

TRENDS IN FUNDING AND SUSTAINABILITY

No. 4

**Sustaining the Fight for Democracy:
Lessons from Citizen Election Monitoring
Organizations Around the World**

By Laura Grace

NATIONAL DEMOCRATIC INSTITUTE

*This paper is part of the series **Sustaining the Fight for Democracy: Lessons from Citizen Election Monitoring¹ Organizations around the World**. This research was conducted by the National Democratic Institute’s Elections and Political Processes Team as part of their support to citizen election observation and the Global Network of Domestic Election Monitors (GNDEM).*

The research highlights trends, best practices, and common challenges faced by citizen election monitoring organizations as they sustain and fortify democracy in their countries. Findings in this study are based on interviews conducted with 19 citizen monitoring organizations around the world from Armenia, Colombia, Croatia, Dominican Republic, Ghana, Guinea, Kosovo, Lebanon, Malaysia, Moldova, Philippines, Serbia, Sierra Leone, Sri Lanka, Tunisia, Ukraine, and Zambia. NDI would like to express its thanks to all participants in this research for sharing their experience, challenges, and wisdom.

To learn more about different trends in sustainability, see the other papers in this series, including: [Trends in Internal Governance and Feedback](#); [Trends in Responsiveness and Agility](#); [Trends in Fundraising and Sustainability](#); [Trends in Alternative Funding](#); and [Lessons from NAMFREL and Gong](#).

Introduction

The need for funding is universal for any civic organization. At the same time, citizen election organizations face specific needs and obstacles due to the nature of their work and the needs of their countries. When asked about future needs and sustainability, **every** citizen election organization interviewed noted that funding was the greatest need in their future and the greatest threat to their sustainability. Funding challenges impacted not just their organizational survival, but the way in which citizen organizations could approach their work, the way they could respond to urgent needs in their country, and the level to which they could evolve, innovate, and grow.

—
1. NDI uses monitor and observer synonymously. We prefer the term monitor for citizen organizations reflecting their inherent right to scrutinize their own elections.

What type of funding do citizen election organizations most often receive?

Reflecting that the organizations interviewed have significant and long-term experience, nearly all had received funding from a number of international donors – most often direct funding from international governmental aid agencies, embassies or international foundations. Many organizations also received (or had previously received) subgranted funds through international technical assistance organizations or other entities. In many cases, organizations initially received funds through subgrants from international technical assistance organizations, before... the... to receive direct funding from international donors. Some organizations received a portion of funds through alternative revenue sources, such as local fundraising or for-profit services (*discussed in greater detail in the **Trends in Alternative Funding** paper in this series*).

A significant portion of funding received by citizen election organizations is narrow, project-based grants intended for specific activities within a short to medium term (1-3 year) time frame. Some organizations received multi-year institutional or “core” funding. Those organizations noted that core funding provided stability for their staff and infrastructure, gave more strategic autonomy for the organization, allowed more flexibility to respond to changing political contexts, and created opportunities to formulate and pilot new and bolder programming.

What are common funding challenges for citizen election organizations?

Citizen election organizations around the world noted a number of common funding challenges that stood as an obstacle to the impact and sustainability of their work. These included:

A Lack of Reliability

Many organizations said that funding was often unreliable and subject to change. Several noted that levels of international support were often influenced by external factors, including global crises and media cycles. Other organizations - especially those established for many years - noted that donor support dwindled as their countries made political and economic progress or met certain milestones—in some cases, despite signs of democratic backsliding and surprise political crises. Those whose primary work focused on elections noted that support for their work tends to

dry up in between elections, limiting their continuity and opportunity to grow their scope.

In countries where military coups or similar catastrophic crises occurred, organizations noted that funding was often paused, delayed or halted as donors attempted to ‘wait and see’ how the crisis would resolve. In the meantime, those citizen election organizations – frequently a rare independent voice in the country – were left with limited support as they tried to influence political discussions and find resolutions.

