



AFFINITY GROUP OF NATIONAL ASSOCIATIONS

AGNA

**SNAPSHOT OF CIVIL SOCIETY IN
ARGENTINA**

QUESTIONNAIRE TO MEMBERS OF THE AFFINITY GROUP
OF NATIONAL ASSOCIATIONS (AGNA)

AGNA

Who We Are

The Affinity Group of National Associations (AGNA) brings together national associations from around the world. Created in 2004, it aims at strengthening national umbrella organisations, fostering greater co-operation across national and regional boundaries to pursue mutual interests.

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<http://www.raci.org.ar/>

THE CONDITIONS OF CIVIL SOCIETY IN ARGENTINA

WHAT WAS THE MOST IMPORTANT CHALLENGE FACED BY CIVIL SOCIETY IN YOUR COUNTRY IN 2014/2015?

Some of the challenges faced by civil society in Argentina in period 2014/2015 include:

- ✓ The financial sustainability of civil society operations is facing a turning point with the retraction of international funds and modalities of support to CSOs
- ✓ The complexity of working with resources from abroad: the inflationary context and restrictions on the entry and use of foreign currency - known in our country as "trap" - which has complicated the external financing of activities forcing many organizations to adopt a more complex financial engineering in their current administrative practices.
- ✓ Tensions with state agencies, especially at the national level, of some CSOs that present different ideas and criticism of government actions. In this sense the year has seen the closure of some CSOs as a resource by the state to silence some critics - this was the case in some consumer organizations - as well as certain speeches aimed at discrediting the sector, through direct mention of CSOs in negative ways as well as through the use of CSO format for partisan political activities-. This situation is generating mistrust by the society towards the sector, something that didn't exist in the period immediately preceding, where the civil society -National State relations were more fluid.

WHAT WAS THE MOST SIGNIFICANT IMPACT ACHIEVED BY CIVIL SOCIETY IN YOUR COUNTRY IN 2014/2015?

In this context it is complex to measure the impact achieved by civil society in Argentina due to lack of sectoral statistics, including public data to measure the size of the sector itself. It may be noted that some of the events listed below are part of some of the advocacy processes that exist and should be viewed and measured to account for the role civil society plays in social life.

- ✓ The institutional presence of some CSOs in important debates and in national controversies that stirred up the look of the media and public opinion. First, the participation and recommendations made by different organizations (against and in favour) to the process of reform of the judiciary power- Criminal Procedure Code that included decisions against the international agreements

adopted by the country. This process generated the construction of alliances between CSOs for citizen mobilization. The same has happened with regards to the Intelligence Law¹.

- ✓ Sustained visibility of CSOs working in key emergencies and solidarity requests that have a big impact, especially on social networks and media, and that on many issues - such as human trafficking, unmet needs for people with serious illnesses or special needs - mobilized quickly and quantitatively the public around these issues.
- ✓ The increased level of outreach via issues and causes through the expanded use of social networks, both for communication and for mobilizing support, has been a mark in 2014 and is expected to continue steadily during 2015.
- ✓ Increased visibility of young volunteers mobilized around concrete actions and campaigns with high visual impact, especially in middle and upper classes in that age group.

WHAT IS THE MOST SIGNIFICANT OPPORTUNITY OR CHALLENGE FOR CIVIL SOCIETY IN YOUR COUNTRY THAT YOU FORSEE IN THE NEAR FUTURE?

The year 2015 is a turning point for Argentina and a window of opportunity: the beginning of an election year puts all social forces in a particular state of attention to issues that are not usually as attractive as they should: agendas, proposals, candidates, in short, the future of the country collectively. In this regard, questions and answers on topics of public agenda will be central now and in the remainder of this year to outline the next four years and the next decade in a broader sense. As in every crossroads, questions about the ways in which progress in socio-economic matters will be sustained and the ways in which it will face pending challenges in sustainable development are opened.

