Monitoring Matrix on Enabling Environment for Civil Society Development

Tool-Kit 2.0

Balkan Civil Society Development Network

monitoring matrix

Monitoring Matrix on Enabling Environment for Civil Society Development

Tool-Kit 2.0

This publication is made possible by the generous support of the Swedish International Development Cooperation Agency (Sida).
The contents are the responsibility of the authors and do not necessarily reflect the views of Sida.

Copyright © 2023 by the Balkan Civil Society Development Network. All rights reserved.
Copies of the publication can be ordered by post or e-mail below.

Balkan Civil Society Development Network (BCSDN)
Address: Macedonia Street no. 43/1-9, 1000 Skopje, North Macedonia
E-mail: executiveoffice@balkancsd.net
Website: www.balkancsd.net

Publisher:
Balkan Civil Society Development Network (BCSDN)

About the publisher:
Biljana Spasovska, Executive Director

Editor:
Anja Bosilkova-Antovska and Biljana Spasovska (BCSDN)

Experts:
Dajana Cvjetković (CPCD),
Dren Puka (KCSF),
Uroš Jovanović and Dejana Stevkovski (Civic Initiatives),
Kostandina Keruti (Partners Albania),
Petar Knežević (CRNVO),
Rana Kotan, Duygu Doğan and Güneş Engin (TUSEV),
Snezana Kamilovska-Trpovska (MCIC),
Tara Petrović (CIVICUS) and
Tina Divjak (CNVOS).

Consultants:
Branko Dokuzovski (Horus Macedonia),
Juliana Karai (EPI),
Emina Nuredinoska and Luben Panov (ECNL),
Miloš Janković (Catalyst Balkans),
Marija Savovska (Akcija Zdruzhenska) and
Tanja Hafner Ademi.

Design and preparation:
Igor Delov

Print:
Datapons

Published in North Macedonia,
June 2024

CIP - Каталогизација во публикација Национална и универзитетска библиотека
"Св. Климент Охридски", Скопје

342.7:061.2]:005.584.1
354.073.52:061.2]:005.584.1
323.2:061.2]:005.584.1

MONITORING Matrix on Enabling Environment for Civil Society Development
: Tool-Kit 2.0 / Anja Bosilkova-Antovska, Biljana Spasovska. - Skopje :
Balkan Civil Society Development Network (BCSDN), 2024 (Skopje :
Datapons). - [108] стр. ; 21 см

Фусноти кон текстот. - Библиографија: стр. 99-102

ISBN 978-608-67108-2-8

1. Bosilkova-Antovska, Anja [автор] 2. Spasovska, Biljana [автор]

а) Граѓанско општество -- Развој -- Овозможувачка околина -- Матрица за мониторинг

COBISS.MK-ID 650234

Table of Contents:

Area 1: Basic Legal Guarantees of Freedom 17

Sub-area 1.1: Freedom of association 19

Standard 1: Freedom to establish and participate in CSOs 19

Standard 2: State interference 24

Standard 3: Access to financial resources 29

Sub-area 1.2: Related Freedoms 33

Standard 1: Freedom of peaceful assembly 33

Standard 2: Freedom of expression 36

Standard 3: Open, safe, and secure civic spaces 39

Area 2: Framework for CSO Financial Viability and Sustainability 45

Sub-area 2.1: Tax/fiscal treatment for CSOs and their donors 47

Standard 1: Tax benefits 47

Standard 2: Incentives for giving 50

Sub-area 2.2: State Support 54

Standard 1: Public funding availability 54

Standard 2: Public funding distribution 57

Standard 3: Public funding accountability 59

Standard 4: Non-financial support 61

Sub-area 2.3: Human Capital 64

Standard 4: Non-financial support 64

Standard 2: Volunteering in CSOs 66

Standard 3: Civic engagement 68

Area 3: State-CSO Relationship 71

Sub-area 3.1: Framework and Practices for Cooperation 73

Standard 1: Strategies for Cooperation 73

Standard 2: Mechanisms for cooperation 76

Sub-area 3.2: Involvement in policy and decision-making processes 79

Standard 1: Standards for CSO involvement 79

Standard 2: Access to draft regulations 82

Standard 3: Cross-sector bodies 84

Sub-area 3.3: Collaboration in service provision 87

Standard 1: CSOs engagement in service provision and contracting procedures 87

Standard 2: Funding and M&E for CSO-provided services 90

Acronyms:

AI	Artificial intelligence
AML/CFT	Anti-Money Laundering and Combatting the Financing of Terrorism
BCSDN	Balkan Civil Society Development Network
CSO	Civil society organization
CSDEV	Civil society development
COE	Council of Europe
DG NEAR	Directorate General for Neighbourhood Policy and Enlargement Negotiations
EU	European Union
EC	European Commission
ECHR	European Convention on Human Rights
ECNL	European Center for Not-for-Profit Law
FATF	Financial Action Task Force
GDPR	General Data Protection Regulation
HRD	Human Rights Defenders
ICCPR	International Covenant on Civil and Political Rights
LGBT	Lesbian, gay, bisexual, and transgender community
NGO	Non-governmental organization
NPO	Non-Profit Organization
OECD	Organisation for Economic Co-operation and Development
OGP	Open Government Partnership
OHCHR	Office of the United Nations High Commissioner for Human Rights
ODIHR	Office for Democratic Institutions and Human Rights
OSCE	Organization for Security and Cooperation in Europe
SLAPPS	Strategic lawsuits against public participation
TACSO	EU Technical Assistance to Civil Society Organizations
UN	United Nations
USAID	United States Agency for International Development
WEBER PAR	Western Balkan Civil Society Empowerment for a Reformed Public Administration

Acknowledgment

The revision of the methodology of the Monitoring Matrix on Enabling the Environment for Civil Society Development has been the biggest endeavor of the Balkan Civil Society Development Network since 2012, when the original Monitoring Matrix Tool-Kit was developed. To uphold our reputation of providing one of the most comprehensive methodologies for setting the standards for enabling civil society environment, BCSDN undertook year-long process discussions, meetings and consultations to revise the methodology and re-tailor it to fit the contemporary context. Similar to the designing of the Monitoring Matrix in 2012, the revision in 2023 was made possible by joining forces, knowledge, and expertise of CSO experts and practitioners from the BCSDN network of members and partners.

The BCSDN expert team, representing a variety of CSO-specific knowledge and experience from eight Balkan countries, convened many times with an abundance of enthusiasm throughout 2023. This collaborative effort aimed to define the complex issues of civil society development and enabling environment in a coherent and unified manner. The experts' diverse backgrounds allowed the Matrix to consider and span country-specific differences effectively. The team included experts such as Anja Bosilkova Antovska and Simona Mladenovska from the BCSDN Executive Office, Dajana Cvijetković and Emina Mušija from the Center for Civil Society Promotion (CPCD, Bosnia and Herzegovina), Dren Puka from Kosovar Civil Society Foundation (KCSF, Kosovo), Rana Kotan, Güneş Engin and Duygu Doğan from Third Sector Foundation of Türkiye (TUSEV), Kostandina Keruti from Partners Albania for Change and Development, Petar Knežević from Center for NGO Development (CRNVO, Montenegro), Snezhana Kamilovska Trpovska from the Macedonian Center for International Cooperation (MCIC, North Macedonia), Tina Divjak from CNVOS in Slovenia, and Tara Petrović, Uroš Jovanović and Dejana Stevkovski from Civic Initiatives in Serbia.

We extend our heartfelt gratitude to all partners of BCSDN who contributed their time, expertise, and dedication to the revision of the Monitoring Matrix methodology, most notably Luben Panov from the European Center for Not-for-Profit Law (ECNL) and Tanja Hafner Ademi. Their efforts and expertise were instrumental in shaping a methodology that reflects the evolving needs and challenges of civil society across the region. Special appreciation is extended to external experts Branko Dokuzovski from Horus Macedonia, Juliana Karai from the European Policy Institute (EPI, North Macedonia), Miloš Janković from Catalyst Balkans (Serbia), Marija Savovska (Akcija Zdruzhenka, North Macedonia) and Emina Nuredinoska (ECNL), whose diverse perspectives and collective wisdom enriched the process and ensured the inclusivity and effectiveness of the revised methodology. Together, we reaffirm our commitment to advancing civil society and strengthening enabling environments for the betterment of our communities.

Biljana Spasovska,
BCSDN Executive Director

The Monitoring Matrix on Enabling Environment for Civil Society Development

The Monitoring Matrix stands as a pinnacle of BCSDN's efforts to embody a comprehensive framework defining the fundamental principles and standards crucial for an environment that is considered supportive and enabling for the operations of civil society organizations (CSOs)[1] in the Balkan region. Its inception in 2012 marked a pivotal milestone in our endeavor to fortify the civil society's role in advancing democratic governance and safeguarding fundamental rights. Since then, we have based our national, regional and European-level advocacy on the Monitoring Matrix findings, and in combination with our extensive experience as a network, we contributed to relevant policy discussions, both with respect to regulatory frameworks and government practices affecting the work and development of the civil society in our region.

At its essence, the Monitoring Matrix serves as a guidance, offering a systematic approach to monitoring and assessing the legal framework governing civil society operations, as well as its implementation in practice. By delineating the key principles, standards, and indicators, it provides a structured framework for evaluating the efficacy of the legal environment in facilitating CSOs' development, and its practical implications on CSOs' day-to-day and long-term operations.

The development and revision of the principles, standards, and indicators reflect the international and EU regulatory framework, as well as the best practices at the EU level and in European countries, when such regulations are missing. However, the Monitoring Matrix specifics have been formulated with consideration of the current state of development of and diversity in the countries of the Western Balkans and Turkey.

1 According to EU law, civil society refers to all forms of social action carried out by individuals or groups who are neither connected to nor managed by state authorities, while a civil society organization is an organizational structure whose members serve the general interest through a democratic process and which plays the role of mediator between public authorities and citizens. It is important to note that the definition of a CSO used in the Monitoring Matrix refers predominantly to associations, foundations, and non-profit entities. The experts, however, recognize the existence of other forms (e.g., business associations, trade unions) and some issues in this Matrix also extend to those other types of entities (e.g., participation in policy- making).

Monitoring Matrix Evolution and Revision

Throughout its evolution, the Monitoring Matrix has undergone revisions and updates, culminating in its latest comprehensive iteration in 2023. This continuous process of refinement is a testament to its commitment to addressing contemporary challenges confronting civil society and adapting to the ever-evolving societal, technological, and political landscape. The Monitoring Matrix 2.0. aims to present a balance between the fundamentals of an 'enabling environment' and built-in new trends on issues recently coming to the forefront, in order to maintain its prescriptive, standard setting value.

Some of the key novelties in this version of the Tool-kit refer to the exercise of basic freedoms and related challenges in the online civic space, as an area that has drastically changed over the past ten years. Our monitoring has shown that it is, in fact, the basic freedoms that have been most challenged in recent years. This revision, therefore, pays more attention to issues such as regulations and practices in anti-money laundering and countering the financing of terrorism (AML/CFT) sphere that very often present a burden to the freedom of association and operations of CSOs, or the strategic lawsuits against public participation (SLAPPs) that seriously affect freedom of expression and curb dissent.

Over ten years ago, basic freedoms were considered inherent, and the Monitoring Matrix more extensively examined the progress of CSOs in terms of financial viability, sustainability, and their collaboration with the State. Today, however, pressure on the fundamentals has reached unprecedented levels, prompting the revised Matrix to appropriately address this evolving landscape.

Nonetheless, we recognize that other issue areas may need to be further revised or added to reflect emerging issues for other regions and countries or in future reviews of the Matrix.

Structure of the Monitoring Matrix

The revised Matrix keeps the original structure - three core areas, each divided by sub-areas:

1. Basic Legal Guarantees of Freedoms;

a. Freedom of Association
b. Related Freedoms

2. Framework for CSOs' Financial Viability and Sustainability;

a. Fiscal and tax framework
b. State support
c. Human capital

3. State – CSO Relationship

a. framework and practices for cooperation
b. Involvement in policy and decision-making
c. Collaboration in service provision

The 3 main areas and 8 sub-areas are defined by key principles which are further elaborated by specific standards. In order to enable local CSOs, donors or other interested parties to better understand and apply the methodology in practice, the 22 standards are further explained through 139 indicators.

Defining a total of 139 indicators in detail clearly underscores the fact that the enabling environment is a complex concept. However, while the complexity of the monitoring methodology serves a specific purpose for an expert audience, the essence of the 'enabling environment' is more-than-ever important for all CSOs and, effectively, every citizen.

The story behind the 'enabling environment'

Having an enabling environment in place means that citizens can enjoy their fundamental civic rights, actively participate in civic life, and collectively contribute to initiatives aimed at improving society. Firstly, in a country where the freedoms of association, peaceful assembly and expression are upheld, fortifying the **Basic Legal Guarantees of Freedoms,** citizens can organize themselves, take collection action, and freely express their concerns, without any fear of repercussion. This also means that citizens could have unimpeded access to information from various sources, and exercise their rights to free speech and protest. When a government erodes these basic freedoms, fails to enact supportive laws for CSOs and confines the civic space, it disables CSOs from serving the citizens they represent and from contributing to a more democratic and free society. The Matrix highlights a key principle that the three fundamental freedoms of association, peaceful assembly and expression should be guaranteed and exercised freely by everybody.

Secondly, in a country where the fiscal and tax frameworks are supportive, CSOs can rely on effective and transparent public funding systems, attract various donors, and secure the necessary resources for their projects and initiatives, from supporting vulnerable groups to protecting human rights, and the rule of

law. When a government fails to provide a supportive fiscal and tax framework, or laws that do not stimulate volunteering and employment in CSOs, it jeopardizes the sustainability of CSOs, increases public doubt and discourages citizens from being engaged in their communities. The Matrix details the types of resources that are typically used by CSOs, in the form of financial benefits (tax benefits, income generation, philanthropy and state support), but also human capital (reliance on employees and volunteers and overall civic engagement), thus creating an effective **Framework for CSOs' Financial Viability and Sustainability.**

Finally, in a country where the state recognizes the expertise and insights that CSOs offer in addressing community needs, and meaningfully includes them in policy discussions and decision-making processes, CSOs can effectively advocate for a more equitable and just society. This means that through CSOs, citizens have the potential to influence government decisions and shape society. When laws are enacted without transparent discussions that exclude CSOs or the public from contributing to public processes, the government may exploit the legislative process and deprive individuals of the opportunity to enhance the democracy of their countries and improve their lives. This is perhaps the most challenging area, because the application of the principles and standards on State – CSO cooperation, the involvement of CSOs in law-making, as well as in the provision of services in collaboration with the state, depends on a variety of challenges. Most significant of them is the attitude of public authorities towards the civil society and the ability of the civil society to be a credible and strong partner. Therefore, the Matrix defines the minimum which would be necessary to ensure that there is meaningful **State – CSO Relationship** building for the good of the citizens.

Essentially, it is the enabling environment that empowers individuals to collectively address pressing societal issues, make a difference in their communities, and contribute to positive change for the benefit of all citizens.

Achievements and Future Directions

Aligned with its purpose, the Monitoring Matrix extends beyond assessment, aiming to equip local CSOs, donors, and other stakeholders with guidance to navigate intricate legal and policy landscapes by setting standards for an enabling CSO environment. By offering a structured framework for evaluating and understanding the environment against international standards—measuring the current state against the desired state—the Matrix empowers stakeholders to identify gaps, prioritize reforms, and strategically advocate for legal frameworks and practices that uphold democratic values, respect human rights, and foster a vibrant civil society. With a decade of monitoring completed, users can also compare findings in each area year by year to track progress or regression.

Back in 2013, after long-standing advocacy from BCSDN for civil society to be properly acknowledged in EU country reports, the European Union introduced a section on the state of civil society in accession countries. This section significantly reflected our Monitoring Matrix methodology and marked the beginning of mainstreaming the concept of an "enabling environment" for civil society as a horizontal issue. In 2014, the Monitoring Matrix methodology further contributed to the development of the first DG NEAR Guidelines for EU Support to Civil Society in the Enlargement Countries (2014-2021). Recognizing the added value and synergy of the Monitoring Matrix, BCSDN's reports have consistently been used as verification tools for the first two components of these Guidelines, with our findings enhancing EU TACSO's reports and being integrated into the European Commission's Annual Progress Reports for the Enlargement Countries.

Over the years, the Monitoring Matrix has proven to be resourceful in promoting democratic principles, safeguarding human and civic rights, and fostering collaboration among civil society actors and policymakers. Through a close and continuous exchange of good comparative practices, knowledge and experiences with colleagues from the region, and evidence-based advocacy at the national, regional and European level, BCSDN has directly contributed to the improvement of the environment for CSOs in the Western Balkans.

In the next phases, the Monitoring Matrix is set to evolve by revising its methodology, including the rethinking data collection methods to incorporate artificial intelligence (AI) for more accurate and effective data gathering and processing. AI integration could also be explored for trend mapping, early warning systems, and strategic foresight, enhancing the ability to identify and respond to emerging threats to civic space. Additionally, the way findings are communicated will be reinvented to ensure greater accessibility and impact. By leveraging AI and fostering collective evidence, the Monitoring Matrix aims to enhance transparency, accountability, and civic engagement, proactively countering regression and pressures on civic space to support civil society effectively in the modern, digital age.

How to Use the Monitoring Matrix

The Monitoring Matrix was developed primarily to support CSOs in their evidence-based advocacy efforts, but it is also designed to be valuable for government, EU, and international community representatives. By utilizing the Monitoring Matrix, governments can proactively enact a supportive legal framework and amend restrictive laws, thus creating a more enabling environment for civil society to thrive and contribute to democratic governance and social progress. Despite monitoring being limited at the central level, the Monitoring Matrix employs a multi-governance approach, making it applicable to all levels of government, each of which has a proportional impact on the enabling environment.

EU institutions representatives can assess progress, incentivize reforms, and use it as a source in their progress reports for civil society development in the Western Balkans and Turkey. Monitoring Matrix reports will continue providing an important source for validating the annual assessments of the DG NEAR Guidelines for EU Support to Civil Society in Enlargement Countries.

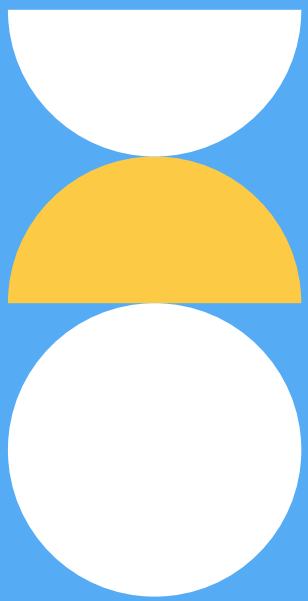
The Monitoring Matrix methodology also aligns with other regional and global monitoring initiatives, focused on tracking the state of civil society, such as the USAID CSO Sustainability Index, World Press Freedom Index, CIVICUS Monitor, etc. This methodology can be used beyond the Enlargement countries by initiatives operating on EU and global level that track civic space threats, providing valuable insights for monitoring the state of civil society.

