to share knowledge and capacities to local CSOs and to give space to local CSOs to lead the implementation of a project and hence reinforce their confidence and credibility.

Subject to information to be published in the call for proposals, the indicative amount of the EU contribution per grant is EUR 250.000 and the grants may be awarded to sole beneficiaries and to consortia of beneficiaries. The indicative duration of the grant (its implementation period) is 24 months.

(c) Essential selection and award criteria

The essential selection criteria are financial and operational capacity of the applicant.

The essential award criteria are relevance of the proposed action to the objectives of the call; design, effectiveness, feasibility, sustainability and cost-effectiveness of the action.

(d) Maximum rate of co-financing

The maximum possible rate of co-financing for grants under this call is 95%. The rate may be higher if the auto-financing capacity of the targeted beneficiaries is weak. It will allow the governance related CSOs that have de jure very limited access to foreign financial support to participate to the call.

In accordance with Articles 192 of Regulation (EU, Euratom) No 966/2012, if full funding is essential for the action to be carried out, the maximum possible rate of co-financing may be increased up to 100%. The essentiality of full funding will be justified by the Commission's authorising officer responsible in the award decision, in respect of the principles of equal treatment and sound financial management.

(e) Indicative timing to launch the call

Indicatively, the first call for proposals will be launched in the first trimester 2018

5.4.2 Procurement (direct management)

Subject in generic terms, if possible	Type (works, supplies, services)	Indicative number of contracts	Indicative trimester of launch of the procedure
Technical assistance	Services	1	1 st trimester 2018

5.5 Scope of geographical eligibility for procurement and grants

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

5.6 Indicative budget

	EU contribution (EUR)	Indicative third party contribution (EUR)
5.4.1 - Call for proposals to support CSOs	11 750 000	618 420
5.4.2 - Technical Assistance	3 600 000	N.A.
5.9 – Evaluation, 5.10 - Audit	150 000	N.A.
Contingencies	500 000	N.A.
Totals	16 000 000	618 420

5.7 Organisational set-up and responsibilities

The Civil Society Fund III will be managed by the EU Delegation to Ethiopia. The Delegation will be supported by a technical assistance (TA) in the day-to-day management of the Fund, including coordination, information, research, and technical and administrative tasks. The main activities of the TA will also include support to the grantees for the implementation of their projects, provision of capacity building trainings to the grantees and local civil society in general, support to the production of researches and briefs and facilitation in the setting up of platforms of dialogue. A Project Steering Committee will involve the NAO office (chair), the Ministry of Federal affairs, the civil society sector and the EU Delegation (as observer). The TA will serve as secretariat to the Project Steering Committee. The Steering Committee will decide on the overall strategy of the CSF III. A biannual short implementation report will be presented by the Contracting Authority to the Project's steering committee for its strategic guidance.

5.8 Performance monitoring and reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) or the list of result indicators (for budget support). The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

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

The Technical Assistance will take care of the update of the civil society mapping study at inception phase. The study will provide the baseline and regular monitoring data for the project. At the end of the implementation of the project, the Technical Assistance will collect results data for the evaluation of the project.

The NAO may also undertake implementation monitoring, either unilaterally or jointly with other relevant stakeholders.

5.9 Evaluation

Having regard to the importance of the action, a final evaluation will be carried out for this action or its components via independent consultants contracted by the Commission.

It will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that the civil society context in Ethiopia could evolve and the needs for support change.

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

Indicatively, one contract for evaluation services shall be concluded at the end of the project implementation.

5.10 Audit

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

Indicatively, one contract for audit services shall be concluded.

5.11 Communication and visibility

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

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation and supported with the budget indicated in section 5.6 above.

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

The Communication and Visibility Manual for European Union External Action shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

Communication and visibility activities shall be implemented by the service provider as part of the contracts.

APPENDIX - INDICATIVE LOGFRAME MATRIX (FOR PROJECT MODALITY) ⁶

The activities, the expected outputs and all the indicators, targets and baselines included in the logframe matrix are indicative and may be updated during the implementation of the action, no amendment being required to the financing decision. When it is not possible to determine the outputs of an action at formulation stage, intermediary outcomes should be presented and the outputs defined during inception of the overall programme and its components. The indicative logframe matrix will evolve during the lifetime of the action: new lines will be added for including the activities as well as new columns for intermediary targets (milestones) for the output and outcome indicators whenever it is relevant for monitoring and reporting purposes. Note also that indicators should be disaggregated by sex whenever relevant.

General comments:

- Baselines and Targets should be set for each indicator. For some indicators, baseline values can be set at zero before the action starts, especially when they concern outputs that are expected to be achieved directly by a new project. If baseline data cannot be specified at this stage, please explain why and refer to inception phase for their establishment (make sure though that the sources are specified here so that it is clear from where the data will come from). If additional data needs to be collected, please describe under section 5.5 on performance and monitoring when it will be collected / by whom, the frequency at which the data will be available, and where the budget for this will come from. Do not forget that baseline studies should be conducted at the latest at inception stage, and that you should also foresee a final study to collect results data at the end of implementation.
- The same list of SoV is repeated at each level of the LFM. Please make sure that there is one Source of Verification (SOV) for each indicator and that they are coherent with the indicators they refer to. They should be formulated as specific as possible.