A Lack of Consistent Core Funding

Several organizations said that an over-reliance on project-based funding hindered their ability to pursue their own strategy, their agility to meet emerging needs in their country, and their stability in the long-term. Some citizen organizations said that an over-reliance on project-based funding meant they were following a donor-driven agenda, rather than their own strategy and priorities. Many said that project based funding limited the areas where they could work and the ways in which they could adapt their programming, even if a surprise event – such as a snap election, a war, or a coup – vastly changed the political environment and relevant needs of the country. Some noted that gaps between project funding – especially between elections – weakened their organization and its impact.

Several organizations – both newly founded and long-standing – said that an overreliance on project-based funding created instability, challenges to maintaining strong staff, and serious fatigue and burnout. Many interviewed said that working project-to-project was exhausting and ultimately prevented imagination, boldness and responsiveness in programming. As one said: ***“We scratch and scratch for a project. It’s a lot of work. But if we had core funding for several years, that would give us stability to get more focus. That’s our greatest need as an institution.”***

A Lack of Flexibility

Some citizen election organizations in extremely perilous or challenging contexts said that traditional funding bureaucracy lacked the flexibility to account for realities on the ground. During economic collapse or security crises, some organizations said they had difficulty accessing funds amid banking collapse, adjusting grants and line-item spending as currency values plummeted, or getting fast approvals for changes in programming during national crises. In the face of these seismic shifts, many donors lack methods to respond and adjust to new

realities in a timely manner. (For more on the needs of organizations during crises, see the series paper [Trends in Responsiveness and Agility](#).)

What does a lack of funding mean for citizen election organizations?

All organizations interviewed had experienced or anticipated how their programs would have to adapt or cease if their funding dropped significantly.

Several organizations noted that significant drops in funding levels, particularly from international donors, could threaten their strategic direction and their organizational independence. If forced into survival mode, some said they would have to take on projects driven by external priorities at odds with the organization's strategy and strengths. Others said they would have to shift to for-profit work or other fundraising methods that would detract from their organizational mission and/or put their independence at risk. Many said that significant drops in funding would cause (or had caused) challenges in maintaining their staff – losing their organizational capacity, expertise and focus.

Some organizations thought they could maintain a skeleton organization with minimal funding, but would struggle to deploy large-scale projects, including election observation. If they were unable to cover the costs to observers, several organizations said they would face challenges to deploy observers systematically, they would face weakened communication structures and slower reporting speeds, and they would lose their diversity of observers.

What solutions can make funding more sustainable for citizen election organizations?

Citizen election organizations said that shifts in their funding options had made or would make them more impactful in their work and sustainable as an organization. Several organizations said that core funding that supports the broad goals and structure of the organization over a longer period of time (rather than project-based funding with a narrowed scope and a short time span) was a turning point in their sustainability. **With core funding, organizations said they had organizational stability that allowed them to pursue their strategy, work toward longer term goals, pilot new approaches, and strengthen their organization.**

For example, after years of project-based support, Promo-LEX, a nonpartisan election organization in Moldova, won a multi-year grant from USAID. With this sustained support, Promo-LEX has invested in a strong core team able to propose new ideas, become more strategic and reflexive to the political situation, and fortified their organizational policies and financial management. Beyond their work in Moldova, their organizational stability and long-term support allowed them to build leadership and solidarity in regional election initiatives and engage in greater learning and sharing with their peers in other countries.

In addition to longer term institutional funding, some organizations identified the importance of building strong relationships with international donors. Some said that trust between donors and organizations was critical to sustainability. This included building trust in political judgment and program direction of citizen organizations, as well as trust in financial management so that common funding obstacles, like reliability and narrow-scope grants, could be overcome.

Conclusion

According to interviews with citizen election organizations around the world, reliable, reflexive, and multi-year funding is critical to heightened impact and long-term sustainability of organizations. Core-funding and other flexible support – that was longer-term and that allowed for necessary strategic and programmatic shifts – was particularly helpful for organizations to follow their own strategic agenda, maintain and grow their capacity overtime, and react quickly to the evolving state of their country's democracy.