CSOs in the region can use the Monitoring Matrix as a valuable tool for advocacy, capacity building, and collaboration to effectively promote democratic governance, human rights, and the civil society position in their respective countries. The monitoring data can feed into the already existing global and regional monitoring indexes in the specific thematic area of civil society development and vice versa. Regional and international organizations can use the Matrix as a reference tool and policy guidance to respond to emerging processes and threats to civic space.

By shining a spotlight on gaps and deficiencies within the legal and policy frameworks, the Matrix facilitates informed decision-making and targeted interventions. Through in-depth analysis and strategic alignment with international standards, the Matrix is not simply a piece of research about civil society, it is rather a tool that devises common agendas and priorities, inspires action, and empowers stakeholders to advocate for systemic improvements in the enabling environment for civil society. In essence, the Matrix emerges as a dynamic tool for driving progress.

AREA 1:

Basic Legal Guarantees of Freedom



PRINCIPLE:

Freedom of association is guaranteed and exercised freely by everybody

Sub-area 1.1:
Freedom of association

STANDARD 1:

All individuals and legal entities can freely establish, join and participate in informal and/or registered organizations.

LEGISLATION:

1. There is a legal framework according to which any individual or legal person can establish or join associations, foundations, and other types of non-profit, non-governmental entities for any purpose, without discrimination.
2. Registration is not mandatory, and in cases when organizations decide to register, the rules are clear and allow for an easy, timely, and inexpensive registration and appeal process.
3. The law allows for networking among organizations in the countries and abroad without prior notification.

PRACTICE:

1. Every individual or legal entity in practice can establish, join or participate in associations, foundations, or other non-profit, non-governmental organizations, offline or online.
2. Individuals and legal entities are not sanctioned for not registering their organizations.
3. Registration is truly accessible within the legally prescribed deadlines; authorities decide on cases in a non-subjective and apolitical manner.
4. Individuals and CSOs can form and participate in networks and coalitions, within and outside their home countries.

Explanation:

Legislation:

1. The guarantees of freedom of association should be contained in the Constitution of a country, and further developed and made functional through a law which governs the whole lifecycle of organizations from their establishment, operation, and governance, all the way to their termination or dissolution.

   According to international human rights law[2], freedom of association extends to any person, without discrimination on any ground such as of sex, race, color, language, religion, political or other opinion, national or social origin, association with a national minority, property, birth, or other status. Freedom of association does not only refer to individuals, but also extends to legal entities (e.g. corporations). Therefore, laws in the country should allow for businesses, CSOs or other types of legal entities to establish or join associations or other types of non-profit, non-governmental entities. This freedom does not extend only to one legal form – association. It also embraces the right to form or join foundations, federations, political parties, religious organizations, trade unions, employer associations, non-profit companies, and various other forms.

   According to the UN Convention on the Rights of Persons with Disabilities, people with disabilities, including those with intellectual disabilities and psycho-social (mental health) disabilities, have the right to participate in political and public life. The right is unqualified, meaning that it applies to everyone, regardless of irrelevant factors such as gender, type of disability, severity of disability, and disability related legal status such as guardianship.

   The freedom of association does not only mean that one can establish an association or another legal non-profit form, but that one can join (or not) an existing organization/CSO as a member, supporter, volunteer, or donor, taking part in its everyday activities or governance. While there may be some requirements with regard to the legal capacity and the legal age of the persons that can become founders of an organization, those requirements should not prevent them from becoming members, joining or governing their CSOs.[3]

2 European Convention of Human Rights, Article 14

3 Comments developed by the Mental Disability Advocacy Center (2013).

According to the UN Convention on the Rights of Persons with Disabilities, people with disabilities, including those with intellectual disabilities and psycho-social (mental health) disabilities, have the right to participate in political and public life. The right is unqualified, meaning that it applies to everyone, regardless of irrelevant factors such as gender, type of disability, severity of disability, and disability related legal status such as guardianship.[4]

There should not be a legal obligation to become a member of an association in order to participate in the work of an association. At the same time, organizations/CSOs should not be prevented from limiting membership to certain categories or groups. Related to this, there should not be a legal limitation on the number of organizations that can exist which have similar purposes, where people can join to achieve a certain result or goal in the field or to express their views (in other words, the existence of one organization dealing with women's rights should not mean that other organizations for women's rights cannot exist).

The objectives of registered CSOs should be diverse and the only limitations are the ones recognized by international law. CSOs should be allowed to operate in different areas and pursue all legitimate aims including the protection of human rights, prevention of discrimination, etc. A CSO can even promote a change in the constitutional order but only: "a) if this is done in a legal manner by democratic means; and b) if the wanted change is in itself compatible with basic democratic principles."

The freedom of association extends also to association online. Based on this, blocking internet access, social networks or certain applications through which groups can form or undertake activities would be considered a violation of this freedom.[5]

2. There should be no legal requirement for registering CSOs and the decision to do so should rest solely with the founders/members. An example of a violation of this principle is the case where people who associate are fined or persecuted should they start with implementation of activities before their registration as a legal entity is confirmed.

   Where founders decide to register the organization, the procedure for acquiring legal status is clearly described in a law. The registration rules are clearly prescribed, known in advance and prevent arbitrariness, including on the administrative level. Organizations that complete all the legal requirements are granted legal personality. There are no burdensome requirements, such as the need to have a large number of founders (good practice is between 2 and 5 founders), and the registration procedure can also be completed online. The procedure is no more

4 Mataga, Zvonimir, The Right to Freedom of Association under the European Convention on the Protection of Human Rights and Fundamental Freedoms, October 2006, p.10.

5 Having in mind the aim of the MM Tool-kit is to set the standards of an enabling environment, it is important to highlight that the freedom of association should be equally applied offline and online, and it needs to clarify what constitutes a restriction of this right. However, in the online civic space, the restrictions and violations of the basic freedoms of association, assembly, and expression are very often interconnected due to the intricate nature of the digital environment. Therefore, in the monitoring reports, all the restrictions and violations in the online civic space will be addressed under Standard 3: Open, safe and secure civic spaces (Sub-area 1.2 Related Freedoms).

burdensome than the process of registering a commercial company and there is a limited list of documents required by law to ensure registration.

The fees collected by the registering agency (court, ministry, central registry, etc.) are not considered high compared to the living standard in the respective country. They do not discourage application, and everybody should be able to afford them.

Registration decisions are made quickly (between 1 and 30 days) and applicants are informed about the decision in writing. Negative decisions for registration are subject to an appeal in a court or another independent body. In cases where there is no decision within the prescribed deadline, there should be an assumption that the organization can start operating and this is accepted by other state bodies (if there is a need for a follow-up registration e.g. with the social security agency, it accepts that the organization is registered and does not require a written registration decision).

3. Freedom of association extends to networks of organizations, their coalitions, federations, or other types of unions. Communication with groups within and outside of the country should be made possible and there should be no limitations. Blocking (social) network initiatives with the attempt to hinder communication between people/organizations has to follow the allowed limitations which apply to freedom of association. An example of limitation on the right to join networks or associate outside of the country are requirements for CSOs to inform or gain permission from state authorities to do so, and face fines if they fail to do so.

Practice:

1. There are no cases or complaints of unreasonable or unjustified denials of registration. There are various types of CSOs in practice; there are examples of organizations set up by women, persons with limited legal capacity, or other disadvantaged groups. Companies and individuals or other groups can form associations, foundations, and non-profit entities – there are examples of this or in case there are no such examples, there are no complaints that companies cannot be founders or co-founders of CSOs. In addition, by being a founder or president who does not receive remuneration, the individual is not considered an employee per se and does not lose unemployment benefits or status. Moreover, the state does not consider working for a CSO to mean that the person is undertaking a public function and is therefore not the subject to the same scrutiny as a public official.

   There are no restrictions on associating online, such as restricted internet applications, banned social networking groups, blocked web sites of organizations or accounts, or monitored communication tools. Groups or individuals use online tools to perform joint activities and there are no complaints of restrictions or harassment by the government.

2. The government in practice does not require founders to register organizations in order to undertake activities or impose fines for not registering legal entities. There are unregistered groups and organizations in society. As a good practice, unregistered organizations are present in public life, and cooperate with other CSOs or state bodies.

3. There are no reported cases of political influence over the registration process. Decisions are based on the law and not on the subjective interpretation of the legal requirements. No additional documents, other than the ones described in the law, are required for registration.

4. The practice is enabling, and there are examples of free networking among organizations both within and outside of the country. Organizations can join international umbrella groups or federations, join networks online by using various online tools, undertake activities and promote their goals. Registration of networks is easy. Organizations do not face burdensome bureaucratic requirements designed to make networking difficult, such as requiring organizations to notify certain state body if they plan to join a network.

STANDARD 2:

CSOs operate freely without unwarranted state interference in their internal governance and activities.

LEGISLATION:

1. The legal framework provides guarantees against state interference in internal matters of associations, foundations, and other types of non-profit entities.
2. The state provides protection from interference by third parties.
3. Financial reporting and accounting rules take into account the specific nature of the CSOs and are proportionate to the size of the organization and its type/scope of activities.
4. Regulations on anti-money laundering, countering the financing of terrorism or anti-corruption take into account the specific nature of CSOs and adopt a risk-based approach.
5. Sanctions for breaching legal requirements should be based on applicable legislation and follow the principle of proportionality.
6. Restrictions and the rules for dissolution and termination meet the standards of international law and are based on objective criteria which restrict arbitrary decision-making.

PRACTICE:

1. There are no cases of state interference in the internal matters of associations, foundations, and other types of non-profit entities, or any kind of pressure and intimidation related to their work.
2. AML/CFT and other compliance requirements do not hinder legitimate CSO activities and there are no cases of misuse of regulation for control.
3. Sanctions are applied in rare/extreme cases; they are proportional and are subject to a judicial review.
4. Termination of a CSO is a matter of last resort and is applied only if all other measures have been exhausted.

Explanation:

Legislation:

1. There are very limited grounds for state interference with freedom of association and those are prescribed in international law. Most relevant for European countries is the European Convention on Human Rights (ECHR) and the case law of the European Court for Human Rights (ECtHR) which prescribes the grounds for limitations and provides further interpretations through case law. According to the ECHR, the limitations to the freedom of association are allowed if: (1) they are prescribed by law; (2) pursue a legitimate aim; and (3) are necessary in a democratic society. Further to point 2, ECHR allows the following aims as legitimate: (1) in the interest of national security or public safety; (2) for the prevention of disorder or crime; (3) for the protection of health or morals; and (4) for the protection of the rights and freedoms of others.

   CSOs are autonomous from the state and the law should guarantee their right to regulate their internal structure and operating procedures. For example, the law should not allow the state to interfere in the internal management of their affairs. Requirements such as mandatory participation of a state representative in meetings of an organizational body would violate this indicator. Similarly, the law should not allow states to interfere in the process of appointment of Board members.

   The law should not require that CSOs receive advance approval from the state for carrying out their activities. The state may require those organizations to undergo certain registration/licensing for certain areas when organizations want to work in or where interests of disadvantaged groups should be protected (e.g. services for children). However, those situations must be clearly prescribed by law and CSOs should not be discriminated against compared with other providers of such services (see Sub-area 3.3 for further discussion on the afore-stated).

2. States do not have only the negative obligation not to violate the freedom of association and to allow the operation of CSOs, but also the positive obligation to protect freedom of association, including preventing third parties from violating the freedom of association. The state has set up measures to protect the right e.g. the police force has an obligation to protect people against violations of their rights by state or non-state actors, and the independent judiciary has to be able to provide remedies.[6] Thus, if a certain group's operation is hindered by another (e.g. Roma associations or LGBT groups), the legal framework should have guarantees that the state can protect their operation.

3. The regulations on CSO reporting to the state should be based on the specific characteristics of the work CSOs do. The reports they submit should be adapted to the CSOs activities. A good regulatory practice is to have tailored requirements for non-profit accounting and reporting forms for CSOs which are different from the reporting forms of businesses and take into account the specific structure and activities of CSOs. In this way, the information collected by the authorities would

6 World Movement for Democracy at the National Endowment for Democracy (NED) and International Center for Not-for-Profit Law (ICNL), Defending Civil Society Report, 2nd edition, 2012.

give a better picture of what the CSO sector is actually doing without adding unnecessary burden on the sector. A good regulatory practice is to introduce lighter reporting requirements for small organizations that fall below a certain threshold. Regulations requiring specific financial reporting which are not proportionate to the size of the organizations and which treat CSOs differently from other providers would be in violation of this indicator.

4. Regulations for CSOs on anti-money laundering (AML) and countering the financing of terrorism (CFT), or anti-corruption, should strike a balance between ensuring the integrity of the financial system and preserving the autonomy and effectiveness of these organizations. CSOs should not be designated as reporting entities, rather any measures imposed should consider their level of risk for money laundering or terrorist financing. Reporting obligations should be proportional and flexible enough to accommodate the unique characteristics and diversity of CSOs while effectively targeting illicit activities.

   A good regulatory practice is where governments review the adequacy of laws and regulations that relate to non-profit organizations based on an implemented (sectoral) risk assessment process, so as to ensure that the regulation addresses the risks identified. Risk assessments[7] should be objective, inclusive, non-discriminatory, and participatory, with proper engagement from civil society, and should involve periodic review and an objection mechanism. In line with the risk-based approach, focused and proportionate measures should be applied only to non-profit organizations which the risk assessment has identified as being vulnerable to terrorist financing abuse, to protect them from such abuse.[8] Regular consultation and engagement with CSOs during the development and implementation of AML/CFT regulations should be ensured.[9]

   The legal framework should clearly define the concept of beneficial ownership considering the specific nature of CSOs that outlines the obligations of CSOs to disclose and maintain accurate information about their beneficial owners. Beneficial ownership refers to individuals who exercise significant influence or have the ability to influence decision-making within the organization[10]. In most cases, these are not the founders of a CSO, but the board members or executive directors/managers.

5. All sanctions to which CSOs are subject should be prescribed by law and should be clear to avoid potential misinterpretation in practice. Sanctions for CSOs should be the same or lower as compared to the sanctions of companies for similar breaches. If there are material sanctions (fines, etc.) these should take into consideration the financial situation of the organization as well. All sanctions should be proportionate to the breaches made. Fines to responsible individuals should be exceptions; they should only be applied in case of intentional and serious breach of the law. Laws should not impose higher fines on responsible individuals compared to those

7 Assessing measures to reduce vulnerability in the NPO Sector: https://greenacregroup.co.uk/greenacre-government/npo-domestic-review/

8 FATF Interpretive Note to Recommendation 8: https://www.fatf-gafi.org/content/dam/fatf-gafi/recommendations/FATF%20Recommendations%202012.pdf.coredownload.inline.pdf

9 FATF Best Practices Paper on combating the terrorist financing abuse of non-profit organizations: https://www.fatf-gafi.org/content/dam/fatf-gafi/guidance/BPP-Combating-TF-Abuse-NPO-R8.pdf.coredownload.inline.pdf

10 Handbook for Non-Profit Organizations: https://ufr.gov.mk/wp-content/uploads/2020/05/KONEKT-Prirachnik-za-SPP-FT_ENG.pdf

imposed on the organization. Imposing criminal responsibility for breaches of the law should be only in exceptional cases for serious violations.

6. The law should allow for CSO to choose to dissolve at any time by a resolution of the highest governing body. The law should prescribe the situations where an organization has to dissolve and grounds for involuntary termination precisely and narrowly (e.g. in cases of violations of statute or law). Termination should occur only as a last resort and appeals should be allowed.

Practice:

1. Practice shows that CSOs operate independently and that there are no reports of state attempts to exert control, influence, or manipulate the functioning, decision-making, and autonomy of CSOs. There are no examples of targeted, unannounced or baseless inspections, government intrusion into the premises of private legal entities, or 'surprise' visits/inspections to the offices or board meetings. State interference/harassment could take the form of excessive audits of an organization with the purpose of putting administrative burden, including extensive reporting obligations, and sanctioning the organization. There are no interferences especially against organizations which are critical of the government. There should be no examples of state attempts to harass, intimidate or threaten such critical organizations. Requirements for CSOs to work only with specific government-controlled banks or use only government-provided services would also not be in line with this indicator.

2. AML/CFT compliance requirements do not impose disproportionate administrative and financial burdens on CSOs that are not considered high risk. State institutions and banks do not go beyond the international standards and recommendations (for example FATF Recommendation 8) and the legally stipulated compliance requirements and apply them in a non-discretionary and non-discriminatory manner that can hinder CSOs' legitimate activities.

   Examples of misuse of AML/CFT regulations include conducting unwarranted investigations, freezing assets, or imposing burdensome and unreasonable reporting requirements on these organizations, stifling their operations and inhibiting their ability to carry out their work. Abusing AML/CFT regulations as a tool to target and suppress CSOs that are critical of the government or involved in advocating for human rights, social justice, or political change would be a violation of this standard.

   Other regulatory compliance requirements for CSOs, such as regulations on anti-corruption, anti-discrimination, environment, etc. should not impose disproportionate administrative or financial burdens on CSOs or be misused for controlling them.

3. Sanctioning an organization should have the aim of remedying a breach and not hindering the operation of the organization. When imposing the sanction, attention should be paid to the specific character of the CSO and the type of violation. The practice should show that when there are differences between minimum and maximum penalties the fines are applied with consideration of the size of the organization, the gravity of the breach and in general to show that there is a tendency to apply lower rather than higher fines. Decisions to restrict the rights or

terminate organizations in practice take place in a judicial process in an apolitical manner, decisions are explained and organizations can appeal against them.

4. As a good practice termination should be decided in a court case. However, it should be applied only after previous sanctions have been exhausted and there is no other way to remedy the situation. An example of a disproportionate termination is a case in which an organization is terminated for failing to submit its annual report on time. Even if this is considered a serious violation, the organization should be given the chance e.g. to submit its report or pay a fine. Only if failing to do so should the sanction of termination be considered.

STANDARD 3:

CSOs can freely seek and secure financial resources from various domestic and foreign sources to support their activities.

LEGISLATION:

1. Legislation allows CSOs to engage in economic activities.
2. CSOs are allowed to freely receive foreign funding.
3. CSO are allowed to receive funding from individuals, corporations, and other sources.