Results chain	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions
Overall Objective: Increase participation of citizens and CSOs in the development and democratisation process of the country	1. Number of operational and effective CSOs and networks (disaggregated by male/female headed CSOs)	1. 870 (2014 data)	1. TBD	Updated civil society mapping study, GoE reports, CSOs reports, donors reports, EU and CSF III TA reports, researches and studies, media outputs	
	2. Number of operational CSOs working with vulnerable groups (disaggregated by CSO focus: women, child, elderly, disability, pastoralist)	2. TBD	2 TBD.		

⁶ Mark indicators aligned with the relevant programming document mark with '*' and indicators aligned to the EU Results Framework with '**'.

Results chain	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions
SO1: Strengthening citizens' voice for policy dialogue	<p>1.1 Number of platforms created or reinforced where quality policy dialogue is regularly taking place between CSOs and the GoE for improved democratisation and development processes;</p> <p>1.2 Number of platforms created or reinforced where quality policy dialogue is regularly taking place between women, child, disability, elderly and pastoralist related CSOs and the GoE for improved democratisation and development processes;</p> <p>1.3 Percentage of local budget allocated for specific needs of vulnerable groups, including women</p>	TBD	TBD	Updated civil society mapping study, GoE reports, CSOs/CSF III grantees reports, donors reports, EU and CSF III TA reports, researches and studies, media outputs	Local authorities are willing and have capacity to listen to the citizens and take their concerns into account
SO2: Reinforcing citizens' role in the monitoring of national policies	<p>2.1 Number of local CSOs and networks invited by the GoE to play a monitoring role (including on gender, child, disability, elderly and pastoralist issues);</p> <p>2.2 Number of policies analysed and amended thanks to CSOs feedback;</p> <p>2.3 Number of meetings held between citizens, including vulnerable groups, CSOs and the GoE to review priorities, plans and budget expenditures</p>	TBD	TBD	Updated civil society mapping study, amended policies, GoE reports, CSOs reports, donors reports, EU and CSF III TA reports, researches and studies	Regional and national authorities are willing and have the capacity to listen to the CSOs and take their concerns into account
SO3: Strengthening the sustainability and contribution of CSOs, including those working on gender equality and women's empowerment, and of women's groups to the development and	<p>3.1 Number of CSOs' members (disaggregated by sex);</p> <p>3.2 Number of CSOs able to increase the share of membership and domestic fund raising in their total revenue (disaggregated by male/female headed CSOs);</p> <p>3.3 Number of CSOs that successfully</p>	TBD	TBD	Updated civil society mapping study, Charities and Societies Agency statistics, GoE reports, CSOs reports, projects reports, donors reports, EU and CSF III	The legislative framework and the GoE (Charities and Societies Agency mainly) allow the civil society sector to strengthen and to be

Results chain	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions
democratisation process	submit their operational and financial reports to the Charities and Societies Agency (disaggregated by male/female headed CSOs); 3.4 Number of functioning CSOs promoting specific needs and priorities of vulnerable groups, including women			TA reports, researches and studies	sustainable
<u>Output 1</u> : Citizens have increased their capacity of policy dialogue and their knowledge on their responsibilities and rights	1.1 Number of citizens' initiatives supported and citizens' structures trained (disaggregated by sex); 1.2 Number of female headed CSOs applying for grants to projects supporting citizen's initiatives and structures 1.3 Number of citizens getting information in an innovative way (disaggregated by sex); 1.4 Number of dialogue sessions/dialogue platforms with local authorities put in place; 1.5 Number of initiatives put in place for protection of weak segments of society including women; 1.6 Number of innovative awareness raising events on societal challenges and remedies, policies and rights (issues disaggregated by gender, child, elderly, disability and pastoralist focuses when relevant)	TBD	TBD	Updated civil society mapping study, GoE reports, CSOs/CSF III grantees reports, EU and CSF III TA reports, researches and studies, media outputs	Citizens interested in being capacitated and gathered in networks in order to dialogue with the local authorities
<u>Output 2</u> : Local civil society organisations have increased their capacity of policy analysis	2.1 Number of local CSOs and networks trained on analysis, dialogue and advocacy of sectoral policies and budgets and their	TBD	TBD	Updated civil society mapping study, GoE reports, CSOs reports,	CSOs are willing and daring to be trained on policies analysis,

Results chain	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions
and dialogue	implementation (disaggregated by male/female headed CSOs and disaggregated by CSO focus – gender, child, elderly, disability, pastoralist when relevant); 2.1 Number of trainees capacitated (disaggregated by sex) 2.3 Number of quality and relevant researches; 2.4 Number of quality dialogue sessions/exchanges between CSOs and the GoE			EU and CSF III TA reports, researches and studies produced for achieving this result, grantees' (CSOs, think tanks ...) researches issued	monitoring and dialogue with GoE
<u>Output 3</u> : Local civil society organisations, including CSOs working on gender equality and women empowerment, have increased their institutional capacity to ensure constituency building, leadership, accountability, financial management and credibility	3.1. Number of CSOs and networks trained (disaggregated by male/female headed CSOs and disaggregated by CSO focus – gender, child, elderly, disability, pastoralist when relevant); 3.2. Number of quality exchange sessions among CSOs; 3.3. Number of best practices documented and disseminated by CSOs and TA (issues disaggregated by gender, child, elderly, disability and pastoralist focuses when relevant)	TBD	TBD	Updated civil society mapping study, CSOs reports, donors reports, researches and studies, CSF III website and newsletters	Sufficient CSOs are interested in receiving capacity support