With regards to civil society the challenge is multiple. At the level of the sector's agenda, the Sustainable Development Goals (SDGs hereinafter) raise the new horizon of work for the entire society, covering the development aid agenda, CSOs interventions and States and citizenship, establishing the "new language" between people, their representatives and institutions. This new set of goals in the coming decades will print its multidimensional features and comprehensive look at the human development process. The post 2015 agenda is still absent in the Argentine debate, especially in the political arena. In this sense, it is necessary that civil society itself takes this new global agenda

¹ <http://www.cels.org.ar/comunicacion/index.php?info=detalleDoc&ids=4&lang=es&ss=46&idc=1896> ,
<http://www.cels.org.ar/comunicacion/index.php?info=detalleDoc&ids=4&lang=es&ss=46&idc=1868> ,
<http://www.cels.org.ar/comunicacion/index.php?info=detalleDoc&ids=4&lang=es&ss=46&idc=1864>

and translates it into the local situation to start a process of influencing public agenda. Civil society must assume the task of installing the debate and promoting joint definitions for local development, with the global agenda.

In sectoral terms, Argentinian civil society must consolidate a legitimate unified voice without losing its diversity. The construction of a presence as a sector that can inform and influence about the reality of CS to the decision makers is one of the main challenges in the medium term.

THE SITUATION OF CIVIL SOCIETY'S RESOURCING

ARE RESOURCING CONDITIONS FOR CIVIL SOCIETY GETTING BETTER OR WORSE?

The terms of allocation of resources for civil society in Argentina are in an advanced stage of transformation that began more than a decade ago. After the end of the great economic and social crisis in the country since 2003, the sustainability model of civil society - especially that of formal organizations - based on external resources from the International Cooperation showed clear limitations. The trend to removal and reduction of funds from abroad showed organizations the need to rethink their strategies for sustainability. Two roads then opened:

On the one hand, grassroots organizations and social movements territorial established a more direct relationship with public funds - especially those from the National Government - which have increased their presence through programs and actions whose central focus is the presence in the territory at the local level. This has provided at the same time some economic stability to the multiplicities where these organizations that provide services to vulnerable populations, developing projects and articulating local spaces. However, and as it is common in the history of the country, this is generating a thin line between civic work and political interests.

On the other hand, organizations with stronger formal structures developed strategies to diversify resources, focusing their sustainability strategies towards the multiplication of actors in their portfolios. This twisting of the above logic involved some learning - often based on the exercise of "trial and error" - related to the differences between private social investment - international and local - and that of the state - at any level - when it comes to providing resources to civil society. The same can be said about developing fundraising strategies via individual donors.

This process was not exempt of tensions as the aforementioned for grassroots organizations: first, many organizations due to their statutory definition can't receive funding from the State or Private Sector or where there are no restrictions, these links can affect your credibility with society. In parallel, the process of diversification of resources implies the professionalization of human resources devoted to fundraising, in a context of high turnover of people that characterizes the sector.

Two elements must be added to this complexity: i) a structural element, such as the absence of a legal and fiscal framework for the sector's activities; ii) one cyclical but with high financial impact, such as the exchange rate and the almost total restrictions for foreign exchange - known locally as "trap" - which have deteriorated CSOs revenues because the official change of foreign currency is delayed from the informal market and suffers the ravages of inflation that spans all of Argentina's economy.

Thus, CSOs have been severely challenged to generate creative strategies in finding resources to work and transform the realities. Overall, the conditions of resource allocation have worsen and become more complex in the context of economic and political uncertainty that is expected to increase in 2015.

IS CIVIL SOCIETY EXPLORING NEW STRATEGIES TO DIVERSIFY RESOURCING AND ARE ANY OF THESE PROVING SUCCESSFUL?

As shown in the table below (based on information from the network's partners) the diversification process of the aforementioned funds has been consolidated, showing some interesting trends in the composition of the sustainability portfolio of more than the 150 CSOs consulted.

Composition of financial resources RACI Partners - HelpArgentina 2011 – 2014.