PRACTICE:

1. CSOs engage in economic activities without any undue burdens.
2. There are no restrictions or political harassment/pressure on CSOs for receiving foreign funding.
3. Receipt of funding from individuals, corporations and other sources is easy and without any unnecessary cost or administrative burden.
4. CSOs are allowed access to banking and other financial services without discrimination and undue requirements.

Explanation:

Legislation:

1. "Economic activities" means the active sale of goods or services, referred to as "trade or business" activities; it entails sale of goods and services that are pursued with frequency or continuity. This can include: fees for services, sale of property and goods or equipment produced by or belonging to the CSO, income from investments, rent, royalties, property transactions, business ventures, and any other lawful economic activities. Legislation should allow CSOs to engage both directly (as a CSO) and indirectly (by registering or owning shares of a commercial company) in economic activity. Internationally this is considered an important right as it allows CSOs to generate income through developing their own services, to improve reach to their communities, to adjust services to meet the real needs, and to have a stable income source which is independent from the state.

Wherever a special legal type or status of social enterprise exists, CSOs can establish social enterprises to diversify the sources of income.

There could be some limitation to engaging in direct economic activity. For example: the economic activity may have to be related to the mission of the organization (e.g. an organization for people with disabilities could provide transportation services to them, or association for blind people can sell walking canes); the economic activity may have to be additional to the non-profit activity; or rules may require that all income should be used for the purposes of the organization. There should be a restriction on distributing net revenues to private parties who may be in a position to control the organization for personal gain, such as founders, members, officers, directors, agents, or employees (prohibition on the distribution of income). State authorities should provide guidance on engagement in economic activities to facilitate the process.

Whenever the state provides incentives for engaging in economic activities, CSOs are treated equitably by the state in the development and implementation of such policies and programs.

2. Legislation should not limit the possibility for CSOs to receive funding from foreign public or private sources. The treatment of such funding should be similar to the treatment of funding received from local sources. Any legal requirements for registration of foreign grants, their preliminary approval from the government, the requirement to channel foreign funding through state-controlled body or bank, are inconsistent with this indicator. While not directly restricting CSOs to receive foreign funding, laws on registration of foreign agents, i.e. organizations that receive foreign funding and engage in activities that qualify as "political activities" or as "agents of a foreign principal", may have a chilling effect on the work of CSOs[11] and impede their ability to freely receive foreign funding or collaborate with international partners.

3. There is no legal limitation that would prohibit the receipt of funds from any private or commercial person, the state, local authorities, foundations or other legal entities, agencies, etc. CSOs should be able to raise funds from individuals and corporations and take part in public procurement or grant or service tenders by the state or donors. The legal framework allows CSOs to run crowdfunding platforms as donation intermediaries without restrictions. Any policies to promote crowdfunding should provide incentives to CSOs as well. CSOs should be able to attract donations also through other fundraising methods, including website collections, SMS and phone call collections, lottery, payment kiosks, cash boxes and other cash solicitations, fundraising events, payroll giving, social advertisement, and other methods.[12]

Practice:

1. CSOs engage in economic activities. They can set up companies for that purpose or directly engage. The state authorities do not impose implementing regulations

11 Third party intervention by the Council of Europe Commissioner for Human Rights: https://rm.coe.int/third-party-intervention-by-the-council-of-europe-commissioner-for-hum/1680731087

12 Principles for Statutory Regulation and Self-Regulation of Fundraising, ECNL (2020): https://ecnl.org/sites/default/files/2020-08/Fundraising-Principles.pdf

that will limit this right. When engaging in economic activity, CSOs are only subject to any licensing/registration or other specialized regime if it is required for everybody that engages in their respective field of work.

CSOs receive equal access to various state initiatives, incentives, and support mechanisms designed to promote business growth and development. They are not excluded or treated differently based on their organizational structure, mission, or focus area when seeking assistance from the government to enhance their economic activities.

2. CSOs receive foreign funds and can use them for any purpose for which the grant is given. In the case of receipt of foreign funding, there are no specific administrative procedures that obstruct organizations from receiving foreign funds, such as preapprovals, channeling such funds via specific bodies, or requirements to register as foreign agents. In the case of receipt of foreign funding, there are no specific administrative procedures, excessive supervision or political pressure that obstruct organizations from receiving foreign funds. There are no special taxes for foreign funds received. If VAT exemption is provided, the procedure for obtaining it is simple, easy-to-implement and not too burdensome.

3. CSOs can freely receive funding from different private sources, and do not face complicated procedures to access the funding. Crowdfunding platforms can be used by CSOs without the permission of public institutions. There is no regulation imposed on public institutions requesting any documents from CSOs for their activities on crowdfunding platforms, other than those requested in routine audits. There are examples of CSOs gathering donations also through other fundraising methods, such as website, SMS and phone call collections, payment kiosks, cash solicitations, fundraising events, social advertisement, or other.

4. CSOs are granted unrestricted and non-discriminatory access to banking and other financial services, such as opening bank accounts, accessing loans, investment opportunities, and other financial products, without facing any undue obstacles or bias. Practices of financial institutions should not make it difficult for CSOs to access banking services and receive and disburse the funds necessary for their operations.[13]

13 ECNL, Navigating access to financial services for CSOs: https://ecnl.org/sites/default/files/2022-05/Guidance%20derisking%20CSOs%20final_7.pdf

PRINCIPLE:

Freedom of assembly and expression are guaranteed to everybody

Sub-area 1.2:
Related Freedoms

STANDARD 1:

CSO representatives, individually or through their organizations enjoy freedom of peaceful assembly.

LEGISLATION:

1. The legal framework is based on international standards and provides the right to freedom of peaceful assembly for all without any discrimination.
2. The laws recognize and do not restrict spontaneous, simultaneous and counter-assemblies.
3. The exercise of the right is not subject to prior authorization by the authorities, but at the most to a prior notification procedure, which is not burdensome.
4. Any restriction of the right based on law and prescribed by regulatory authority can be appealed by the organizers.

PRACTICE:

1. There are no cases of encroachment of the freedom of assembly, and any group of people can assemble at a desired place and time, in line with international standards and recommendations.
2. Restrictions are justified with explanations of the reason for each restriction, which is promptly communicated in writing to the organizer to guarantee the possibility of appeal.
3. Simultaneous, spontaneous and counter-assemblies can take place, and the state facilitates and protects groups to exercise their right against people who aim to prevent or disrupt the assembly.
4. No excessive use of force is exercised by law enforcement bodies, including preemptive detentions of organizers and participants.
5. Media and observers have full access to all forms of public assembly and are able to report on them safely and without undue interference.
6. No excessive use of force is exercised by law enforcement bodies, including preemptive detentions of organizers and participants.
7. Media and observers have full access to all forms of public assembly and are able to report on them safely and without undue interference.

Explanation:

Legislation:

1. Freedom of peaceful assembly is a fundamental human right, enshrined in the International Covenant on Civil and Political Rights, the European Convention on Human Rights, the Charter of Fundamental Rights of the European Union and other international and regional treaties, and is inextricably intertwined with the freedom of association. The freedom of peaceful assembly includes the possibility of everyone to organize and/or participate in a peaceful assembly, taking place in both public and private spaces, within sight and sound of the institution they want to address, as well as in the digital sphere. The State has a positive obligation to facilitate and protect any peaceful assembly. This means that not only assemblies held in publicly accessible spaces, but also assemblies taking place in physical spaces that are facilitated by digital technologies because they are previously discussed, organized and/or promoted through them; assemblies taking place in an entirely virtual space (usually the Internet); or even "hybrid" assemblies, with elements of both (e.g. they are organized via social media platforms and take place both offline and online or they started offline but are continuing online or vice versa, etc.).[14]

   Freedom of assembly insofar as possible should be enjoyed without restrictions, guaranteed by law and should not be preempted by administrative procedures or undue regulation. The law should guarantee freedom of assembly to all - individuals and legal entities, stateless persons, refugees, foreign nationals, asylum seekers, migrants, and others.

2. The law should allow for peaceful assemblies to be held at the same time and in the same place (simultaneously) with counter-assemblies (those of opposing groups). In case several groups plan to hold assemblies in the same place and at the same time, they should be entitled to do so if physical circumstances permit. In case of counter-assemblies, the law has to recognize the state's responsibility to undertake measures to protect the participants in the peaceful assembly from individuals or groups of individuals, including agents provocateurs and counter demonstrators, who aim at disrupting or dispersing such assemblies.

3. The law should contain a presumption in favor of holding assemblies. Those seeking to assemble should not be required to obtain permission to do so. If such a requirement exists, it should be reduced to notification (information that it will happen), rather than authorization (asking for permission to do it). There should be no limitations on advertisement of the event before a notification is provided. Requirements for notification may be justified by the state's duty to protect public order, public safety, and the rights and freedoms of others. In addition, the costs of policing or security, medical assistance or cleaning should be covered by the public authorities and not imposed on organizers or participants in assemblies.[15]

14 ECNL Guide on Digitally-mediated assemblies: https://ecnl.org/handbook/guide-digitally-mediated-assemblies-and-how-monitor-them

15 International Covenant on Civil and Political Rights: Human Rights Committee, General comment No. 37 (2020) on the right of peaceful assembly (article 21): https://docstore.ohchr.org/

4. Blanket restrictions of peaceful assembly are not in line with the principle of proportionality. Similarly, the law should not restrict the use of technical equipment such as banners, loudspeakers, and even temporary constructions. The law should guarantee the right to appeal against decisions to limit the assembly.

Practice:

1. There are cases of freedom of assembly practiced by CSOs (individually or through their organizations) without prior authorization/approval by the responsible state institutions. When notification is required, it is submitted in a short period of time and does not limit the possibility to organize the assembly. Prior notification is not used as a reason to disperse peaceful assemblies, and the obligation to notify should not become a de facto permission procedure. There are no complaints about the restriction on assembly, groups are not required to ask for authorization, nor do the police require one when assemblies take place. Any restriction follows the legally prescribed cases for the limitation. Assemblies are organized in any area the groups want. A violation of this right will be situations where the state deliberately books a place to prevent assemblies from being organized.

2. Regulatory authorities provide prompt, detailed, and objective written explanations for any limitation to assembly. Where there is arbitrary denial or a failure of the regulatory authorities to respond promptly, then this is considered as an excessive restriction on freedom of assembly. Where there is a failure to respond promptly, then the law should presume that the organizers of the assembly may proceed according to terms of notice. Where the authorities restrict this right, there is a possibility for appeal.

3. The state does not interfere in spontaneous assemblies by raising the argument for a need to notify the authorities. Simultaneous and counter-assemblies can take place and the law enforcement authorities exercise necessary control to protect peaceful protestors, accepting that the assembly should take place within sound and sight of the target group. Assemblies are not prohibited at large because there is possibility for counter-assembly, rather protective methods are used to separate the groups, and minimize potential violence and disruption of public order.

4. The participants of peaceful assemblies are not subject to detention. There are no cases where organizers of assemblies or known protestors are detained to prevent assembly from happening. Law enforcement officials do not use force against participants nor use such methods to disperse peaceful protests. There are no complaints of disproportionate use of force to the threat imposed.

5. As the main purpose of any assembly is to convey a message to the target group, media should be guaranteed access to the assembly. Media (regulated and unregulated traditional and online media outlets) should be given full access to assemblies by the authorities and not prevented or obstructed by the state, in any way, to cover and report on the public assemblies. Similarly, observers and monitors of assemblies should not be hindered in exercising their tasks.

STANDARD 2:

CSO representatives, individually or through their organizations enjoy freedom of expression.

LEGISLATION:

1. The legal framework provides freedom of expression for all.
2. Restrictions, such as limitation of hate speech or measures aimed at fighting disinformation, imposed by legislation are clearly prescribed and in line with international law and standards.
3. Libel, insult, and defamation are decriminalized and such offenses are subject only to civil prosecution and there are clear and proportionate sanctions.

PRACTICE:

1. There are no cases of encroachment of the right to freedom of expression for all.
2. There are no cases where individuals, including CSO representatives, are persecuted for critical speech in public or private.
3. There is no sanction for critical speech, in public or private.

Explanation:

Legislation:

1. Freedom of expression is a fundamental freedom which is regulated in several international documents including the ECHR and the EU Charter on Fundamental Rights. This is an important freedom for individuals and CSOs. It is particularly relevant for CSOs which are engaged in human rights and democracy promotion as it allows them not only to speak freely but also to engage in advocacy. The legal framework should guarantee this right to all. There are no legislative initiatives to limit the right to receive information and the freedom of expression, both online and offline.
2. Any limitation to the freedom of expression should be prescribed by law, and it should be legitimate and necessary. An indication can be the comments on the existing laws by various experts, which recognize that the laws are in line with international standards. Some violations that should be avoided include: the law

should not require permission to speak publicly or deliver presentation/lecture; and there should not be a requirement that publications of organizations must be preapproved. The law should not contain broad, confusing statements that may give rise to subjective interpretation. The courts protect the right to freedom of expression when it is violated by undertaking cases and deciding in a timely manner.

3. Criminal defamation laws should be repealed and replaced by appropriate civil defamation legislation. Governments should also abolish, or review in accordance with international standards, other laws that criminalize expression through vague and overbroad definitions pertaining to "fake news", cybersecurity, terrorism, hate speech, public health and national security, among others, which lend themselves to abusive restrictions of freedom of speech. Legal frameworks applicable to defamation should not comprise concepts and definitions that can be used against activists or CSOs representatives. Legal frameworks governing civil, criminal, commercial and administrative proceedings should provide for the necessary safeguards to address unfounded or abusive court proceedings against public participation ('strategic lawsuits against public participation' or 'SLAPPs').[16] Legal provisions should allow for timely identification of SLAPPs within the standard judicial procedures. Procedural safeguards to grant an early dismissal of manifestly unfounded court proceedings against public participation are available, in addition to the other legal remedies. Penalties should not be excessive and disproportionate, to prevent a chilling effect on the public debate.[17]

Practice:

1. There are no unjustified complaints from groups, organizations, media or individuals that they are in any way prevented from expressing their opinions or views, within legal limitations. There are continuous cases in practice where human rights and watchdog organizations can exercise their right to speak, criticize and undertake action to achieve their mission, which may target state policies.

2. There are no unjustified complaints, media reports or reports by national or international organizations that groups, organizations or individuals are threatened or persecuted. SLAPP suits, which are lawsuits intended to censor, intimidate, and silence critics by burdening them with the cost of a legal defense until they abandon their criticism or opposition, are not used as a procedural/judicial harassment against CSOs or activists.

3. Court cases regarding libel, insult, or defamation, as well as SLAPPs, are dealt with at the administrative or civil courts, rather than criminal or misdemeanor courts. There is no prison sentence for critical speech and defamation cases. Compensation adjudicated in such cases is reasonable. Courts should prioritize non-pecuniary remedies, imposing reasonable financial awards only when these

16 COMMISSION RECOMMENDATION (EU) 2022/758 of 27 April 2022 on protecting journalists and human rights defenders who engage in public participation from manifestly unfounded or abusive court proceedings: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32022H0758

17 Anti-SLAPP Directive https://www.europarl.europa.eu/doceo/document/A-9-2023-0223-AM-126-126_EN.pdf

are needed to completely repair the harm done, and not used as a tool to block criticism. Criminal sanctions to freedom of expression should only be applied as an exception and as the last resort, in the most severe cases, such as those involving incitement to hatred. Early dismissal of manifestly unfounded court proceedings is practiced and remedies against abusive court proceedings are applied, such as the award of costs, meaning that a claimant who has initiated the court proceedings can be ordered to bear all the costs of the proceedings, the compensation of damages for any natural or legal person who has suffered harm as a result of such court proceedings, and the possibility to impose effective, proportionate and dissuasive penalties on the party who initiated such court proceedings.

STANDARD 3:

Civil society representatives, individually and through their organizations, have the right to open, secure, and safe civic space, offline and online.

LEGISLATION:

1. The legal framework provides the possibility to assemble, communicate and access information online; if there are legal restrictions, they are exceptional, limited, and based on international human rights law.
2. The legal framework provides safeguards against threats, harassment, and attacks of CSO representatives, both online and offline.
3. The legal framework protects CSOs' right to privacy by prohibiting unjustified monitoring of communication channels or collecting users' information by the authorities.
4. There are clear legal safeguards and redress mechanisms available to curb adverse effects of (emerging) digital technologies on fundamental freedoms.

PRACTICE:

1. There are no cases in practice of violations or restrictions imposed on assembly, expression, communication, or accessing any source of information online.
2. There is effective action by authorities to any attack and harassment of CSOs, CSO representatives or activists, including timely investigation, prosecution, and sanction processes.
3. There is no practice or cases of unjustified monitoring by the authorities of communication channels or of collecting users' information.
4. There are no human rights abuses occurring as a result developing and/or deploying emerging technologies or legislation pertaining to the emerging technologies by the state or third parties.

Explanation:

Legislation:

1. The freedoms of assembly and expression extend also to online civic spaces and engagement in different social networking groups. Based on this, blocking, and/or restricting Internet access or specific platforms through which groups can communicate or undertake activities would be considered a violation of these freedoms. Any restriction has to follow the allowed legal limitations which apply to freedom of assembly and expression.[18]

   Although certain human rights and freedoms could be restricted or suspended in extreme emergency situations (e.g. pandemics, natural catastrophes), measures enforced to introduce such limitations must be proportionate to the threat they are addressing and in accordance with national constitutions and international standards and conventions.[19] Addressing the threat must be done in accordance with the principles of democracy, the rule of law and respect for human rights, and thus, it must include a specified time limit and/or parliamentary oversight.

   CSOs can access any sources of information without hindrance. The law should not contain any prohibition about the way any electronic means of communication is used in the country or beyond that is not justified under wider international standards. Internationally, the following legal provisions are used to limit the right: criminal laws applied to internet expression; laws that impose liability on intermediaries for the failure to filter or block content deemed illegal, prohibitions on the use of social networking platforms, etc.

   Following the model of the EU Digital Services Act package[20], countries need to adopt a modern legal framework that ensures the safety of users online, establishes governance with the protection of fundamental rights at its forefront, and maintains fair and open online platform environment.

