**Eurasia Program Portfolio Review**

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**Support to NGO Resource Centers in the Russian Federation, 2010-2015**

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**Executive Summary**

This portfolio reflects upon the Eurasia Program’s support of Russia’s NGO infrastructure between 2010 and 2015. Specifically, we are considering our fealty to the field of various NGO resource centers -- expert organizations that worked toward the development and professionalization of the sector as a whole.

The portfolio was shaped by a number of external factors: rapidly changing NGO legislation, an expansion and then a narrowing of opportunities for our partners, a reduction in international donor funding for Russia, and most recently, an unprecedented wave of repressions against human rights activists. These external factors added urgency to this work; changing dynamics forced us to modify our approaches over the course of the portfolio period. Our approach throughout this time nevertheless remained fealty rather than concept: we aimed to strengthen the resource centers themselves as institutions and as leaders in the field, and we trusted their judgment on how to best meet the needs of the NGO sector in a changing environment. The projects we funded were therefore wholly demand-driven.

As a result of our funding, Russian NGOs – including those from the human rights sector – built their capacity for compliance, communication, and crisis response. The strengthening of the sector can be said in part to have triggered the Russian government’s subsequent crackdown, which, sadly, persists today. As part of a divide-and-conquer strategy, authorities have sought to court public opinion on socially- and service-oriented (in the government’s parlance: “productive”) NGOs while portraying organizations focusing on human rights as spies and provocateurs. Still, in our opinion, without the internal restructuring of the late-2000s and early 2010’s, the sector could not have withstood today’s pressure. The specific work and institution-building carried out during the period under consideration (despite clear shortcomings to be discussed below) continues to sustain Russian NGOs today.

**Background**

In the mid-2000s, the Russian government began reorienting its policy toward the NGO sector, differentiating the “constructive” pursuits of socially-oriented NGOs as a beneficial segment of civil society from what the media called the “destructive” aims of human rights defenders. In an effort to professionalize and regulate the burgeoning NGO sector, the Russian government adopted new legislation in 2006 that greatly increased government oversight of non-commercial organizations, requiring new forms of reporting and regulatory compliance, ostensibly for all NGOs. As a result, NGO-related legislation saw significant transformations: more than 40 amendments were introduced to the body of law regulating the work of NGOs. While the stated aims of this legislation were to gain oversight and regulate the sector as a whole, the new rules were far more harshly enforced for human rights organizations, which the government viewed with suspicion.

These human rights NGOs therefore found themselves operating within a new set of ambiguous regulatory norms, while reacting to government oversight measures became an additional burden on top of the organizations’ daily workflow. Many of our partners had to withstand various manipulations of this regulatory framework, including new burdensome tax and activity reporting structures, registration regulations, and the selective use of inspections to produce violations which would then have to be disputed in court, taking up significant time and efforts.

Despite these difficulties, during Medvedev’s presidency (2008-2012), the NGO sector benefited from a somewhat liberalized atmosphere and new opportunities. Inspections, audits and other forms of harassment of NGOs and activists, once customary, decreased notably. NGO’s, including those involved in rights defense, were even able to court new donors, capitalizing on Russia’s prosperity at the time. Domestic crowdfunding likewise became possible.

This sense of opening ended abruptly with the protests of 2011 and Vladimir Putin’s return to the presidency. With it came the crackdown on the 2011/2012 protests, along with a number of political convictions. Legislation labeling NGOs receiving foreign funding as “foreign agents” followed. The analysis below stretches through this most recent period of repressions and covers our partners’ response to the changing setting.

**Our Work**

The portfolio is comprised of 16 projects emerging from a field of NGO resource centers in Russia, along with two operational seminars implemented by the Eurasia Program through a partner organization. The work can be conceptualized in three phases, from 2010 through 2015. The key players within this portfolio review compose two broad groups. First, there are the NGO resource centers that have been operating since the mid 2000s, providing key information, trainings and tools to the sector, and specifically to human rights organizations: Charities Aid Foundation (CAF), the Agency for Social Information (ASI), Donors Forum, and the NGO Development Center (CRNO). These centers focused largely on management/governance, transparency and accountability, strategic communications, and fundraising. Second are the operational legal resource centers that provide targeted sector-oriented expertise and support, which were most active in this portfolio from 2013 onwards. After the implementation of the law on “foreign agents” and the emergence of increasingly repressive legal frameworks governing the sector, these groups – AGORA and the Human Rights Resource Center (HRRC) – have played major role.