Origin of resources	2011 ²	2014 ³
International Cooperation	30%	18%
Individual donors	12%	19%
Own resources	11%	20%
Other sources	19%	6%
Fundations and local enterprises	23%	28%
Public funds	6%	9%
	100%	100%

Source: RACI

To account for the query made here, it is worth noting:

- ✓ Individual donors: this type of fundraising has not only seen an increase but in the field of CSOs associated with highly sensitive issues - such as childhood, education, health, etc. – it has been developing soundly (although mainly dedicated to human resources) strengthened by growth in recent years of electronic means to capture such donations (security platforms for transfers, the possibility of credit card payment via website, etc). Complementary to this institutional loyalty,

² RACI (2011) Diagnostic of Members. Internal document of the network.

³ RACI (2014) Mapping of social investment for development in Argentina post global crisis. Joining local and international forces for social transformation, page 83. Available at: <http://www.raci.org.ar/wp-content/uploads/2014/11/Mapeo-de-la-Inversi%C3%B3n-Social-para-el-Desarrollo-en-la-Argentina.pdf>

the trend is verified to use crowdfunding platforms that are emerging as the strongest medium for sustaining future projects. In Argentina, the emergence of spaces like Nobleza Obliga, Ideame, Donar ayuda, Posibl and others, show this trend.

- ✓ Capital/own resources: they show a new trend in the context of civil society in Argentina. They are generated from the development of products or services that outline CSOs as social enterprises - though without a specific operating framework for such activity - which allows to forecast the logic of resources via a productive activity that is reinvested in CSOs for support. It has a fairly minor incidence - 2% within the category – but it constitutes an insurance that is essential to generate countercyclical funds for times of crisis.
- ✓ Foundations and local companies: their increasing presence shows a trend to break the logic of mutual suspicion that was characteristic of the previous period. CSOs and private sector have begun a process of collaboration that allows to support projects, although this relationship has yet to establish itself as the local private social investment is still in a stage of installation as a development actor. This can be verified in the trend to providing "in-kind" support- 84.7% from private foundations and 79.8% among firms; while funds are 61.1% and 45% respectively.
- ✓ When it comes to changes in methods of support, they have been reduced temporarily - the average of the support is in six months – with the consequent budget reduction - with the modality of "small funds "-. This has increased the need to search resources for institutional Development, reducing the existence of programs for projects.
- ✓ In this sense, there are also verified trends in the overall reduction of financial core support and a significant limitation of the human resources component in the financial requirements of donors. Local inflationary processes increase this problem and have direct impact on the shrinking of the structure of human resources for the support of the organization and concomitant decrease in wage levels.

ARE YOU SEEING A MOVE AWAY FROM GRANT FUNDING (AS PROVIDED BY DONORS AND GOVERNMENTS) TO OTHER METHODS OF SUPPORTING CIVIL SOCIETY?

In relation to regressive tendencies of International Cooperation, the main shift was not only quantitative but there are also qualitative features verified in practice. First, they have not developed exit strategies from foreign donors, nor in terms of total output contributions to the country, nor in terms of sustainability portfolios of the CSOs that are supported.

In respect to public funds, as noted above, there are various trends differentiated by level of government: while the contribution of resources to grassroots are prioritized throughout the country (overlapping in many cases with the resources earmarked for the public sector at provincial and municipal levels,) at the municipal level there are multiple realities: on the one hand, governments contributing to the strengthening through projects for the creation of networks; while others continue supporting projects or in the form of direct assistance in the event of CSOs providing services on account of the local state.

In either case - agents of International Cooperation and the State – there are some innovative strategies for the sustainability of the sector. But if we add the absence of a legal and fiscal framework, the scenario may be considered bleak.



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AGNA

CONTACT US



civicus.org



info@civicus.org



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[@CIVICUSalliance](https://twitter.com/CIVICUSalliance)

SOUTH AFRICA



CIVICUS House
24 Gwigwi Mrwebi Street
Newtown
Johannesburg, 2001
Tel: +27 (0)11 833 5959

SWITZERLAND



11 Avenue de la Paix
CH- 1202
Geneva
Tel: +41 (0)22 733 3435

UNITED STATES



355 Lexington Ave
New York
NY 10017
United States

UNITED KINGDOM



Unit 60
Eurolink Business Centre
49 Effra Road
London SW2 1BZ
Tel: +44 (0)20 7733 9696