2. The legal framework explicitly includes safeguards against threats, harassment, and violence targeting CSO representatives, with specific provisions addressing gender-based violence and discrimination. This includes measures to protect CSOs and activists working on gender equality, women's rights, and LGBTQI+ advocacy, ensuring their safety in both online and offline civic spaces. Governments should establish mechanisms to assess threats, provide protection measures, and respond to attacks or harassment against individual and legal persons, including CSOs and CSO representatives, adhering to international

18 Joint Declaration on Freedom of Peaceful Assembly and of Association and Misuse of Digital Technologies, OHCHR, 2023: https://www.ohchr.org/sites/default/files/documents/issues/trafficking/statements/20230915-jd-foaa-digital-technologies.pdf

19 Compilation of Venice Commission Opinions and Reports on States of Emergency (2020): https://rm.coe.int/16809e38a6

20 European Commission, The Digital Services Act package: https://digital-strategy.ec.europa.eu/en/policies/digital-services-act-package

human rights instruments and mechanisms.[21] These mechanisms may include dedicated units within law enforcement agencies for safeguarding civic freedoms online and offline, ombudsman office, independent human rights commissions, or other mechanisms providing access to an effective remedy to challenge or seek review of decisions affecting exercise of their rights. The state should collect gender-disaggregated data on incidents of harassment, violence, or other forms of interference faced by CSO representatives, as analyzing this data can reveal gender-specific threats, enabling tailored protections, particularly for women and LGBTQI+ activists.

Authorities should ensure that CSO representatives have access to effective judicial remedies when they face threats or attacks. This can include effective conduct of investigation and prosecution of perpetrators, as well as providing avenues for seeking compensation or redress. CSOs, particularly those working on gender equality, women rights and LGBTQI+ rights, are guaranteed access to specialized legal support and rapid response channels that address the specific vulnerabilities of women and LGBTQI+ activists facing gender-based discrimination or violence. Mechanisms to ensure the transparency and accountability of all relevant institutions responsible for the protection of civic rights and freedoms should be in place.

3. The legal framework safeguards the right to privacy for CSOs by prohibiting authorities from engaging in unwarranted monitoring of communication channels or the unauthorized collection of users' information. Any collection, use, storage, retention and disposal of data must be strictly defined and made transparent. This ensures that CSOs can operate free from undue surveillance or data gathering by governmental entities, fostering a secure and private space for their activities and communications.[22] The framework should also extend to online activities, protecting CSOs from invasive practices such as hacking, phishing, or unauthorized access to digital platforms and databases.

4. The legal framework governing the lawful use of (emerging) digital technologies[23] should contain appropriate safeguards which ensure respect for human rights and inclusiveness in technological advances and developments[24]. Governments should introduce policies or regulations on issues including cybersecurity, privacy, accessibility, inclusion, and data ownership, which must account for the affected persons' rights and freedoms, without undue delay. Civil society's participation and open, transparent, and regular dialogue on every stage of the regulations and policies should be ensured. The legal framework on biometrics, artificial intelligence etc. (specific provisions in the relevant laws, criminal law, or acts adopted to regulate information and communication technologies) should

21 US-EU Recommended Actions for Online Platforms on Protecting Human Rights Defenders Online: https://www.eeas.europa.eu/sites/default/files/documents/2024/HRD%20Guidance_Joint_Updated%20_%20Accessible%203.12.24b.pdf

22 International Civil Society Centre (ICSC), Navigating cybersecurity: Guidance for (I)CSO professionals (2022): https://solidarityaction.network/media/cybersecurity-guidance.pdf

23 ECNL: Civic freedoms, safeguards, and transparency in the development and use of emerging technologies and AI. https://ecnl.org/focus-areas/technology-and-artificial-intelligence

24 OECD, Digital Transformation And The Futures Of Civic Space To 2030 (2020): https://www.oecd-ilibrary.org/docserver

adhere to data protection and international human rights law standards, such as the EU General Data Protection Regulation (GDPR)[25], as well as the EU Artificial Intelligence Act[26].

Practice:

1. Individuals are not persecuted or detailed for belonging to or participating in a social network group. Individuals are not threatened, attacked or harassed for exercising their freedom of expression and assembly online. All individuals and organizations, especially local ones, have equal access to means for on-line communication and work. Restrictions on the right can include: technical measures such as blocking and filtering certain sites, such as the web site of the organization or social media. Practice should show that there are no complaints or cases.

   Measures to fight hate speech, cybercrimes, etc. are not used to harass CSOs and limit their activities. Governments do not take actions aimed at restricting internet use, such as bandwidth throttling or blocking access to the internet, in order to restrict freedom of expression. Neither the government nor the courts demand the removal of dissident content from social media or other online platforms.

2. Authorities actively address attacks and harassment against CSOs, their representatives, and activists, with targeted protections for those at heightened risk of gender-based violence, including women and LGBTQI+ activists. A concerted effort to end impunity for attacks on independent and critical voices includes prompt investigation, prosecution, proportionate sanctions and the establishment of support mechanisms to shield these groups from recurring harassment or violence. Public officials' narratives about civil society actors should contribute positively to their recognition and protection, thus creating an enabling environment for their work, where CSO representatives or activists are free to take action without fear for their safety.

3. There are no complaints, media reports or court cases, about unjustified monitoring, surveillance and collecting users' and traffic information, or requiring CSOs to submit personal information, especially not without court warrant based on law which complies with international standards. Authorities' requests for submission of personal information should be clearly justified, necessary, and subject to oversight to prevent abuse and protect the rights and safety of individuals and organizations involved in civil society and activism.

4. Fundamental rights impact assessments should be conducted before deployment of new technologies.[27] Biometric identification, including "real time" and "post" use, emotion recognition, biometric categorization, and predictive policing systems used by all actors, without exception, would be a violation of fundamental

25 General Data Protection Regulation: https://gdpr-info.eu/

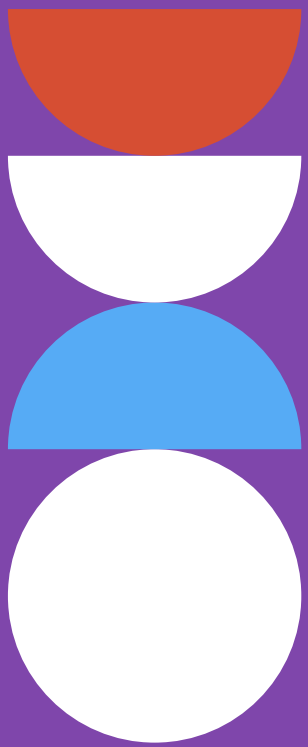
26 EU Artificial Intelligence Act: https://artificialintelligenceact.eu/

27 ECNL Framework for Meaningful Engagement: Human Rights Impact Assessments of AI (2023): https://ecnl.org/publications/framework-meaningful-engagement-human-rights-impact-assessments-ai

rights. Emerging technologies (e.g. artificial intelligence and machine learning, blockchain, biometrics, virtual and augmented reality, etc.) should be used in a clearly defined scope of situations, i.e. those whose data are processed must be duly informed, and data should be deleted/destroyed after a set period of time. Individuals should have access to justice, remedy and redress and the possibility for complaint for individuals or groups whose rights have been infringed by the use of any emerging technologies (innovations or advancements in various fields that have the potential to significantly impact industries, society, and daily life).

AREA 2:

Framework for CSO Financial Viability and Sustainability



PRINCIPLE:

CSOs and donors enjoy favorable tax treatment

Sub-area 2.1:
Tax/fiscal treatment for CSOs and their donors

STANDARD 1:

Tax benefits are available on various income sources of CSOs.

LEGISLATION:

1. The law provides tax-free treatment for all grants and donations supporting non-for-profit activity of CSOs.
2. The law provides tax benefits for economic activities of CSOs.
3. The law provides tax benefits for passive investments of CSOs.
4. The law allows the establishment of and provides tax benefits for endowments.

PRACTICE:

1. There is no direct or indirect (hidden) tax on grants reported.
2. Tax benefits for economic activities of CSOs are effective and support CSOs' operations.
3. Passive investments are utilized by CSOs and no sanctions are applied in doing so.

Explanation:

Legislation:

1. Income from traditional non-profit sources of CSOs such as private or corporate donations, grants and membership fees are not subject to income or corporate tax. The tax laws should contain clear exemptions from taxation of income from these types of sources.

2. As a good regulatory practice, income from economic activities should be exempt from tax. The law could provide for full exemption for all CSOs, or full exemption for organizations involved in public benefit activities (or those that have acquired a special public benefit/charitable status). In case there is no full exemption, the law can tax economic activities but with a lower tax rate or can provide exemption below a certain threshold.

3. Investing an organization's assets to increase them is considered a passive investment. It is passive because that is not the primary purpose of the organization (as compared to investment companies), but once the organization has some assets it is best if it manages them with good care. It usually aims to help an organization develop long-term sustainability and stability of its operations. Passive investment would include income from bank deposits, currency exchange surplus, etc. The most basic exemptions include the exemption from tax on the interest from bank deposits and dividends from owning a company (or shares therewith).

4. An endowment is the capital/assets of an organization which are invested, with only the income from the investment used for running the organization and its programs. There should be a possibility for CSOs, under certain conditions, to invest their assets. In the classical endowment, there may be restrictions where the assets can be invested (to guarantee the stability of the organization). There may be limitations on spending the endowment – a requirement that the annual expenditure of an organization is a percentage of the endowment, or that the income from the endowment does not cover only administrative expenses. A very important issue is whether and what limits are legislatively put on spending the endowment itself to assess whether the law stimulates endowment building. The incentives for endowments are most often two types – incentives for the revenue of the invested endowment (similar to the incentives for passive investments) and incentives for donors providing large gifts for endowment building. An example of a benefit for a donor of an endowment is the case of where donations above 1 mil. EUR could be accounted and deducted from the income for a period of 10 years. This deduction can reduce their overall tax liability during that period, potentially resulting in significant tax savings.

Practice:

1. Indirect tax on grants may include any type of hidden fee that has to be paid e.g. to the authorities where the seat of the organization is located, or to the bank for operating with the grant. A normal bank charge would not fall under this category unless, for example, it is a percentage of the grant received.

2. Tax benefits for economic activity should be simple and straightforward. If there are too many conditions to be fulfilled in order to use them, this would create a practical problem for the CSO. Using tax benefits can be hard for CSOs when too many documents are required, considering the complex administrative procedures. If only a small number of organizations utilize the tax benefits, this may be an indicator that the tax benefits may be more discouraging than enabling.

3. Passive investment is understood and accepted as a concept by the tax authorities, and they differentiate it from CSO economic activity in practice. Potential sanctions that CSOs may face for passive investments can be loss of tax-exempt status, regulatory penalties, or legal consequences.

4. There are already examples of endowments which operate in the country. The income from the endowments is sufficient to cover a large part of the operation of the endowed organizations. In addition, there are no complaints or reported cases of difficult procedures to establish or operate endowments.

STANDARD 2:

Incentives are provided for individual and corporate giving.

LEGISLATION:

1. The law provides tax deductions for individual and corporate donations to CSOs.
2. There are clear requirements/conditions for receiving deductible donations and these include a wide range of publicly beneficial activities.
3. There are state policies supporting cross-sectorial cooperation between CSOs and the private sector.

PRACTICE:

1. There is an easy and functional procedure in place to claim tax deductions for individual and corporate donations.
2. CSOs that implement activities defined as a public interest according to the legislation, including human rights and watchdog organizations, effectively enjoy tax deductible donations.

Explanation:

Legislation:

1. Both individual and corporate donors should receive certain tax exemptions for making donations to CSOs. The exemptions are usually in the form of deductions – decreasing the amount of the tax base on which the corporate/income tax is levied; e.g. if someone's income is 1000 EUR and the person has donated 100 EUR, then the tax would be levied on the difference – 900 EUR.

   A less popular form of tax benefits is the tax credit – tax credits allow the donor to subtract part of the donated amount from the tax to be paid, i.e. they reduce the amount of tax owed. There may be a limit on the amount of donations that may be deducted, which could be based on the income or on the profit or turnover (in the case of a company).

   It is important to also consider that there may be differences in terms of who uses the tax benefit – donors to all CSOs, or donors only to a smaller segment (e.g.

public benefit organizations or only organizations working in specific areas). In the cases where donors decide a percentage of their taxes to go to CSOs, often only the biggest charity organizations (e.g. Red Cross, UNICEF, etc.) profit from this incentive. There are other models, however, more in the interest of smaller, local CSOs, where any CSO that has received a donation from a certain individual can claim additional funds from tax authorities from those individuals' taxes i.e. can claim back the basic rate tax already paid by the individual on donated goods. For example, the UK Gift Aid[28] allows organizations to claim back 25% of each donation at no extra cost to the donor. In this case, after an individual has made a 100 EUR donation to a CSO, the CSO can claim back 25% of the donation from the government on the individual's behalf. This model encourages charitable giving by effectively increasing the value of donations made by eligible taxpayers.

Regarding individual donors, benefits exist not only for people working under labor contracts, but also for people having income from rent or from other independent activities (e.g. composers, writers, self-employed people).

2. Tax benefits for donations are generally available either for activities which are mostly considered as public benefit (e.g. activities in the social, healthcare or education area, protection of human rights, etc.) or for organizations that have acquired a specific tax benefit status (e.g. public benefit status). In cases where the law lists the activities of public interest, it should embrace a large list of areas and include the fields of human rights and democracy. The areas of public interest should be clearly defined so that there is no abuse or arbitrariness.

   Laws should not prescribe burdensome procedures for claiming tax benefits, processes which require involvement and/or approval of several state bodies. All procedural requirements should be simple and adequate to the type and amount of donation. Donors should not be required to undergo burdensome procedures to justify the tax benefit. Tax benefits should be fully applicable in practice and the donor and recipient should have legal certainty on whether the donation is eligible for tax benefit prior to a donation commitment being made. Donors are not held responsible for the actual use of the donation for public benefit.

3. Governments play a crucial role in facilitating and supporting cross-sector cooperation by providing a conducive environment, resources, and mechanisms for collaboration. A good practice is to establish policies and programs for engaging with the private sector, including and going beyond corporate social responsibility, as well as providing incentives for such cross-sectoral partnerships.[29] This may also involve establishing dedicated coordination bodies or platforms that facilitate matchmaking, knowledge sharing, and networking opportunities between CSOs and private sector actors.[30] In the preparation and implementation of all strategic or policy documents related to cross-sectorial cooperation, the needs of CSOs are addressed and CSOs are effectively involved.

28 https://www.litrg.org.uk/tax-nic/income-tax/gift-aid

29 B. Byiers, F. Guadagno and K. Karaki (2015), From looking good to doing good: Mapping CSO-business partnerships, ECDPM: https://ecdpm.org/application/files/7216/5546/8880/DP-182-Mapping-CSO-Business-Partnerships-ECDPM-2015.pdf

30 Albanian Centre for Economic Research-ACER (2022), Exploring Civil Society Organizations-Businesses Partnerships in the Context Of Albania: https://balkancsd.net/novo/wp-content/uploads/2022/11/ACER-FINAL.pdf

Practice:

1. The procedure for using tax benefits for donations is not complicated and the documents required are not burdensome to obtain. There is a possibility for people not submitting annual tax declaration to use the benefits through their employer or in another way. Where there is a possibility to deduct a donation over a period of several years, this is correctly applied.

   Data shows that people use their right to deduct donations (a negative sign would be if people prefer not to bother with "bureaucracy" and not submit documents for using the tax benefits because of complicated procedures).

2. In case of specific limitations on the types of CSOs that can receive tax-deductible donations, the list includes the most typical public benefit organizations e.g. human rights organizations, organizations working in the areas of healthcare, social services and education, etc. Whilst there may be other categories of recipients of tax-deductible donations (e.g. hospitals, galleries, museums) which are not CSOs, the benefits that their donors can use are not greater/bigger than the benefits for CSO donors.

PRINCIPLE:

State support to CSOs is provided in a transparent way and spent in an accountable manner

Sub-area 2.2: **State Support**

STANDARD 1:

Public funding is available for institutional development of CSOs, project support and co-financing of EU and other grants.

LEGISLATION:

1. There is a law or national policy (document) that regulates state support for institutional development for CSOs, project support and project co-financing.
2. There is a clearly defined national-level mechanism for distribution of public funds to CSOs.
3. Public funds for CSOs are clearly planned within the state budget.
4. There are clear procedures for CSO participation in all phases of the public funding cycle.

PRACTICE:

1. Available public funding responds to the needs of the CSO sector.
2. There are government bodies or government-authorized bodies with a clear mandate for distribution and/or monitoring of the distribution of state funding.
3. Funding is predictable, not cut drastically from one year to another; and the amount in the budget for CSOs is easy to identify.
4. CSO participation in the public funding cycle is transparent and meaningful.

Explanation:

Legislation:

1. The government has adopted a law, a strategy, a compact or another document which contains the steps the government has to take with regards to supporting civil society development (CSDev) or supporting CSOs and their work, especially financial support. It is important that this document targets civil society as a whole and not some segment or sub-sector (e.g. organizations providing social services only). Examples of areas regulated in different countries include, among other, measures to support the financial sustainability of CSOs, regulation of a specific mechanism for state funding to CSOs, etc.

2. The mechanism for distribution of public funds should target CSOs specifically. The mechanism could be centralized (all funds for CSOs at the national level are distributed by one entity) or decentralized (there could be many agencies providing funds to CSOs in different areas and/or at the local level). The mechanism could be managed by a fund especially set up for that purpose (Estonia, Croatia), by a special agency (Albania), by line ministry/ies or could be contracted to a CSO. In most cases, the mechanism would be used to distribute grants.

3. The annual state budget contains an allocation of funds that would be distributed only to CSOs. When the source of income for the funding mechanism comes from a specific source (e.g. lottery proceeds, environment licensing fees), the law precisely defines the amount or percentage to be allocated to CSO development/ projects.

4. There is a requirement that government consults with CSOs over funding priorities and programs for CSOs. CSO representatives are required to participate in the project selection under clear conflict of interest rules. To secure CSO participation in the selection process there could be a quota set for CSOs in the project evaluation committee. There is a requirement that CSO representatives participate in monitoring and evaluation phases of project/ program implementation.

Practice:

1. The amount distributed from the state to the CSO sector is not negligible. State funding is a recognizable source of income for CSOs and various CSOs can utilize it. While the amount of money that should be allocated to CSOs will vary between countries, it is important to consider several factors to decide if it meets their needs, such as: are other sources available to CSOs? To what extent do CSOs depend on state funding? What is the overall capacity of the sector? Which activities are unfunded? And what is the total allocation in the overall budget? The sector is consulted over funding priorities, and funding priorities include CSDev. Public funds are accessible for institutional support and projects of all CSOs, with explicit inclusivity for organizations that address gender equality, women's rights, and LGBTQI+ rights. This includes funds for initiatives on gender-based violence prevention, women's economic empowerment, support for marginalized gender identities etc., ensuring accessible and long-term support to foster their sustained impact on societal inclusivity and non-discrimination. Public funding could be used for co-financing of EU- or other donor-funded projects.

2. There could be one or several government bodies or government-authorized bodies which can be specifically established for the distribution of state funding to CSOs, or there may be existing institutions that are mandated with CSO funding as part of their obligations (e.g. Government liaison offices for cooperation with CSOs). The bodies responsible for grant-making also have the obligation to monitor the implementation of the funded projects.