Facing our partners at the start of this review period were several major questions. The introduction of new legislation in 2006 requiring greater regulatory compliance presented the most immediate challenge. How could organizations meet the staffing and other internal demands presented by the need for better reporting? But greater accountability opened the door to further opportunities. If the sector was able to codify its activities for the government, should it be doing a better job of making reports and other documents available to the public? And with time: what outreach and constituency-building work would be necessary to ensure that at least some support for the NGO sector remained among regular citizens in the face of government propaganda and the “foreign agents” label?

**Phase I: Seizing Opportunities, Broadening Constituencies**

Beginning in 2010, the EP sought to move beyond traditional support of human rights organizations. We added a focus on deepening civil society’s outreach to new audiences while widening their capacity to innovate. We were concerned by the insularization of many actors, especially in Moscow and St. Petersburg, and the worrisome possibility of their re-marginalization – this time not at the behest of state policy, but because of an inability to move beyond a narrow circle of friends. Our ambition was to ensure that their efforts reached as broadly as possible. This necessitated that NGOs develop new professional skills and build relationships with specialists and experts.

We also hoped that our partners would take advantage of ongoing shifts in Russia’s donor. On one hand, Western funding to Russia was on the decline, most notably with the withdrawal of the Ford Foundation in 2009 and the reduction of the Jackson and Mott Foundations’ Russia budgets. On the other hand, domestic foundations and corporate philanthropy were emerging as new sources of financing in Russia. Moreover, the government’s Public Chamber was steadily increasing the size of its grants to civil society organizations. These new potential sources of funding were limited, and far from all NGOs had access to them, but they were also promising.

The activities funded during this period were proposed and carried out by CAF, CRNO, and ASI. They aimed to build coalitions among NGO professionals in the center and the regions, increase transparency and accountability in the sector, and identify best legal and fundraising practices in the Russian context. CAF’s research project, undertaken in 2010, specifically focused on best legal practices in the NGO sector and how such practices might be advocated for and incorporated into Russian NGO law ahead of anticipated legal reform. The project brought together key stakeholders from civil society with international and local experts on NGO law, in an effort to utilize the increased influence NGO leaders exercised at that time in Russia’s Public Chamber.

Other projects aimed to tap into new constituencies and donors for human rights organizations in Russia. CRNO held a conference on building trust in NGOs, inviting 86 participants from many regions of Russia to take part in master classes on communications and transparency. ASI similarly undertook a project on NGO transparency, bringing together representatives from the government, business, and NGO sectors to build networks and facilitate new or better relationships.

The projects implemented during this phase proved to make significant strides in building coalitions within the NGO sector, and between traditional human rights organizations and other groups. Relationships and communication lines were established between NGOs in the center and those in the regions, as well as between NGOs, government stakeholders, and the business community. Success in overcoming the insularity and creeping elitism that had emerged in the sector in the early 2000’s, however, was more limited. While many activities aimed at sector reforms – such as greater transparency and better management – named attracting new donors as their ultimate goal, these efforts rarely moved beyond discussion of financing. Some innovations, such as the success of Russia’s first crowdfunding campaigns, gave hope that some organizations might be extending beyond a traditional audience. Yet too often actors focused on institutional growth in terms of financing, rather than public engagement.

Our partners put less emphasis on building NGOs’ capacities to communicate their work externally to the general public, and therefore the broader issue of constituency building and insularity remained. At the time, we were as impressed as our partners were by Mededev’s offer of a “seat at the table” on government-sponsored committees to human rights NGOs. We therefore did not sufficiently push our partners to put more emphasis on strategic communications and constituency building – an oversight that we now regret.

**Phase II: Changing Landscapes, Missed Opportunities**

In September of 2011, the announcement that Medvedev would step down to allow Vladimir Putin to take up head office again stunned Russia. Several large demonstrations comprised of tens of thousands each took place to protest the decision and, subsequently, the election that sealed the plan. Dozens were arrested, ushering in a period during which some grantees in this portfolio would take on active legal defense of dissenters. In a matter of weeks, the Medvedev thaw was over, and a period of intense soul searching began for Russia’s third sector, even as government pursuit of opponents continued.

In this more difficult climate, our resource center partners maintained their professional stance in the field. Now a more reactive element was added to our funding of their work: compliance with laws and regulations was once again of the utmost importance, and the resource centers stepped in to enable that compliance. As new laws and amendments were rapidly added, we supported ASI’s and CRNO’s ongoing analysis of these legal changes. One of ASI’s websites, nkozakon.ru (“NGOlaw.ru”), which had previously served as a repository for basic legal information that might be of use to NGOs (such as on transparency and accountability, self-regulation, and financial literacy), became a dynamic resource on ever-changing regulatory frameworks.