3. It is clear that state support of CSOs does not depend on changes in political power or of government. The amount is constant and without drastic decreases. In addition, the budget allocation for CSOs should be separate from allocations to other non-profit entities (e.g. in many countries sports clubs are registered as associations, or state bodies can form foundations. The state may claim support for civil society when it is in fact supporting sports or state-controlled institutions).

4. The mechanism through which CSOs are selected for participation in the different cycles of the public funding process is transparent. When CSO representatives are appointed for certain positions or in certain bodies, the announcement for that is public and the process is open. When joint bodies (with CSO and non-CSO members) are established, CSO representatives have equal powers (e.g. the right to vote) and a balance between the two quotas could exist (e.g. allowing equal numbers of CSO and other representatives). Non-registered CSOs are not limited or discriminated against in the processes of participation.

STANDARD 2:

Public funding is distributed in a prescribed and transparent manner.

LEGISLATION:

1. The procedure for distribution of public funds is transparent and legally binding.
2. The criteria for selection are clear, coherent with the institution's policy objectives, adequate, and published in advance.
3. There are clear procedures addressing issues of conflict of interest in decision-making.

PRACTICE:

1. Information relating to the procedures for funding and information on funded projects is publicly available.
2. State bodies follow the funding procedure and apply it in a harmonized way.
3. The application requirements are not discriminatory and too burdensome for CSOs.
4. Decisions on tenders are considered fair and conflict of interest situations are declared in advance.

Explanation:

Legislation:

1. There is a clear and legally binding mechanism through which the whole process of announcing the grant procedure and selecting the supported projects is carried out. The announcement for the procedure is public and it provides for sufficient time to prepare and submit project proposals and all required accompanying documents. Where there is a non-binding document, i.e. a Code, specific provisions should be included to ensure that the state authorities follow the procedure and remedies exist in case of non-implementation or breach.

2. The criteria and methodology for evaluation of projects are publicly known and available in advance and allow for equal access for both registered and non-registered organizations. The selection criteria are coherent with the policy objectives of the institution providing the funding and ensure that selected CSO activities and projects are in line with and contribute to the institutions' goals, policies, and plans. The selection criteria are adequate for the funding instrument

and the targeted CSOs, and may differ for different funding instruments, such as co-financing, project funding, and institutional funding. Tailored selection criteria ensure that CSOs or projects selected for funding are best suited to meet the intended goals of the funding instrument, and acknowledge the diverse needs and capacities of CSOs, enabling a broader range of organizations to access funding and ensure CSOs working on gender rights receive proportionate access and support to advance gender equality. It is clear which components make a proposal stronger and how they will be evaluated. Rejected proposals receive information on the reasons for not being selected.

3. Conflict of interest rules are part of the regulations or Codes and clearly prescribe the situations and how to avoid them. For example, the law can provide that individuals related to the applicant organizations cannot evaluate their proposals. The law should require that individuals disclose the possible conflict in advance, and they should be replaced with another qualified evaluator.

Practice:

1. The government or the state institutions involved in the process of funding CSOs are required to publish online information on the funded projects. The minimum information that state institutions should disclose includes the name and contacts of the recipient organization, the amounts provided and the goals and activities of the supported projects.

2. By following the legally prescribed funding procedure, state bodies can enhance efficiency, fairness, and effectiveness in the allocation of public funds. It promotes consistency, coordination, and transparency, ultimately leading to better utilization of resources and achieving desired policy outcomes. Applying the procedure in a harmonized way would mean that various institutions apply the legal requirements in the same/similar way. In case of inadequately implemented procedures, CSOs can submit a formal complaint and authorities respond in a timely and appropriate manner. There are mechanisms that ensure the accountability of public institutions and legal consequences in cases of inadequately implemented procedures.

3. The required documents to be submitted with the application for a grant are not difficult to acquire and do not cost too much. They are limited in number and most of them are required at the stage of signing the contract. The application forms are clear and the whole application package is easy to prepare. There are no discriminatory requirements which limit the participation of a large number of organizations in advance.

4. There are no signals that the recipients of grants are somehow related to the government, the institution providing the funding, or the members of the commission that has taken decisions on the grant allocation. There are no cases where awarded organizations are created especially for the purpose of applying for particular funding, where awarded organizations have no public record or any available information on their organization and activities, or where groups of government-affiliated, government-aligned or government-organized organizations repeatedly receive a significant share of the funding. Public funding is distributed in a fair manner, without preferential treatment based on political affiliation or other unlawful terms, and without creating an unfair competition that would discourage independent CSOs and reduce the space for their operations.

STANDARD 3:

There is a clear system of accountability, monitoring and evaluation of public funding.

LEGISLATION:

1. The procedure for distribution of public funds prescribes clear measures for accountability, monitoring and evaluation.
2. There are prescribed sanctions for misuse of funds which are proportional to the violation of procedure.

PRACTICE:

1. Monitoring is carried out continuously and in accordance with predetermined and objective indicators.
2. Regular evaluation on effects/impact of public funds is carried out by state bodies and is publicly available.

Explanation:

Legislation:

1. The documents regulating the procedure contain clear rules about how the project funding will be evaluated and monitored and they are an integral part of the distribution system/process. All recipients of state funds are required to submit reports detailing the use of funds received. Both desk-based monitoring of documents and quality assessments through visits of activities is undertaken.
2. The prescribed sanctions for violations are proportionate to the level of the breach and consider the size of the grant and the organization. The law should provide for procedures whereby CSOs are given an opportunity to remedy the situation before the sanction is applied. When sanctions are applied, the respective authorities take into consideration the seriousness and the intent of the violation. The purpose of sanctions for small/first-time violations is to discipline the respective CSO.

Practice:

1. There are monitoring experts that pay visits to the implementing organization or the events/activities it organizes with public funding to evaluate the quality of implementation. Such visits are conducted with prior notification given to the organization. In addition, organizations' expenditures are monitored against the proposed budget. There are no cases of administrative harassment on the side of the monitoring experts. There is a mechanism to amend project activities or budget based on reasonable requests.

2. The state administration carries out regular (every 3-5 years) evaluation of the public funding it provides to CSOs and determines how to improve the program. Such evaluation could be carried out by an independent entity. The reports from the evaluations are posted on the web site of the respective public institutions in an easily accessible manner.

STANDARD 4:

Non-financial support is available from the state.

LEGISLATION:

1. Legislation allows state authorities to allocate non-financial support, such as state property, renting space without financial compensation, free training, consultations and other resources, to CSOs.
2. The non-financial support is provided under clearly prescribed processes, based on objective criteria and does not privilege any group.

PRACTICE:

1. State authorities grant non-financial support to CSOs working in diverse fields, including those critical of the government's work.
2. CSOs are treated in an equal or more supportive manner compared to other actors when providing state non-financial resources.

Explanation:

Legislation:

1. There is a law or regulation which contains provisions that authorize state authorities to provide non-financial support to CSOs. Other possible forms of non-financial support include the creation of consultative/ resource centers for CSOs that are supported by the state, and organization of specialized trainings for increasing the capacity of CSOs (free of charge), etc.

   Policies and legislation recognize that state-owned property can be utilized for purposes that benefit society as a whole. This may involve allocating state-owned spaces for the provision of public services, such as educational institutions, community centers, or shelters for vulnerable populations, or for cultural purposes (e.g. performances, exhibitions, cultural events). In addition, it can involve access to and social reuse of confiscated assets, drawing on good

practices and lessons learned in Albania[31] and EU countries such as Estonia, Italy and Romania.[32]

CSOs that work towards social causes, such as poverty alleviation, public health, or social inclusion, may be granted access to state property to carry out their activities. By allowing CSOs access to state property for activities aligned with social, cultural, environmental, or other areas of public benefit, governments aim to foster collaboration, innovation, and the achievement of shared policy objectives.

2. The procedure for providing non-financial support to CSOs is clear and could be used by different CSOs. Some of the support could be available for longer-term periods. Termination of the agreement or renting the property or other type of longer-term support could only happen for limited and objectively measurable conditions after sufficient advance notice is provided.

Practice:

1. There are examples and reports of CSOs receiving property or other types of nonfinancial support. CSOs, especially small, local voluntary organizations, recognize the possibility and apply for such support.

   The process of granting non-financial support to CSOs is not politically biased and different organizations, including organizations which are critical to the government, may benefit from it. There are no cases of depriving CSOs of support or favoring CSOs based on political loyalty or affiliation, or other unlawful terms. There are no examples of organizations that have received property or other types of support under a previous government being expelled before the end of their contract because the new government associates them with a different political power.

2. CSOs, especially the ones carrying out public benefit activities, receive support free of charge or at a lower than market rate. CSOs do not report cases of burdensome requirements (high rent fee or criteria which only a small group of CSOs can meet), preferential treatment of certain groups or different procedures each time.

31 Partners Albania, CAUSE – Confiscated Assets Used for Social Experimentation: https://partnersalbania.org/wp-content/uploads/2020/09/cause-project-brochure-web.pdf

32 Global Initiative Against Transnational Organized Crime, Social Reuse of Confiscated Assets (2022): https://globalinitiative.net/wp-content/uploads/2022/02/GMFA-Social-Reuse-of-Confiscated-Assets-Eng.pdf

PRINCIPLE:

State policies and the legal environment stimulate and facilitate employment, volunteering, and civic engagement

Sub-area 2.3: Human Capital

STANDARD 1:

CSOs are treated in an equal manner to other employers.

LEGISLATION:

1. CSOs are treated in an equal manner to other employers by law and policies.

PRACTICE:

1. If there are state incentive programs for employment, CSOs have equal access as other for-profit and public sector entities.
2. There are regular statistics on the number of employees in the non-profit sector.

Explanation:

Legislation:

1. When CSOs employ people, there are no additional requirements or registrations for them as compared to commercial companies. Employment laws and regulations treat CSOs as other employers, particularly when it comes to protecting workers' rights and providing certain benefits. Legislation encourages CSOs to adopt family-friendly policies, such as parental leave, by including provisions in state funding requirements or providing additional support to CSOs that implement such policies.

Practice:

1. CSOs are not excluded from different incentive programs for employment and they can receive support from the state on an equal basis to other sectors of the economy. Examples of incentive programs include supported employment of representatives of vulnerable groups, tax incentives for employers of representatives of vulnerable groups, supported practice in CSOs of newly graduated students, support for employment of graduates, subsidies for employing long-term/first-time employees, non-financial support, etc. The state provides targeted support for equitable employment in the CSO sector, with policies and incentives that promote gender equality in hiring, retention, and advancement.
2. The national statistics institution collects information on the employed people in the civil society sector, as well as other information relevant to CSOs. The information should include various types of employment, such as full-time employees, part-time employees, consultants or people with short-term contracts. The state collects and publishes gender-disaggregated data and findings on CSO employment trends, providing insights into gender representation across the sector.

STANDARD 2:

There are enabling volunteering policies and laws.

LEGISLATION:

1. Legislation stimulates volunteering and incorporates best regulatory practices, while at the same time allowing for spontaneous volunteering practices.
2. There are incentives and state supported programs for the development and promotion of volunteering.
3. There are clearly defined contractual relationships and protections covering organized volunteering.

PRACTICE:

1. Volunteering incentives and programs are transparent and easily available to CSOs and the policy, strategic document or law is being fully implemented, monitored and evaluated periodically in a participatory manner.
2. Administrative procedures for organizers of volunteer activities or volunteers are not complicated and are without any unnecessary costs.
3. Volunteering can take place in any form; there are no cases of complaints of restrictions on volunteering.

Explanation:

Legislation:

1. The law contains minimum provisions necessary to protect volunteers and their organizations (definitions, rights and obligations, contractual provisions, tax and other types of benefits, liability rules) and leaves the rest to be defined by the parties. The law does not prevent spontaneous volunteering (for example by requiring a contract for every type of volunteering). Where a group of friends decide to clean their neighborhood, the law should not impose any burden on them such as preliminary registration, the need to have a contract with a hosting organization or the need to report to anybody. As a good regulatory practice, provisions which require registering volunteers with state authorities should not exist; it is enough if organizations keep records of volunteers and the time that they have spent volunteering.
2. The government can adopt policies and programs through which they promote volunteerism or provide special support and training for volunteers. It can also provide different incentives which are usually of two types – for the volunteers

and for the organizations hosting or supporting volunteers. The incentives for volunteers include the possibility to use benefits (e.g. health insurance or social security), the right to receive reimbursement for covering expenses made in relation to volunteering (travel, accommodation, per diems, etc.) and exemption from income taxes on this reimbursement. The incentives for organizations could include grant programs supporting volunteering engagement, providing non-financial support to volunteering organizations, etc. The law can prescribe that volunteers will receive a volunteering booklet or other type of record for the hours they have performed and types of services engaged in, which could be used as a reference for future engagements.

3. The law provides the basic regulation on what the responsibilities of volunteers and of organizations hosting volunteers are, e.g. volunteers whose involvement exceeds a certain number of hours or is continuous over a certain period of time. It defines what types of organizations can host organized volunteers. It stipulates where there needs to be a contract between the volunteer and the organization, but it leaves it to the organizer and the volunteer to agree on the specific conditions of the volunteering engagement. For example, contracts should be required only for volunteering above certain hours a month (e.g. 20 hours) and not in cases where volunteering is spontaneous. However, the law should guarantee that volunteers are informed about the conditions, rights, obligations and benefits before they start volunteering so that they are aware of all the circumstances and particulars of the engagement.

Practice:

1. Volunteers can use the existing incentives without the need to go through a complicated procedure. There are real incentives for supporting volunteerism which work in practice e.g. grant programs. The incentives for volunteering and for organizations hosting volunteers are provided in a transparent way and the selection of the recipients of support is based on objective criteria. There is a state agency/ministry board which has a mandate to monitor and evaluate the implementation of the legislation and the different programs and incentives related to volunteering.

2. The process for attracting volunteers or becoming a volunteer is not complicated and burdensome. Organizations can rely on volunteers without the need to register them. There is no requirement to register volunteers.

3. Spontaneous volunteering can take place and there are no examples of state authorities prohibiting it because of a lack of registration or approval. There are no examples of state labor authorities requiring volunteers to have labor agreements or sanctioning organizations for the illegal use of a labor force.

STANDARD 3:

The educational system promotes civic engagement.

LEGISLATION:

1. Civic engagement is promoted through policy/strategy/laws.
2. Civic education is included in the official curriculum at all levels of the educational system.

PRACTICE:

1. The educational system includes possibilities for civic engagement in CSOs.

Explanation:

Legislation:

1. Sustainability of human capital and general support and trust in civil society can be ensured through long term measures and strategies for promotion of civic engagement. Civic engagement refers to the active participation of individuals in the community or society to address public issues and contribute to the common good. Civic engagement plays a vital role in resource mobilization for CSOs. When citizens are engaged and have a clear understanding of the issues and challenges faced by their communities, they are more likely to support CSOs financially, contribute their skills and expertise, and actively participate in fundraising efforts and CSO activities. Civic engagement helps to diversify and expand the resource base of CSOs, enabling them to sustain their work and achieve their goals.
2. Both in schools and universities there are subjects which introduce pupils/students to civic engagement, philanthropy, civil society and other similar concepts. Civic education is constructed in a way that it teaches democratic values and practices from the earliest of age, rather than giving an overview on political systems. This type of education provides students with insight on the concepts of human rights, social justice, responsibility, accountability and active participation, while exploring various options for civic engagement. There is

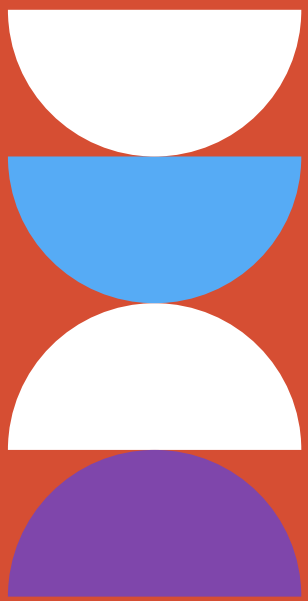
a possibility for CSOs to take part in the informal education system and CSO-related topics are integrated into education strategies and policies.

Practice:

1. There are integrated programs for internships, fellowships, or volunteerism with CSOs as part of the curriculum, as well as civic education courses within compulsory education. Pupils/students are engaged in different community activities or social activities organized in partnership with CSOs.

AREA 3:

State-CSO Relationship



PRINCIPLE:

There is a strategic approach to furthering state-CSO cooperation and CSO development

Sub-area 3.1:
Framework and Practices for Cooperation

STANDARD 1:

The State recognizes, through policies and strategies, the importance of the development of and cooperation with the sector.

LEGISLATION:

1. There are strategic documents and/or measures dealing with the state-CSO relationship and civil society development.
2. The strategic documents and/or measures include specific goals and indicators, as well as funding available and clear allocation of responsibilities.
3. The strategic documents embrace measures that have been developed in consultation with and/or recommended by CSOs.

PRACTICE:

1. CSOs from different areas of interest regularly participate in all phases of the strategic document development, implementation and evaluation.
2. There are examples demonstrating that cooperation between state and CSOs and CSDev is improved and implemented according to or beyond the measures envisaged in the strategic document.
3. The implementation of the strategic documents is monitored, evaluated and revised periodically.
4. State policies for cooperation between state and CSOs and CSDev are based on reliable data collected by the national statistics institution taking into consideration the diversity of the sector.

Explanation:

Legislation:

1. Civil society development and partnership with CSOs can be included in more general strategic documents (e.g. the country development plans) or other measures that outline the government's systematic approach and commitment to supporting and engaging with CSOs. Many countries, though, adopt specific documents related to civil society. These include unilateral documents (government strategies for CSDev which stipulate undertakings only for the government) or bilateral agreements (compacts, programs) which detail undertakings for both parties. All these documents should be developed together and formally approved by the government or parliament. These documents can also be adopted by line ministries for the specific cooperation with CSOs in their field of competence, in addition to or instead of one general document adopted by government or parliament. The existence of such documents provides the framework for overall cooperation, and details the priorities for support over a period of a year. In general, it is considered that the existence of such documents supports the promotion of policies and laws for an enabling environment.

2. Strategic documents and/or measures are usually accompanied by implementation/action plans which prescribe specific indicators, measures and actions to be taken, the responsible authorities, and the timeframe in which that should happen. It is very important that the implementation of activities under the strategies is supported financially from the state budget through specific budget allocations for the plan. The adopted strategies and frameworks include priorities for support to CSOs advocating for gender equality, women's rights, and LGBTQI+ rights, and include anti-discrimination protections that promote the safe operation of gender equality-focused organizations, and address the specific risks faced by gender rights advocacy groups and activists.

3. A true document on CSDev and/or partnership between CSOs and the state body cannot be developed without the participation of CSOs. Good policy-making requires that CSOs are included in the planning and drafting process from the very beginning. It is important that the process of inclusion of CSOs is public and transparent and it reflects the needs of most CSOs.

Practice:

1. In addition to being developed with CSOs, the strategic documents and/or measures should involve CSOs in its implementation and monitoring. There should be attempts for this process to be as inclusive as possible and to involve CSOs from the main areas of the CSO sector, without discriminating or excluding any CSOs on the basis of political affiliation/stances. Joint reports on the implementation of the document/measures would be one more concrete indicator that CSOs have been considered and consulted in the implementation and assessment.

2. Cooperation by the state with CSOs should become rooted in the operations of state institutions. It should be an integral part in the development of policies and legislation. There should be no examples of cooperation limitation e.g. by setting up consultative councils which are not used in the policy-making or involving CSOs in consultation processes just so that they can report that there is cooperation. There are reports and examples which show that the government and CSOs have undertaken activities together, or that the government has implemented obligations in adopted strategic documents.

3. There is a need to regularly monitor the implementation of the actions/measures envisioned in the strategic documents. This should happen annually, while a more general evaluation could be undertaken after a longer implementation period (e.g. 3 to 5 years). Based on such monitoring and evaluation, the strategic documents should be revised to reflect the changes in the environment and make sure the documents are up-to-date. The responsible body for implementation of the documents should have developed guidance for monitoring and reporting on the results for other actors. CSOs should be part of the process.

4. In order for the state policy for civil society to respond to the needs of the sector, it should be based on reliable data. This data should be collected by the national statistics institution or contained in the reports on the development of the sector by different organizations and donors. The information collected should be able to give answer to questions including (but not limited to): How many CSOs are active? In what sectors do they operate? How many people are employed by the sector full-time and part-time? How many volunteers are engaged with CSOs? What are the income sources of CSOs? What is their income? What is the product prepared by the sector? What are the main obstacles to the functioning of different sub-sectors?

STANDARD 2:

The State recognizes, through the operation of its institutions, the importance of the development of and cooperation with the sector.

LEGISLATION:

1. There is a national level institution or mechanism with a mandate to facilitate cooperation with CSOs.
2. There are binding provisions on the involvement of CSOs in the decisions taken by the competent institution or mechanism(s).

PRACTICE:

1. The national level institution or mechanism(s) has/have sufficient resources and mandate for facilitating CSO-government dialogue, discussing the challenges and proposing the main policies for the development of civil society.
2. CSOs are regularly consulted and involved in processes and decision-making by the competent institution or mechanism(s).

Explanation:

Legislation:

1. In addition to being rooted in every administration and part of the government, the policy towards CSOs should be part of the mandate of a government ministry or agency. In addition, such policy could be supported by different mechanisms so as to ensure its practical implementation and facilitation.

   Examples of such mechanisms include:

   - Parliamentary committee dealing with civil society issues;
   - Separate government agency/office dealing specifically, with civil society issues;
   - Consultative body/council consisting of representatives of both government and CSOs focusing especially on CSDev;
   - Separate departments/contact points in different government agencies assisting CSOs.

   When consultative bodies are formed in general, a secretariat or administrative officer will be appointed to facilitate the work of such bodies and to make sure

that they can achieve practical results. The functionality and financial viability of mechanisms should be ensured in the legal framework of the body for Government- CSO cooperation.

2. Regardless of the type of mechanism chosen by the respective country, as a good practice CSOs should be consulted in decisions undertaken by the body which affect their work. As an example, CSOs should be able to take part in the acts it prepares which will define the engagement of the body with the sector (e.g. annual program, projects, etc.). To foster this, regulations governing the work of these institutions should contain rules about CSO engagement and consultation.

   Where they are participating in a cross-sector body (e.g. a joint council, committee etc.), they should be at least equal in number to the government representatives or be able to veto decisions which they do not support.

Practice:

1. The institution in charge of CSO policies has sufficient leverage within the government and its decisions are respected and followed by the ministries to which they are addressed. The institution can communicate with the CSOs without obstacles, it can invite them to meetings or attend their events without a need to obtain prior authorization from another government agency. For councils or commissions in which multiple government agencies participate, the level of the participating administration should be high enough to guarantee that the state representatives have decision-making power and what they decide will be followed by the institutions they represent. The body should also receive sufficient funding to make sure its decisions and activities can be implemented in practice.

2. There are examples of registered and non-registered CSOs taking part in consultations or working groups/bodies, if any, and all relevant decisions of the body are taken with CSO participation. Most of the decisions come out of CSO recommendations or are supported by CSOs. The state collects gender-disaggregated data on CSO representatives participating in advisory councils, working groups, or public consultations. This ensures gender balance in government-CSO interactions and tracks representation to address any gender imbalances in collaborative decision-making spaces.

PRINCIPLE:

CSOs are effectively included in the policy and decision-making process

Sub-area 3.2:
Involvement in policy and decision-making processes

STANDARD 1:

There are standards enabling CSO involvement in policy and decision-making, which allow for CSO input in a timely and effective manner.

LEGISLATION:

1. There are clearly defined standards on the involvement of CSOs in the policy and decision-making processes in line with the best regulatory practices prescribing minimum requirements which every policy-making process needs to fulfill.
2. State policies provide for educational programs/training for civil servants on CSO involvement in the work of public institutions.
3. Internal regulations require specified units or officers in government, line ministries or other government agencies to coordinate, monitor and report CSO involvement in their work.

PRACTICE:

1. Public institutions routinely invite all interested CSOs to comment on policy/legal initiatives at an early stage.
2. CSOs are provided with adequate information on the content of the draft documents and details of the consultation with sufficient time to respond.
3. Written feedback on the results of consultations is made publicly available by public institutions including reasons why some recommendations were not included.
4. Evidence produced by CSOs is consulted and used in policy development processes.
5. Most of the units/officers coordinating and monitoring public consultations are trained and have sufficient capacity to effectively involve CSOs in the processes.

Explanation:

Legislation:

1. The legal framework, developed in an inclusive and non-discriminatory manner for all registered and non-registered CSOs, should put forward a requirement for consultation on draft laws and policies with the public. CSOs should be involved from the very beginning of the legislative/policy process. Each policymaking process, in addition to other forms of consultation, should be subject to written consultation in which the text of the act is made publicly available and people are allowed to provide written comments to it. CSOs and the general public should be given a reasonable time to be able to acquaint themselves with the proposal and form an opinion. The legal framework should require written feedback on the received proposals with explanations why some of them have not been accepted. CSOs should also have access to the discussions of the developed drafts and be given a chance to defend their positions. The legal framework should provide options for redress if the provisions for consultations are not respected.

   The above principles should be part of the basic legal provisions for consultation on draft laws and policies. In addition, the government/Parliament could adopt a stand-alone law, guidelines or code on public consultations to promote better regulation, evidence-based and inclusive policy making. In the case of non-binding documents, particular measures should be taken to ensure that it is followed (e.g. more investment in raising awareness about the provisions, monitoring and training). Finally, such rules should also apply to participation in monitoring and evaluation of policy/law implementation and its effects (e.g. ex post analysis and assessments), including evidence gathering through direct feedback and consultations with affected stakeholders.

   The legal framework should include explicit standards that ensure the inclusion of CSOs focused on gender rights, enabling their participation in policy discussions and decision-making processes. These standards should prioritize the voices of organizations advocating for gender equality, women's rights, and LGBTQI+ rights, ensuring they have equal opportunities to contribute to shaping policies that affect their constituencies.

2. Organizing public consultations requires specific knowledge and skills. Public servants engaged in the process of policymaking should undergo targeted trainings to acquire the above-stated as part of their on-the-job training. Such events could contain training on how to invite CSOs, how to draft questions for comments, what forms to use for consultation etc.

3. Such officers/units organize the consultative processes of their respective agencies. They also monitor the level of involvement and report on the organized consultation processes. The existence of such a unit or officer also makes it easier for the public and CSOs to get in contact with the responsible state body to inquire further about the plans for consultation and engagement, and the final adoption of the document.

Practice:

1. There are numerous examples of policy initiatives to which CSOs are invited for consultation. Non-registered organizations and their representatives are ensured equal access to consultations. Such consultation happens in the early stages in order for the CSO input to be considered when deciding the general direction of important initiatives. CSOs are given sufficient time to prepare an opinion (at least a weak advance notice for meetings) and are also given a chance to express their position (e.g. they are given the floor). An ideal scenario would include at least 15-20 working days during which CSOs can present their opinion. There are no complaints about the lack of consultation on drafts or intensive law drafting in expedited procedures.

   The government actively engages CSOs focusing on gender equality and non-discrimination in public consultations on draft policies and regulations. Engagement efforts are inclusive and aim to incorporate insights from gender-rights CSOs on policies impacting gender-equality, ensuring their voices are reflected in policy outcomes.

2. The draft documents on which CSOs are required to present an opinion is made public. In addition, the administration can prepare a short summary that is not written in a technical language that explains the basic points of the documents. It could also contain the key issues which are under consideration and on which they would like to hear CSOs' opinions. All related documents, such as analyses, opinions of other institutions, etc. should also be available publicly in order for the general public to make an informed decision. The documents are available in a machine readable format, ensuring accessibility to the visually impaired and interoperability of data.

3. A list of the people/CSOs/entities that have provided opinions, together with their opinions or a summary of collected opinions is made public and is part of the submission of the document for adoption. In addition to that, feedback on the opinions is also made public, including clear explanation as to why some opinions have not been taken into consideration. The feedback is provided within a reasonable time after the end of the consultative process. There are no major and frequent complaints that the CSOs' opinions were not considered.

4. Ministries hold constructive dialogue with CSOs and collect, analyze, and use all contributions when finalizing the policy proposal. As a result, the adopted government documents (strategies, plans, programs, or other types of documents) reference evidence-based findings produced by CSOs. Evidence-based findings produced by CSOs are also referenced in policy papers, policy analyses and impact assessments. As a good practice, relevant ministries or other government institutions invite or commission a wide range of CSOs, such as think tanks, independent institutes, and locally-based organizations, to prepare policy studies, papers or impact assessments for specific policy problems or proposals.

5. Most institutions dealing with public policy have designated officers who are practically organizing public consultations. They show understanding of the issues and openness to engage CSOs, and they provide advice to CSOs on how to respond more meaningfully to the consultation process. There are records of training for civil servants on these topics. Civil servants apply the knowledge in practice, as can be seen through their initiative and openness to engage civil society more effectively.

STANDARD 2:

All draft policies and laws are easily accessible to the public in a timely manner.

LEGISLATION:

1. Existing legislation obliges public institutions to make all draft and adopted laws and policies public, and exceptions are clearly defined and in line with international norms and best practices.
2. Clear mechanisms and procedures for access to public information/documents exist.
3. There are clearly prescribed sanctions for civil servants/units for breaching the legal requirements on access to public information.

PRACTICE:

1. Public institutions actively publish draft and adopted laws and policies, unless they are subject to legally prescribed exceptions. CSOs are regularly consulted and involved in processes and decision-making by the competent institution or mechanism(s).
2. Public institutions answer the majority of requests for access to public information within the deadline prescribed by law, in a clear format, by providing written explanations on the reasons for refusal, and highlighting the right to appeal and the procedure for appealing.
3. Cases of violations of the law are sanctioned.

Explanation:

Legislation:

1. There should be a requirement for the government to publish draft legislation or policy documents. If citizens and CSOs do not know what is on the government agenda, they cannot be expected to take active part in the policy-making process. As a first step, government institutions should publish their legislative/policy agenda – a list of the topics/acts it wants to work on annually and for a period of several months. This will help interested CSOs to prepare and get in contact with the respective institutions. A second step is to publish the concept of the draft, and then the text of the draft documents. This should apply to both government and parliament. The publication of documents should not be based on requests for information but should be an obligation of the respective institutions.

2. The legislation, including by-laws, should provide clear rules on the obligation of the state authorities to provide information based on requests. There should be limited exceptions to the general requirement for provision of information, (usually related to national security) subject to a public interest test. The requests should be dealt with promptly and the timeline for answering such requests should not be too long (usually 14 days). Responses to the requests should be detailed and clear, provided in a machine-readable format instead of scanned documents, thus ensuring accessibility to the visually impaired as well.

3. If the legal rules are not followed and the requested information is not provided, the court can sanction the wrongful party. This is true also for excessive delays in answering requests.

Practice:

1. Institutions publish concepts, draft and adopted laws in a proactive manner. The easiest way is to use the Internet – each institution can have a section on its website where it publishes draft documents for consultation. Some countries have also created unified portals where all laws subject to consultation are published. These are specialized websites where citizens can post their opinions online as well. All adopted primary and secondary legislation, including consolidated versions, should be easily accessible and available free of charge through a central online database.

   CSOs, particularly those working on gender equality and rights, have timely access to draft regulations and an equitable opportunity to provide input. The process actively seeks contributions from organizations working on gender equality, ensuring that gender perspectives are included in policy decisions.

2. There are no complaints of violations of this principle or laws. Reports confirm that institutions are complying with the laws, they are willing to collaborate and are generally open.

3. The courts apply the law on access to information impartially, and all state institutions that hinder citizens' right to information are sanctioned according to the law.

STANDARD 3:

CSO representatives are equal partners in discussions in cross-sector bodies and are selected through clearly defined criteria and processes.

LEGISLATION:

1. Existing legislation requires public institutions to invite CSO representatives on to different decision-making and/or advisory bodies created by public institutions.
2. There are clear guidelines on how to ensure appropriate representation from civil society, based on transparent and predetermined criteria.

PRACTICE:

1. Decision-making and advisory bodies on issues and policies relevant for civil society generally include CSO representatives.
2. CSO representatives are selected through selection processes which are considered fair and transparent.
3. CSO representatives in these bodies are enabled to freely present and defend their positions, without being sanctioned.
4. Participation in these bodies does not prevent CSOs from using alternative ways of advocacy or promoting alternative stand-points which are not in line with the position of the respective body.

Explanation:

Legislation:

1. When the administration creates advisory bodies, there is a requirement to include representatives of civil society from the respective area in which the body is created. CSO representatives are subject to the same requirements as other members of the consultative body and have the same rights (they can vote and are not limited to observer status). The legal framework should be inclusive and non-discriminatory for all CSOs, and not solely include those organizations close to the authorities, as well as to non-registered CSOs.
2. When CSOs are invited to consultative bodies, this should happen through a public procedure (the announcement for nominations is publicized) and there

are clear criteria for the members. The process through which CSOs are selected is also transparent. Another option is to allow CSOs to nominate their own representatives. In the latter case, more time should be given for CSOs to be able to organize their internal selection process.

Practice:

1. Practice shows that CSO representatives take part in advisory/consultative/working group bodies and committees. It is important that representatives from associations, foundations and nonprofit companies participate in such bodies, in addition to associations of municipalities or of businesses which in their legal form are also CSOs. The CSOs are informed about the meetings in a timely manner so as to be able to organize themselves to attend and prepare for the meeting. The government ensures effective representation of CSOs working on gender equality in cross-sector bodies relevant to their mission, particularly in areas impacting gender equality, women's rights, and LGBTQI+ rights.

2. It is not enough to have CSO representatives in cross-sector bodies, but representatives should also be selected through a public and transparent procedure. There should be no examples of a nontransparent selection process. Sometimes state bodies may decide to invite CSOs with whom they cooperate, but such decisions should be made in a transparent and timely manner, with other CSOs also having the right to request to attend. State authorities do not invite only those CSOs which are close to their opinions or tendencies. The work of such advisory bodies should be transparent. Information about their members, meetings and decisions should be public. In addition, there should be the possibility for nonmembers of the advisory councils to participate in the council meetings when issues of concern to such organizations are discussed.

3. There should be no examples of CSO representatives that speak critically of the government and its policies during meetings of bodies being subjected to excessive state control or harassment. CSOs are given time during the discussions of the respective bodies to speak and express their positions and to debate on issues.

4. Participation in cross-sector bodies is only one way for CSOs to achieve their mission. It does not preclude CSOs from organizing advocacy measures, demonstrations, petitions or any other advocacy measures to promote their opinions if they feel that they have not be considered or adopted. CSO representatives in the body should be able to communicate and consult with their counterparts in the sector, especially those that they have been selected to represent.

PRINCIPLE:

The environment is supportive for CSO involvement in service provision

Sub-area 3.3:
Collaboration in service provision

STANDARD 1:

CSOs provide different services and compete for state contracts on an equal basis to other providers, through clear and transparent procedures.

LEGISLATION:

1. CSOs can provide services in various areas.
2. Existing legislation does not add additional burdensome requirements on CSOs that do not exist for other service providers.
3. There is a clear and transparent procedure through which the funding for services is distributed among providers.

PRACTICE:

1. CSOs are able to obtain contracts in competition with other providers and are engaged in various services. CSOs are regularly consulted and involved in processes and decision-making by the competent institution or mechanism(s).
2. When prior registration/licensing is required, the procedure for obtaining it is not overly burdensome.
3. Competitions are considered fair, and conflicts of interest are avoided.

Explanation:

Legislation:

1. The law should allow governments to contract out or outsource certain services to CSOs. There are no legal obstacles to CSOs to provide services in areas such as education, social assistance, healthcare etc., where CSOs are traditional service providers and have proven their importance and capacity. Limitations could exist for CSOs only in areas which are traditionally not considered non-profit (e.g. banking, gambling) although CSOs should be allowed to set up commercial companies which can work in these areas. There is no automatic exclusion for CSOs from competition for the provision of services if there are no specific and objective reasons for that.

   The law should not prohibit CSOs from developing or providing new services even though such services are not defined by law. In this way, CSOs are able to bring innovative services and pilot new practices which could later be adopted by the government, if successful. If the services are in areas for which a preliminary registration or licensing is required, that should apply to CSOs as well (e.g. services for children).

2. CSOs should not be subject to stricter administrative requirements in the areas in which they provide services compared to other service providers. The service quality standards to which providers should be subject are the same for commercial companies, CSOs and other types of providers.

3. The selection of service providers is carried out under an open competition whereby all eligible providers are allowed to participate. The evaluation criteria are publicly announced in advance, and there are clear guidelines on how to ensure transparency and avoid conflicts of interest. In certain areas of service provision, e.g. social areas, the lead criteria for selection of service providers should not be the price, rather the quality. Thus, the evaluation criteria should more heavily weigh the technical aspects, over the financial offer, to prevent under-standard service provision. The best value should be determined based on the experience of the provider and the staff that will deliver the service. In this area, it is important to provide the best possible quality or to serve the biggest number of people for the budget that the state has made available. The legal framework should allow for an appeal against competition results before an independent entity and eventually before the court.