Then, the adoption of Russia’s “Foreign Agents Law” in July 2012 brought a new wave of repressions. While it was not initially clear how the law would be implemented, NGOs in Russia defiantly decided to refuse to register as foreign agents due to the label’s toxic connotations, as well as their skepticism of the law’s constitutional legality. It was a rare moment of solidarity within an often divided sector, and one that may not have happened without the sector consolidation work of previous years. At the same time, the growing disconnect between human rights organizations and the broader public became ever more explicit as the “new normal” began to take hold.. Incidents meant to divide the Russian public, such as the arrest of Pussy Riot performers, split the country into an “us” (Orthodox, pro-Russian) and “them” only accentuated by the “foreign agents” rhetoric.

More important to the sector’s survival, in the initial period after the passage of the Foreign Agents law, there was much confusion in the sector as to what was required of organizations under the new regulations. Over 300 organizations were compelled to submit to inspections and prepare documentation in accordance with these new regulations. Compliance with more stringent requirements was particularly challenging for smaller groups in the regions, which did not have access to the experienced lawyers of Russia’s capitals. The St. Petersburg-based HRRC, staffed by renowned legal professionals, developed the NGO Lawyers Club in response. This virtual network made up of third sector lawyers in the regions allows for information-sharing, ad hoc consultations, and a sense of solidarity and unity within the sector. The Club continues to meet in person on a quarterly basis for capacity building seminars.

In addition to resource centers such as HRRC providing legal expertise and support to the sector as a whole, there was also a concerted effort undertaken by other resource centers to push forward transparency and accountability initiatives and strategic communications/advocacy trainings for NGO professionals, in an attempt to equip them with the tools and skills necessary to meet the emerging challenges. ASI and Donors’ Forum funded projects focused on transparency and accountability, while ASI also focused on providing informational resources through their website for NGOs striving to learn how to strategically communicate their work in the changing environment. The EP also conducted an advocacy training through a grant to Creative Industries in 2012, which brought together a group of NGO professionals for a seminar on national and international advocacy methods and tools, led by OSF colleagues Jeff Goldstein, Iva Dobichina, and Rachel Hart. A staff member from AGORA led a special session at the training specifically on web-based strategic communications, which received high praise from attendees for its highly practical focus.

The Eurasia Program then operationalized a second seminar held in St. Petersburg on the foreseeable consequences of the law on Foreign Agents and the ongoing inspections impacting NGOs. This seminar convened grantees of OSF’s Human Rights Initiative and Public Health Program, as well as EP partners, and focused on developing specific scenarios for NGOs in case the law on “foreign agents” was applied to them. Leading specialists in sector-oriented legal issues (including representatives from HRRC and AGORA) participated in the seminar and we found that the majority of NGOs who participated were able to put the recommendations developed to good use later on in the difficult situations that emerged.

While we can assess that the efforts undertaken by our partners have achieved successes in terms of building coalitions among NGO professionals, and providing key resources and information in an increasingly difficult time, at least the early portion of this period can be viewed as a missed opportunity. We failed to sufficiently persuade our partners to redouble efforts to communicate their activities and impacts to regular citizens, and to build constituencies across populations beyond their narrowest target audiences. While at the time, there was a heavy focus on rejecting the foreign agent label, there was not much concentration from the beginning on building constituencies outside the NGO sector on these issues. Obviously, hindsight is 20/20 in these situations, and we relied at the time on our partners’ judgment in the field.

**Phase III: Responding to Repression**

With foreign funding increasingly vilified, some of our resource center partners called for far greater effort in developing domestic fundraising as the key to financial sustainability. CAF’s leadership understood that the domestic funding sector was underdeveloped and prioritized building a culture of philanthropy in the Russian Federation. An OSF-funded research project found that individual giving in Russia to charitable causes is actually at a far higher level than is generally believed – nearly half of all Russians gave individual donations last year. These results were disseminated to government officials, policy makers, NGOs, and donors. The research was used to advocate for a more enabling set of laws regarding individual donations, as well as to encourage NGOs themselves to focus far more of their energy on domestic resource mobilization. Unfortunately, most of our human rights grantees were unable to put this learning into practice; their focus had to shift to survival in an increasingly repressive environment.

Starting in spring 2013, hundreds of organizations were subjected to snap inspections by local prosecutors in the hunt for vaguely-defined “political” activity. By the summer of 2013, at least six organizations had been brought to court on administrative charges. It became clear that the sector was in desperate need of quality legal defense in order to withstand the state’s onslaught.