Practice:

1. There are examples of CSOs being awarded contracts for services in various areas of service provision and this is not an exception. CSOs are one of the main providers of services in its traditional areas – social assistance, healthcare and education, and are recognized as important contractors of the state. CSOs are increasingly engaged in social entrepreneurship not only by providing services in social areas, but also by engaging in other economic activities which support

their mission, including providing employment to their beneficiaries. There are no complaints that CSOs are excluded from service tenders.

2. The requirements for prior registration/licensing of service providers in certain areas should not push away potential CSO service providers because of burdensome procedures. Such procedures should be relatively quick and cheap.

3. The calls for service providers are not formalistic and are not tailored only to a specific organization. There are no cases in which the procedure seems at first transparent, but organizations linked to the competition organizers receive the contracts. Explanations about conflicts of interest statements are available on request.

STANDARD 2:

The state is providing predictable and long-term funding for services provided by CSOs, and effectively monitors both the spending and the quality of service provision.

LEGISLATION:

1. There are no legal barriers to CSOs receiving public funding for the provision of different services (either through procurement or through another type of contracting or grants mechanism).
2. The state provides sufficient, multi-year funding and long-term contracts for various types of services provided by CSOs.
3. There is a legal possibility for monitoring both spending and the quality of service-providers.

PRACTICE:

1. CSOs receive sufficient funding to cover the basic costs of the services they are contracted to provide, including proportionate institutional (overhead) costs.
2. There are no delays in payments and the funding is flexible with the aim of providing the best quality of services.
3. Performance monitoring and evaluation of quality and effects/impact of services provided is carried out based on clear and publicly available procedures and criteria.

Explanation:

Legislation:

1. CSOs are allowed to participate in all of the mechanisms through which the state delegates the provision of services to outside providers (public procurement, grants, social contracting, and other mechanisms).
2. The state budget should provide enough resources to allow for the financing of basic services in the key areas in which CSOs traditionally operate (education, social area and healthcare). In the social area, social services are an important tool for improving the lives of vulnerable groups and cannot be replaced only by social assistance (provision of food, money or other types of material assistance to the

most underprivileged). The legal framework should also allow for multi-year funding to promote further effectiveness in delivering the service and achieving results.

Even though in most countries the budget is adopted on an annual basis, competitions for service providers (including CSOs) cover longer periods of time and the contracts signed could be long-term. Once a contract is signed, the respective state agencies are obliged to provide the funding necessary for the provision of the contracted services for the whole duration of the contract and possibly to consider including advance payments.

3. Service providers have to be monitored for both the quality of the services they provide and for the spending related to the provision of these services. Monitors should have the right to inspect the premises in which services are provided, based on prior notification. Monitoring is based on clear standards and criteria. For the main types of services, there are minimum quality standards which providers should follow. Information on awarded contracts, activities carried out and the number of people served is public.

Practice:

1. When the state contracts services, it needs to provide sufficient funding to cover the basic costs of the services they wish to receive (even though the providers may be non-profit organizations). The service costs should also calculate all the administrative and institutional costs associated with maintaining the service. Even though CSOs may use volunteers it should not be presupposed that CSOs rely only on volunteers, but that they will use employees or consultants. The CSO income for provision of services coming from the state is increasing.

2. Once funding is provided to CSOs, they should be allowed to use the money in such a way as to maximize the impact and fulfil the respective quality standards. Where funding is provided under a budget, CSOs should be allowed to move money between different budget items, as long as they follow certain procedures. If funding is provided in tranches, there should be no delays and any losses suffered because of delays should be compensated.

3. CSOs are not subject to excessive control, as compared to other providers. Where onsite controls are performed they follow a prior notification which clearly indicates the purpose and timing of the visit. CSOs are clear as to what and to whom they should report. They are regularly monitored. State institutions make regular evaluation of the services provided and their impact. The results of such evaluations are public and used to shape the policy of the government in the respective area.

Annex Table

Principle:	Standards/ Benchmarks:	Indicators:	Relevant Global or Regional Indexes:
Area 1: Basic Legal Guarantees of Freedoms			
Sub-area 1.1.: Freedom of association			
Freedom of association is guaranteed and exercised freely by everybody	1. All individuals and legal entities can freely establish and participate in informal and/or registered organizations offline and online	Legislation: There is a legal framework according to which any individual or legal person can establish or join associations, foundations, and other types of non-profit, non-governmental entities for any purpose, without discrimination. Registration is not mandatory, and in cases when organizations decide to register, the rules are clear and allow for easy, timely, and inexpensive registration and appeal process. The law allows for networking among organizations in the countries and abroad without prior notification. Practice: Every individual or legal entity in practice can establish, join or participate in associations, foundations, or other non-profit, non-governmental organizations, offline or online. Individuals and legal entities are not sanctioned for not registering their organizations. Registration is truly accessible within the legally prescribed deadlines; authorities decide on cases in a non-subjective and apolitical manner. Individuals and CSOs can form and participate in networks and coalitions, within and outside their home countries.	CSO Sustainability Index, USAID: https://csosi.org/ Civic Freedom Monitor, ICNL: https://www.icnl.org/resources/civic-freedom-monitor EU Enlargement Reports, DG NEAR: https://neighbourhood-enlargement.ec.europa.eu/enlargement-policy/strategy-and-reports_en Civic Space Reports, Fundamental Rights Agency (FRA): https://fra.europa.eu/fr/cooperation/civil-society/civil-society-space CSO Meter, ECNL: https://csometer.info/ CIVICUS Monitor: https://monitor.civicus.org/ State of Civil Society Reports, CIVICUS: https://www.civicus.org/index.php/media-center/reports-publications/socs-reports Freedom in the World, Freedom House: https://freedomhouse.org/report/freedom-world Nations in Transit, Freedom House: https://freedomhouse.org/report/nations-transit Democracy Beyond the Ballot Box, OGP: https://www.opengovpartnership.org/campaigns/global-report/ Social Development Index: https://isd.iss.nl/data-access/ Democracy Index, Economic Intelligence Unit: https://www.eiu.com Human Development Index, UNDP: https://hdr.undp.org/data-center/human-development-index#/indicies/HDI
	2. CSOs operate freely without unwarranted state interference in their internal governance and activities	Legislation: The legal framework provides guarantees against state interference in internal matters of associations, foundations, and other types of non-profit entities. The state provides protection from interference by third parties. Financial reporting and accounting rules take into account the specific nature of the CSOs and are proportionate to the size of the organization and its type/scope of activities. Regulations on anti-money laundering, countering the financing of terrorism or anti-corruption take into account the specific nature of CSOs and adopt a risk-based approach. Sanctions for breaching legal requirements should be based on applicable. Practice: There are no cases of state interference in the internal matters of associations, foundations, and other types of non-profit entities, or any kind of pressure and intimidation related to their work. AML/CFT and other compliance requirements do not hinder legitimate CSO activities and there are no cases of misuse of regulation for control. Sanctions are applied in rare/extreme cases; they are proportional and are subject to a judicial review. Termination of a CSO is a matter of last resort and is applied only if all other measures have been exhausted.	

	3. CSOs can freely seek and secure financial resources from various domestic and foreign sources to support their activities	Legislation: Legislation allows CSOs to engage in economic activities. CSOs are allowed to freely receive foreign funding. CSO are allowed to receive funding from individuals, corporations, and other sources. Practice: CSOs engage in economic activities without any undue burdens. There are no restrictions or political harassment/pressure on CSOs for receiving foreign funding. Receipt of funding from individuals, corporations and other sources is easy and without any unnecessary cost or administrative burden. CSOs are allowed access to banking and other financial services without discrimination and undue requirements.	
Sub-area 1.2.: Related Freedoms			
Freedoms of assembly and expression are guaranteed to everybody	1. CSO representatives, individually or through their organizations enjoy freedom of peaceful assembly	Legislation: The legal framework is based on international standards and provides the right to freedom of peaceful assembly for all without any discrimination. The laws recognize and do not restrict spontaneous, simultaneous and counter-assemblies. The exercise of the right is not subject to prior authorization by the authorities, but at the most to a prior notification procedure, which is not burdensome. Any restriction of the right based on law and prescribed by regulatory authority can be appealed by the organizers. Practice: There are no cases of encroachment of the freedom of assembly, and any group of people can assemble at desired place and time, in line with international standards and recommendations. Restrictions are justified with explanations of the reason for each restriction, which is promptly communicated in writing to the organizer to guarantee the possibility of appeal. Simultaneous, spontaneous and counter-assemblies can take place, and the state facilitates and protects groups to exercise their right against people who aim to prevent or disrupt the assembly. No excessive use of force is exercised by law enforcement bodies, including preemptive detentions of organizers and participants. Media and observers have full access to all forms of public assembly and are able to report on them safely and without undue interference.	Digital Rights Report, BIRN Investigative Resource Desk: https://bird.tools/ Freedom on the Net, Freedom House: https://freedomhouse.org/report/freedom-net Media Sustainability Index, IREX: https://www.irex.org/resource/media-sustainability-index-msi World Trends in Freedom of Expression and Media Development, UNESCO: https://www.unesco.org/en/world-media-trends Civic Freedoms and HRD data, BHRRC: https://www.business-humanrights.org/en/from-us/human-rights-defenders-database/
	2. CSO representatives, individually or through their organizations enjoy freedom of expression	Legislation: The legal framework provides freedom of expression for all. Restrictions, such as limitation of hate speech or measures aimed at fighting disinformation, imposed by legislation are clearly prescribed and in line with international law and standards. Libel, insult, and defamation are decriminalized, and such offenses are subject only to civil prosecution and there are clear and proportionate sanctions. Practice: There are no cases of encroachment of the right to freedom of expression for all. There are no cases where individuals, including CSO representatives, are persecuted for critical speech in public or private. There is no sanction for critical speech, in public or private.	

	3. Civil society representatives, individually and through their organizations, have the right to open, secure, and safe civic space, offline and online	Legislation: The legal framework provides the possibility to assemble, communicate and access information online; if there are legal restrictions, they are exceptional, limited, and based on international human rights law. The legal framework provides safeguards against threats, harassment, and attacks of CSO representatives, both online and offline. The legal framework protects CSOs' right to privacy by prohibiting unjustified monitoring of communication channels or collecting users' information by the authorities. There are clear legal safeguards and redress mechanisms available to curb adverse effects of (emerging) digital technologies on fundamental freedoms. Practice: There are no cases in practice where restrictions are imposed on assembly, expression, communication, or accessing any source of information online. There is effective action by authorities to any attack and harassment of CSOs, CSO representatives or activists, including timely investigation, prosecution, and sanction processes. There is no practice or cases of unjustified monitoring by the authorities of communication channels or of collecting users' information. There are no human rights abuses occurring as a result developing and/or deploying emerging technologies or legislation pertaining to the emerging technologies by the state or third parties.	
Area 2: Framework for CSO Financial Viability and Sustainability			
Sub-area 2.1.: Tax/fiscal treatment for CSOs and their donors			
CSOs and donors enjoy favorable tax treatment	1. Tax benefits are available on various income sources of CSOs	Legislation: The law provides tax-free treatment for all grants and donations supporting non-for-profit activity of CSOs. The law provides tax benefits for economic activities of CSOs. The law provides tax benefits for passive investments of CSOs. The law allows the establishment of and provides tax benefits for endowments. Practice: There is no direct or indirect (hidden) tax on grants reported. Tax benefits for economic activities of CSOs are effective and support CSOs' operations. Passive investments are utilized by CSOs and no sanctions are applied in doing so. Endowments are established without major procedural difficulties and operated freely, without administrative burden or high financial cost.	Giving Balkans, Catalyst Balkans: https://givingbalkans.org/ CAF World Giving Index: https://www.cafonline.org/about-us/research/caf-world-giving-index Global Philanthropy Environment Index: https://globalindices.iupui.edu/environment-index/index.html Comparative Highlights of Foundation Laws, Philea: https://philea.eu/how-we-can-help/policy-and-advocacy/analysing-the-legal-environment-for-philanthropy-in-europe/ Economic Freedom of the World Index: https://www.heritage.org/index Corruption Perception Index, Transparency International: https://www.transparency.org/en/cpi/2023 Global Integrity Report: https://www.globalintegrity.org/annual-reports/
	2. Incentives are provided for individual and corporate giving	Legislation: The law provides tax deductions for individual and corporate donations to CSOs. There are clear requirements/conditions for receiving deductible donations and these include a wide range of publicly beneficial activities. There are state policies supporting cross-sectorial cooperation between CSOs and the private sector. Practice: There is an easy and functional procedure in place to claim tax deductions for individual and corporate donations. CSOs that implement activities defined as a public interest according to the legislation, including human rights and watchdog organizations, effectively enjoy tax deductible donations.	

Sub-area 2.2.: State support			
State support to CSOs is provided in a transparent way and spent in an accountable manner	1. Public funding is available for institutional development of CSOs, project support and co-financing of EU and other grants	Legislation: There is a law or national policy (document) that regulates state support for institutional development for CSOs, project support and project co-financing. There is a clearly defined national-level mechanism for distribution of public funds to CSOs. Public funds for CSOs are clearly planned within the state budget. There are clear procedures for CSO participation in all phases of the public funding cycle. Practice: Available public funding responds to the needs of the CSO sector. There are government bodies or government-authorized bodies with a clear mandate for distribution and/or monitoring of the distribution of state funding. Funding is predictable, not cut drastically from one year to another; and the amount in the budget for CSOs is easy to identify. CSO participation in the public funding cycle is transparent and meaningful.	
	2. Public funding is distributed in a prescribed and transparent manner	Legislation: The procedure for distribution of public funds is transparent and legally binding. The criteria for selection are clear, coherent with the institution's policy objectives, adequate, and published in advance. There are clear procedures addressing issues of conflict of interest in decision-making. Practice: Information relating to the procedures for funding and information on funded projects is publicly available. State bodies follow the funding procedure and apply it in a harmonized way. The application requirements are not discriminatory and too burdensome for CSOs. Decisions on tenders are considered fair and conflict of interest situations are declared in advance.	
	3. There is a clear system of accountability, monitoring and evaluation of public funding	Legislation: The procedure for distribution of public funds prescribes clear measures for accountability, monitoring and evaluation. There are prescribed sanctions for misuse of funds which are proportional to the violation of procedure. Practice: Monitoring is carried out continuously and in accordance with predetermined and objective indicators. Regular evaluation on effects/impact of public funds is carried out by state bodies and is publicly available.	
	4. Non-financial support is available from the state	Legislation: Legislation allows state authorities to allocate non-financial support, such as state property, renting space without financial compensation, free training, consultations and other resources, to CSOs. The non-financial support is provided under clearly prescribed processes, based on objective criteria and does not privilege any group. Practice: State authorities grant non-financial support to CSOs working in diverse fields, including those critical of the government's work. CSOs are treated in an equal or more supportive manner compared to other actors when providing state non-financial resources.	

		Practice: State authorities grant non-financial support to CSOs working in diverse fields, including those critical of the government's work. CSOs are treated in an equal or more supportive manner compared to other actors when providing state non-financial resources.	
Sub-area 2.3.: Human Capital			
State policies and the legal environment stimulate and facilitate employment, volunteering, and civic engagement	1. CSOs are treated in an equal manner to other employers	Legislation: CSOs are treated in an equal manner to other employers by law and policies. Practice: If there are state incentive programs for employment, CSOs have equal access as other for-profit and public sector entities. There are regular statistics on the number of employees in the non-profit sector.	Civic Engagement, OECD Better Life Index: https://www.oecdbetterlifeindex.org/topics/civic-engagement/ World Economic Forum Global Competitiveness Report: https://www.weforum.org/publications/the-global-competitiveness-report-2020/ World Economic Forum Global Gender Gap: https://www.weforum.org/publications/global-gender-gap-report-2023/ State of the World's Volunteerism Report, UN: https://knowledge.unv.org/ ILOSTAT Statistics on Volunteer Work: https://ilostat.ilo.org/topics/volunteer-work/ World of Work Report: https://wecglobal.org/world-of-work/
	2. There are enabling volunteering policies and laws	Legislation: Legislation stimulates volunteering and incorporates best regulatory practices, while at the same time allowing for spontaneous volunteering practices. There are incentives and state supported programs for the development and promotion of volunteering. There are clearly defined contractual relationships and protections covering organized volunteering. Practice: Volunteering incentives and programs are transparent and easily available to CSOs and the policy, strategic document or law is being fully implemented, monitored and evaluated periodically in a participatory manner. Administrative procedures for organizers of volunteer activities or volunteers are not complicated and are without any unnecessary costs. Volunteering can take place in any form; there are no cases of complaints of restrictions on volunteering.	
	3. The educational system promotes civic engagement	Legislation: Civic engagement is promoted through policy/strategy/laws. Civic education is included in the official curriculum at all levels of the educational system. Practice: The educational system includes possibilities for civic engagement in CSOs.	
Area 3: Framework for CSO Financial Viability and Sustainability			
Sub-area 3.1.: Framework and practices for cooperation			
There is a strategic approach to furthering state-CSO cooperation and CSO development	1. The State recognizes, through policies and strategies, the importance of the development of and cooperation with the sector.	Legislation: There are strategic documents and/or measures dealing with the state-CSO relationship and civil society development. The strategic document and/or measures include specific goals and indicators, as well as funding available and clear allocation of responsibilities. The strategic document embraces measures that have been developed in consultation with and/or recommended by CSOs. Practice: CSOs from different areas of interest regularly participate in all phases of the strategic document development, implementation and evaluation. There are examples demonstrating that cooperation between state and CSOs and CSDev is improved and implemented according to or beyond the measures envisaged in the strategic document.	EU Country Reports: https://neighbourhood-enlargement.ec.europa.eu/enlargement-policy/strategy-and-reports_en EU Rule of Law Reports: https://commission.europa.eu/strategy-and-policy/policies/justice-and-fundamental-rights/upholding-rule-law/rule-law/annual-rule-law-cycle_en Bertelsmann Transformation Index (BTI): https://bti-project.org/en/reports/regional-dashboard/ESE

		The implementation of the strategic document is monitored, evaluated and revised periodically. State policies for cooperation between state and CSOs and CSDev are based on reliable data collected by the national statistics institution taking into consideration the diversity of the sector.	Sustainable Governance Indicators: https://www.sgi-network.org/2022/
	2. The State recognizes, through the operation of its institutions, the importance of the development of and cooperation with the sector.	Legislation: There is a national level institution or mechanism with a mandate to facilitate cooperation with CSOs. There are binding provisions on the involvement of CSOs in the decisions taken by the competent institution or mechanism(s). Practice: The national level institution or mechanism(s) has/have sufficient resources and mandate for facilitating CSO-government dialogue, discussing the challenges and proposing the main policies for the development of civil society. CSOs are regularly consulted and involved in processes and decision-making by the competent institution or mechanism(s).	
Sub-area 3.2.: Involvement in policy and decision-making processes			
CSOs are effectively included in the policy and decision-making process	1. There are standards enabling CSO involvement in policy and decision-making, which allow for CSO input in a timely and effective manner.	Legislation: There are clearly defined standards on the involvement of CSOs in the policy and decision-making processes in line with the best regulatory practices prescribing minimum requirements which every policy-making process needs to fulfill. State policies provide for educational programs/training for civil servants on CSO involvement in the work of public institutions. Internal regulations require specified units or officers in government, line ministries or other government agencies to coordinate, monitor and report CSO involvement in their work.	WeBER PAR Monitor: https://www.par-monitor.org/regional-par-scoreboards/ CSO Sustainability Index: https://csosi.org/ Civic Freedom Monitor, ICNL: https://www.icnl.org/resources/civic-freedom-monitor Worldwide Governance Indicators: http://info.worldbank.org/governance/wgi/index.asp Civic Engagement Index http://www.oecdbetterlifeindex.org/topics/civic-engagement/ BTI Transformation Index https://bti-project.org/en/reports/regional-dashboard/ESE?&cb=00000
		Practice: Public institutions routinely invite all interested CSOs to comment on policy/ legal initiatives at an early stage. CSOs are provided with adequate information on the content of the draft documents and details of the consultation with sufficient time to respond. Written feedback on the results of consultations is made publicly available by public institutions including reasons why some recommendations were not included. Evidence produced by CSOs is consulted and used in policy development processes. Most of the units/officers coordinating and monitoring public consultations are trained and have sufficient capacity to effectively involve CSOs in the processes.	
	2. All draft policies and laws are easily accessible to the public in a timely manner.	Legislation: Existing legislation obliges public institutions to make all draft and adopted laws and policies public, and exceptions are clearly defined and in line with international norms and best practices. Clear mechanisms and procedures for access to public information/documents exist. There are clearly prescribed sanctions for civil servants/units for breaching the legal requirements on access to public information.	
		Practice: Public institutions actively publish draft and adopted laws and policies, unless they are subject to legally prescribed exceptions. CSOs are regularly consulted and involved in processes and decision-making by the competent institution or mechanism(s).	

		Public institutions answer the majority of requests for access to public information within the deadline prescribed by law, in a clear format, by providing written explanations on the reasons for refusal, and highlighting the right to appeal and the procedure for appealing. Cases of violations of the law are sanctioned.	
	3. CSO representatives are equal partners in discussions in cross-sector bodies and are selected through clearly defined criteria and processes.	Legislation: Existing legislation requires public institutions to invite CSO representatives on to different decision-making and/or advisory bodies created by public institutions. There are clear guidelines on how to ensure appropriate representation from civil society, based on transparent and predetermined criteria. Practice: Decision-making and advisory bodies on issues and policies relevant for civil society generally include CSO representatives. CSO representatives are selected through selection processes which are considered fair and transparent. CSO representatives in these bodies are enabled to freely present and defend their positions, without being sanctioned. Participation in these bodies does not prevent CSOs from using alternative ways of advocacy or promoting alternative stand-points which are not in line with the position of the respective body.	
Sub-area 3.3.: Collaboration in service provision			
There is a supportive environment for CSO involvement in service provision	1. CSOs provide different services and compete for state contracts on an equal basis to other providers, through clear and transparent procedures.	Legislation: CSOs can provide services in various areas. Existing legislation does not add additional burdensome requirements on CSOs that do not exist for other service providers. There is a clear and transparent procedure through which the funding for services is distributed among providers. Practice: CSOs are able to obtain contracts in competition with other providers and are engaged in various services. CSOs are regularly consulted and involved in processes and decision-making by the competent institution or mechanism(s). When prior registration/licensing is required, the procedure for obtaining it is not overly burdensome. Competitions are considered fair, and conflicts of interest are avoided.	CSO Sustainability Index: https://csosi.org/ Charities Aid Foundation/CAF World Giving Index: https://www.cafonline.org/about-us/research/caf-world-giving-index Human Development Index, UNDP: https://hdr.undp.org/data-center/human-development-index#/indicies/HDI
	2. The state is providing predictable and long-term funding for services provided by CSOs, and effectively monitors both the spending and the quality of service provision.	Legislation: There are no legal barriers to CSOs receiving public funding for the provision of different services (either through procurement or through another type of contracting or grants mechanism). The state provides sufficient, multi-year funding and long-term contracts for various types of services provided by CSOs. There is a legal possibility for monitoring both spending and the quality of service-providers.	
		Practice: CSOs receive sufficient funding to cover the basic costs of the services they are contracted to provide, including proportionate institutional (overhead) costs. There are no delays in payments and the funding is flexible with the aim of providing the best quality of services. Performance monitoring and evaluation of quality and effects/impact of services provided is carried out based on clear and publicly available procedures and criteria.	

Reference documents

Area 1: Basic Legal Guarantees to Freedoms

1. Charter of Fundamental Rights of the European Union (2000/C 364/01), Amended December 2022: https://fra.europa.eu/en/eu-charter
2. Council of Europe (CoE) Recommendation CM/Rec(2007)14 of the Committee of Ministers of the Council of Europe to member states on the legal status of non-governmental organisations in Europe: https://wcd.coe.int/ViewDoc.jsp?id=1194609&Site=CM&BackColorInternet=9999CC&BackColorIntranet=FFBB55&BackColorLogged=FFAC75
3. Council of Europe (CoE) Recommendation CM/Rec(2007)14 of the Committee of Ministers to member states on the legal status of non-governmental organisations in Europe: https://wcd.coe.int/ViewDoc.jsp?id=1194609
4. Council of Europe (CoE) Recommendation CM/Rec(2018)11 of the Committee of Ministers to member States on the need to strengthen the protection and promotion of civil society space in Europe: https://wcd.coe.int/ViewDoc.jsp?id=1194609
5. Council of Europe (CoE), Expert Council on NGO Law, Civil society's perception of the implementation of Council of Europe CM Recommendation (2007)14 to Member States on the Legal Status of Non-Governmental Organisations in Europe (2021) https://rm.coe.int/the-legal-space-ngo-text-a4-web-final/1680a4cd01
6. Council of the European Union Conclusions on the application of the EU Charter of Fundamental Rights; The role of the civic space in protecting and promoting fundamental rights in the EU (2023): https://data.consilium.europa.eu/doc/document/ST-7388-2023-INIT/en/pdf
7. DG NEAR Guidelines for EU Support to Civil Society in the Enlargement Region 2021-2027: https://neighbourhood-enlargement.ec.europa.eu/dg-near-guidelines-eu-support-civil-society-enlargement-region-2021-2027_en
8. DG NEAR Guidelines for EU Support to Civil Society 2021-2027, Baseline Assessment Report 2021: https://tacso.eu/dg-near-guidelines-for-eu-support-to-civil-society-2021-2027-baseline-assessment-report-2021/
9. European Convention for the Protection of Human Rights and Fundamental Freedoms –ECHR: https://www.echr.coe.int/documents/d/echr/convention_ENG
10. European Court of Human Rights Case Law: http://www.echr.coe.int/ECHR/EN/Header/Case-Law/Decisions+and+judgments/HUDOC+database
11. European Parliament resolution of 11 December 2012 on a Digital Freedom Strategy in EU Foreign Policy (2012/2094(INI)): http://www.europarl.europa.eu/sides/getDoc.do?type=TA&language=EN&reference=P7-TA-2012-470
12. European Parliament resolution of 11 November 2021 on strengthening democracy and media freedom and pluralism in the EU: the undue use of actions under civil and criminal law to silence journalists, NGOs and civil society (2021/2036(INI)): https://www.europarl.europa.eu/doceo/document/TA-9-2021-0451_EN.html
13. European Union Guidelines on Human Rights Defenders, December 2018: https://www.eeas.europa.eu/sites/default/files/eu_guidelines_hrd_en.pdf
14. International Center for Not-for-Profit Law and World Movement for Democracy Secretariat at the National Endowment for Democracy (NED), Defending Civil Society (2008): https://www.icnl.org/resources/research/ijnl/defending-civil-society
15. International Center for Not-for-Profit Law and World Movement for Democracy Secretariat at the National Endowment for Democracy (NED), Defending Civil Society Report, 2nd edition (2012): https://movedemocracy.org/wp-content/uploads/2017/09/English-Defending-Civil-Society-Report-2nd-Edition.pdf
16. ICNL/UNDP, Legal Frameworks for Civic Space: A Practical Toolkit (2021): https://www.undp.org/sites/g/files/zskgke326/files/2021-12/UNDP-ICNL-Legal-Framework-for-Civic-Space-A-Practical-Toolkit-EN.pdf
17. ILO Declaration on Fundamental Principles and Rights at Work (Amended in 2022): https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---declaration/documents/normativeinstrument/wcms_716594.pdf
18. International Covenant for Civil and Political Rights – ICCPR: https://www.ohchr.org/en/instruments-mechanisms/instruments/international-covenant-civil-and-political-rights

19. International Covenant for Civil and Political Rights (ICCPR) General comment No. 37 (2020) on the right of peaceful assembly (article 21):
https://tbinternet.ohchr.org/_layouts/15/treatybodyexternal/Download.aspx?symbolno=CCPR%2fC%2fGC%2f37&Lang=en

20. UN, Economic and Social Council, U.N. Sub-Commission on Prevention of Discrimination and Protection of Minorities, Siracusa Principles on the Limitation and Derogation of Provisions in the International Covenant on Civil and Political Rights, Annex, UN Doc E/CN.4/1985/4 (1984):
http://www.unhcr.org/refworld/pdfid/4672bc122.pdf

21. International Covenant on Economic, Social and Cultural Rights:
https://www.ohchr.org/en/instruments-mechanisms/instruments/international-covenant-economic-social-and-cultural-rights

22. International Convention on the Elimination of All Forms of Racial Discrimination:
https://www.ohchr.org/en/instruments-mechanisms/instruments/international-convention-elimination-all-forms-racial

23. OECD DAC Recommendation on Enabling Civil Society in Development Co-operation and Humanitarian Assistance (2021):
https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-5021

24. OECD, The Protection and Promotion of Civic Space: Strengthening Alignment with International Standards and Guidance, 2022:
https://www.oecd-ilibrary.org/governance/the-protection-and-promotion-of-civic-space_d234e975-en

25. OSCE/ODIHR and Venice Commission Guidelines on Freedom of Association (2015):
https://www.osce.org/files/f/documents/3/b/132371.pdf

26. OSCE/ODIHR, 2007, Guidelines on Freedom of Peaceful Assembly:
https://legislationline.org/sites/default/files/2021-09/Guidelies_Freedom_Assembly.pdf

27. OSCE/ODIHR and Venice Commission, Guidelines on Freedom of Peaceful Assembly (Second Edition), 2010:
http://www.osce.org/odihr/73405?download=true

28. OSCE Handbook on Monitoring Freedom of Peaceful Assembly, 2011:
https://www.osce.org/odihr/82979

29. The Johannesburg Principles on National Security, Freedom of Expression and Access to Information (1996):
http://www.article19.org/data/files/pdfs/standards/joburgprinciples.pdf

30. Universal Declaration of Human Rights:
https://www.un.org/en/universal-declaration-human-rights/

31. United Nations (UN) Convention on the Elimination of All Forms of Discrimination against Women, 18 December 1979:
https://www.ohchr.org/en/instruments-mechanisms/instruments/convention-elimination-all-forms-discrimination-against-women

32. UN Convention on the Rights of the Child (UNCRC), 1989:
https://www.ohchr.org/en/professionalinterest/pages/crc.aspx

33. UN Convention on the Rights of Persons with Disabilities:
http://untreaty.un.org/English/notpubl/IV_15_ english.pdf

34. UN Declaration on the Right and Responsibility of Individuals, Groups and Organs of Society to Promote and Protect Universally Recognized Human Rights and Fundamental Freedoms, adopted by General Assembly in Resolution 53/144 of 9 December 1998:
https://www.ohchr.org/en/professionalinterest/pages/rightandresponsibility.aspx

35. UN First Optional Protocol to the International Covenant on Civil and Political Rights:
https://www.ohchr.org/en/professionalinterest/pages/optionalprotocoltocivilandpoliticalrightsratification.aspx

36. UN Human Rights Council, Resolution 12/16, Freedom of opinion and expression, A/HRC/RES/12/16, 12 October 2009:
https://ap.ohchr.org/documents/dpage_e.aspx?si=A/HRC/RES/12/16

37. UN Human Rights Council Resolution 15/21 on the Rights to Freedom of Peaceful Assembly and Association, A/HRC/RES/15/21, 6 October 2010:
https://ap.ohchr.org/documents/dpage_e.aspx?si=A/HRC/RES/15/21

38. UN Human Rights Council Resolution 32/13 on the promotion, protection and enjoyment of human rights on the Internet, A/HRC/20/L.13, 29 June 2012:
https://ap.ohchr.org/documents/dpage_e.aspx?si=A/HRC/RES/32/13

39. UN Human Rights Council Resolution 40/11 on Recognizing the contribution of environmental human rights defenders to the enjoyment of human rights, environmental protection and sustainable development, A/HRC/RES/40/11, 21 March 2019:
https://documents.un.org/doc/undoc/gen/g19/088/48/pdf/g1908848.pdf?token=RGi5HFmcvGH0RxS94m&fe=true

40. UN Special Rapporteur on the situation of human rights defenders:
https://www.ohchr.org/en/special-procedures/sr-human-rights-defenders

41. UN Special Rapporteur on the rights to freedom of peaceful assembly and of association
https://www.ohchr.org/en/special-procedures/sr-freedom-of-assembly-and-association

42. Report of the Special Rapporteur on the rights to freedom of peaceful assembly and of association, Maina Kiai, June 2012: http://www.ohchr.org/Documents/HRBodies/HRCouncil/RegularSession/Session20/A-HRC-20-27_ en.pdf

43. Report of the United Nations High Commissioner for Human Rights, Effective measures and best practices to ensure the promotion and protection of human rights in the context of peaceful protests, 2013, A/ HRC/22/28: http://www.ohchr.org/Documents/HRBodies/HRCouncil/RegularSession/Session22/A.HRC.22.28.pdf

44. US State Department, The Guiding Principles on Non-Governmental (2020): https://2009-2017.state.gov/j/drl/rls/shrd/2006/82643.htm

Area 2: Framework for CSOs' Financial Viability and Sustainability

45. Council of Europe (CoE) Recommendation CM/Rec (2007)14 of the Committee of Ministers of the Council of Europe to member states on the legal status of non-governmental organisations in Europe: https://search.coe.int/cm/Pages/result_details.aspx?ObjectID=09000016805d534d

46. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, The roots of democracy and sustainable development: Europe's engagement with Civil, Society in external relations, European Commission, Brussels, 12.9.2012, COM(2012) 492: http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2012:0492:FIN:EN:PDF

47. European Center for Non-for-Profit Law, A Monitoring Guide to the Regulatory Environment for Philanthropy, 2022: https://ecnl.org/sites/default/files/2023-01/Monitoring%20Guide-%20Mapping%20Fundraising%20for%20CSOs%20PDF_1.pdf

48. International Center for Not-for-Profit Law, National Funds To Support Civil Society Organizations, 2010: https://www.icnl.org/wp-content/uploads/our-work_National-Funds-Paper-Final-English.pdf

49. International Framework for CSO Development Effectiveness: https://www.ituc-csi.org/IMG/pdf/International_Framework_for_CSO_Development_Effectiveness_Version_2_November_.pdf

50. UN Guidelines Transparency and Integrity in Public Administration: https://www.unodc.org/unodc/en/corruption/WG-Prevention/transparency-and-integrity-in-public-administration.html

Area 3: Government – CSO Relationship

51. Consolidated Version of the Treaty on European Union, article 10 and 11: https://eur-lex.europa.eu/resource.html?uri=cellar:2bf140bf-a3f8-4ab2-b506-fd71826e6da6.0023.02/DOC_1&format=PDF

52. Council of Europe (CoE), Code of Good Practice for Civil Participation in the Decision-Making Process, adopted by the Conference of INGOs, 2009: https://wcd.coe.int/ViewDoc.jsp?id=1514961

53. Council of Europe (CoE), Declaration by the Committee of Ministers on the Code of Good Practice for Civil Participation in the Decision-Making Process, 2009: https://wcd.coe.int/ViewDoc.jsp?id=1525009&Site=CM

54. Council of Europe (CoE), Recommendation CM/Rec(2010)5 of the Committee of Ministers to member states on measures to combat discrimination on grounds of sexual orientation or gender identity: https://wcd.coe.int/ViewDoc.jsp?id=1606669

55. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, The roots of democracy and sustainable development: Europe's engagement with Civil, Society in external relations, European Commission, Brussels, 12.9.2012, COM(2012) 492: http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2012:0492:FIN:EN:PDF

56. European Commission, White Paper on European Governance, COM(2001) 428: https://ec.europa.eu/commission/presscorner/detail/en/DOC_01_10

57. European Commission Communication, Towards a Reinforced Culture of Consultation and Dialogue - General principles and minimum standards for consultation of interested parties by the Commission, COM (2002) 704: http://ec.europa.eu/governance/docs/comm_standards_en.pdf

58. ECNL Social Contracting Handbook: https://ecnl.org/publications/undp-ecnl-social-contracting-handbook

59. European Parliament Resolution Developing Civil Dialogue under the Treaty of Lisbon, P6_TA(2009)0007, 13 January 2009: https://www.europarl.europa.eu/doceo/document/TA-6-2009-0007_EN.html?redirect

60. OECD, Citizens as Partners: Handbook on Information, Consultation and Active Participation in Policy- Making, 2001: https://internationalbudget.org/wp-content/uploads/Citizens-as-Partners-OECD-Handbook.pdf

61. OECD, Recommendation of the Council on Open Government, OECD/LEGAL/0438 (2024): https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0438

62. TASK Team, Guidance and Good Practice on CSO Development Effectiveness and Enabling Environment, CPDE, 2019: https://www.effectivecooperation.org/system/files/2019-07/Guidance%20and%20Good%20Practice%20on%20CSO%20Development%20Effectiveness%20and%20Enabling%20Environment.pdf

63. World Bank, A Call for Participatory Decision-Making: Discussion Paper on World Bank-Civil Society Engagement, 2005: https://search.issuelab.org/resource/call-for-participatory-decision-making-discussion-paper-on-world-bank-civil-society-engagement.html