To respond to the immediate needs of OSF grantees, the Eurasia Program made two emergency legal aid grants to the Human Rights Resource Center and AGORA (the latter co-funded with HRI), to support the costs of legal consultation and representation by these organizations’ seasoned lawyers. These efforts were largely successful, with HRRC’s defense of two LGBT rights partners (Side by Side and Coming Out) leading to the dismissal of cases brought against them under the “foreign agents” law. Similarly, AGORA was able to successfully defend 8 out of the 10 organizations facing administrative penalties that it represented under the framework of this emergency support. Furthermore, AGORA, along with other professional organizations, did its best to attract media attention to these formal court proceedings and the plight of human rights defenders. Without these organizations’ actions, NGOs would arguably not have been able to resist the negative effects of this legislation for as long as they managed -- the first liquidation of NGOs only began in late 2014.

However, these successes were to be short lived, as Russia’s Constitutional Court upheld the validity of the law on April 8th 2014, in a judgment against Russia’s then-federal ombudsman, Vladimir Lukin, who had brought the case before the court on behalf of four organizations affected by the law. The Constitutional Court found that the “foreign agent” designation was in line with the public interest and the interest of state sovereignty. Soon thereafter, Russia’s parliament amended the Foreign Agents law, this time authorizing the Ministry of Justice to register independent groups as “foreign agents” without their consent. With this turn of events, the government was now empowered to unilaterally declare organizations as “foreign agents.” The list of foreign agents mushroomed to the current count of 88 organizations; nearly all of our grantees are now on the list.

Therefore, legal defense, while still very much needed and in demand, has become a less viable option for redress in the current context. On the other hand, compliance with existing legal requirements for NGOs has become increasingly important for organizations as they remain subject to a variety of unscheduled inspections (e.g. fire, sanitation), all intended to cow the sector into obedience and self-censorship. HRRC has been providing consultations to NGO leaders on these legal compliance questions, and has been training the regional members of its Lawyers Club to do the same.

As the situation worsens, though, many of the skills and best practices honed over the past five years begin to appear practically worthless. NGOs under attack are liquidating their legal structures and working only as informal associations. Others have registered legal entities outside of the Russian Federation, where they are subject to an entirely new set of non-profit regulations. And even those groups that were most savvy in their communications have become increasingly marginalized in Russia’s information space. Prominent news outlets which once covered NGO activity have become more reticent to do so, and organizations themselves have started to limit the material they publish online – particularly in light of the fact that some organizations have been slapped with the “foreign agent” label based on content from their website and/or on the basis of statements their leader may have made in mass media. AGORA’s once robust presence in the public sphere, for instance, has significantly dwindled.

Meanwhile, some of the core partners in this portfolio are no longer willing to accept OSF funding. Donors’ Forum, for example, never even submitted final reports on their last grant – an administrative oversight previously unimaginable for such a professional organization, but an understandable precaution in the current environment. CAF has continued the research work that we have funded in the past, but without any additional funds from us. ASI, similarly, has continued to pursue its goals of providing expertise and information to the NGO sector, but its priority is to maintain its position as a leading information agency for the evolving sector, concerned not only with NGO interests but also with government regulations and policy considerations. Continued cooperation with foundations that the government deems “undesirable” is impossible for ASI.

These organizations represent a broader contingent of former partners who have refused continued OSF money in favor of trying to work collaboratively with the government, without the stigma of undesirable foreign funding. It is not an easy decision: either work for the development of the government-approved sector of “socially oriented” NGOs or join the ranks of “foreign agents” and face difficulties, up to and including closure. We cannot fault partners like ASI who – having gained skills and expertise through their productive collaboration with OSF – chose the first of these two options. It is an unfortunate choice to have to make, and the result of a deplorable political situation, but the fact that these resource centers *do* have a choice can be considered a success of the portfolio: the resource centers that we have invested in have become sector leaders, well-respected even at the level of government officials. Unlike so many other NGOs, they have not been forced to shut down or significantly curtail their activities. Instead, they remain committed to providing professional support to the sector as a whole.

It remains to be seen whether resource centers like CAF will continue to work with even the most marginalized members of the NGO sector. Based on our knowledge of these centers’ leaders, we are confident at the moment that they will. Nevertheless, there is already evidence of the risk of straying too far from government-sanctioned work: HRRC has provided legal support to LGBT organizations and opposition-minded groups and, likely as a result, it too has been branded with the “foreign agents” label.

**Outcomes and Lessons Learned**

What lessons can be drawn from this experience, and can they be applied elsewhere in the Eurasian context? Were the efforts of our partners to raise the professional competencies of the sector successful? Together with other donors, particularly the Mott Foundation, we funded initiatives conceptualized by NGO resource centers that did promote a long-range vision for the third sector as a whole. This work took a “constructive” approach, in that it promoted a focus on sustainability, organizational health, and legal compliance. Our partners were able to hold discussions on new fundraising instruments and on the use of new media, for example. A more nuanced understanding of the landscape for NGOs and donors was therefore cultivated, and this understanding was supported by continual analysis of changes in the sector. Meanwhile, NGOs started to systematize their internal practices, and gained the ability to transmit their work in a transparent and accountable way to new domestic players (corporate donors, individuals, local institutional donors) in the field of philanthropy.

The legacy of this work, even in the currently difficult circumstances, has been the establishment of an underlying infrastructure within the NGO sector, which has allowed organizations to react quickly and professionally to changes in practices aimed at controlling (or indeed repressing) NGO activity. As a result, the capacity of human rights organizations in particular to resist the Putin regime’s targeted pressure has markedly increased, as demonstrated by the experience of the last two years. The NGO sector as a whole is more resilient and more adaptable to change, thanks to the concerted efforts of the resource centers that we supported. And despite all of the hardships our grantees now face, they can still turn to ASI for guidance on strategic communications, to HRRC and AGORA for top-notch legal advice, or to CRNO for professional networking opportunities.

Though it did not directly benefit OSF’s grantees, an additional achievement of our work has been the coalescing of the “socially oriented” NGO sector. The resource centers we funded provided NGOs working in fields such as education, health, and the arts with crucial skillsets and tools. Many are better managed, more financially sustainable, and more effective communicators as a direct result of our partners’ work. They are also better networked and connected with one another, members of a professional NGO community that now boasts national events, such as the highly popular “White Nights of Fundraising” annual conference in St. Petersburg. They have the fundraising skills to receive large grants from the state as well as from corporate donors. And while state-controlled media and Russian legislation has made a concerted effort to demarcate the human rights community as a malicious outsider to the rest of the field, individual human rights organizations’ relationships with their “socially oriented” peers – built up at resource centers’ networking events, public discussions, and NGO trainings over the past five years – remain in place.

What might have been done differently with regard to these projects? First and foremost, with the benefit of hindsight, it is now clear that certain resource center priorities would have benefitted from greater long-term investment – not only from OSF but also from other donors. As one of our past grantees noted, the EP’s funding to this field was relatively small; the projects we supported were often modestly-sized, in comparison to the rest of our grants portfolio. Yet the needs that the resource centers identified in the sector – the underdeveloped philanthropy field, for example, or the weaknesses of NGOs’ strategic communications – would have required more significant long-term funding. We funded individual research projects and trainings, but not necessarily the follow-on work that our partners might have been interested in pursuing. Since the organizations in this portfolio were among our most professional, they were consistently able to fundraise a sufficiently diverse financial base for their work, including from consulting contracts. We were never concerned about their overall financial viability. But few of these partners ever had sufficient unrestricted funding to truly tackle what they deemed to be the highest-priority issues facing the sector. If we were to take a true “fealty” approach to this portfolio, we would strongly consider more unrestricted institutional support for these trusted partners.

That additional support could have come not only from OSF but also from other peer donors. This, then, is another weakness of our approach: we did not make sufficient effort to encourage other funders to also invest in these resource centers. While we certainly have little room to engage with Russian donors in the current climate, we did have the opportunity during Medvedev’s presidency. A few attempts were made – with the Pontanin Foundation and the “Evolution and Philanthropy" Foundation – but when they proved to be unsuccessful, we turned our attention elsewhere.

In focusing on strengthening of the third sector as a whole, we paid less attention to the particular needs of human rights organizations. We were lulled into a false sense of confidence during Medvedev’s presidential term: our grantees served on expert working groups and as members of the Presidential Council on Civil Society and Human Rights, so we overlooked that they were lagging behind their “socially oriented” peers in exploring crowdfunding models and expanding their social media presence. It was during this period of organizational strength and stability that we should have pushed for the resource centers to work more directly with the human rights community. By the time we solicited such a project – CAF was developing a proposal to assist 10 human rights NGOs with strategic communications and domestic resource mobilization – the law on Undesirable Organizations was passed and CAF refused further cooperation with OSF.