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“Balancing Acts: How NGOs navigate tensions arriving from accountability to the BMZ and to partner organizations”

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Sabrina Rupprecht

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Introduction

In this thesis, I address the following research question: How do non-governmental organizations (NGOs) navigate the tensions between their upward accountability to their government funder and their downward accountability to their local partner organizations? In attempting to answer this question, several sub-questions arise: What are the specific tensions? What causes these tensions? Do NGOs attempt to alleviate these tensions, and if so, how? What strategies do NGOs employ to respond to unavoidable tensions? Accountability towards partner organizations means that NGOs and their beneficiaries are actively involved in project design and implementation and are supported in strengthening their own structures. If downward accountability is lacking, there is a risk that the real needs of beneficiaries will not be addressed, and projects may consequently be designed without meaningful purpose. Accordingly, downward accountability is central to effective, sustainable, and equitable development cooperation.

In this work I address these questions through an analysis of international NGOs in the field of international development cooperation that are registered in Germany and receive funding from the German Federal Ministry for Economic Cooperation and Development (BMZ) to jointly implement development projects with partner organizations in regions of the global South. In the following, the former are referred to as "NGOs," and the latter as "partner organizations."

By receiving funds from the BMZ, NGOs are held accountable to it in specific ways. In addition to this accountability, the NGOs are also accountable to their partner organizations in a different manner. While their upward accountability is formal and legally binding involving adherence to guidelines and requirements set by the BMZ and demonstrating compliance, downward accountability is more of a moral accountability that largely relies on voluntarism.

I argue that the accountability of NGOs towards the BMZ may weaken their fulfillment of accountability towards partner organizations. The BMZ, NGOs and partner organizations actually share a common goal, namely, enhanced local ownership in international development cooperation, and thus accountability towards partner organizations. However, BMZ policies and requirements partially hinder this goal in various ways. In some cases, it is a collateral damage unintentionally and automatically arising from accountability to the BMZ. In other cases, one could label it a "local ownership paradox" as precisely those requirements that are intended to strengthen local ownership also hinder downward accountability. However, NGOs employ diverse strategies to mitigate or circumvent these hindrances. On the one hand, NGOs can take proactive steps by diversifying their sources of revenue and collaborating with other NGOs to share resources. On the other hand, they can engage in a dialogue with the BMZ alongside other NGOs to promote reforms to the systems of upward accountability.

The current state of international development cooperation

It is the year 2023, marking the midpoint of the Agenda 2030 adopted in 2015. Despite achieving some promising development progress, interim assessments reveal a sobering reality: the 17 Sustainable Development Goals (SDGs) are becoming increasingly challenging to achieve by the year 2030. The Covid-19 pandemic and Russia's aggressive war against Ukraine were not anticipated when the Agenda 2030 was established. However, these crises are not the sole reasons behind the SDGs' increasingly distant attainment, they rather have exacerbated already existing issues. Crucial themes for effective, sustainable, and equitable global development, such as social safety nets, fair supply chains, climate resilience, and feminist development cooperation, have long been neglected. Moreover, the rise of autocratic government systems has been observed, leading to further curtailment of rights for people living under them (Szambelan et al., 2023). These developments' impacts are evident globally but are particularly acute in countries of the Global South. Correspondingly, the challenges for German development policy are also increasing. Germany's current Federal Minister for Economic Cooperation and Development, Svenja Schulze, acknowledged that progress toward achieving the Agenda 2030 is insufficient and that efforts and political engagement must be intensified accordingly (Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (BMZ), 2023a), (Szambelan et al., 2023).

The role of the BMZ

The German Federal Ministry for Economic Cooperation and Development (BMZ) is the official institution in Germany responsible for planning, implementing, and coordinating German policies in the field of international development cooperation[1]. Its main task is to contribute to

[1] Its counterpart for humanitarian aid is the Federal Foreign Office, which is responsible for, among other things, governmental humanitarian assistance in Germany.

global poverty reduction and sustainable development. The BMZ collaborates with partner countries, international organizations, and NGOs to initiate corresponding projects and programs. The BMZ invests in strengthening the capacities of governments and institutions in developing countries to promote sustainable development processes. Additionally, it enhances awareness and education among the German population regarding international development cooperation. This work focuses on the BMZ's role in providing financial resources to NGOs for funding projects in developing countries.

For the fiscal year 2023, the BMZ has approximately €12.16 billion at its disposal (Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (BMZ), 2023). This budget constitutes 2.55% of the total German Federal Budget. The BMZ allocates approximately half of its budget for bilateral state development cooperation. Nearly 20% is allocated to European development cooperation, contributions to the United Nations, and other international institutions. In the third position, accounting for 11.18%, is the category "Civil Society, Municipal, and Economic Engagement." This category is further subdivided into various areas, including political foundations, churches, and development partnerships with the economy. The category of "Developmentally Significant Projects of Private German Actors" follows, encompassing the NGOs discussed in this thesis. They are funded at a rate of 13.06%, which corresponds to 0.34% of the total German Federal budget (Bundesministerium der Finanzen, 2023). In this work, "NGOs" refer to those receiving funding from the category "Private German Actors."

The BMZ grants contributions to projects and programs of NGOs that the federal government has a "significant development policy interest" in, and that are in line with its development policy objectives and international human rights conventions. However, the applicant does not have a claim to receive funding. Additionally, funding is granted only if budgetary resources allow. Typically, projects and programs take place in developing countries and aim to contribute to the realization of human rights, significantly improve the economic, social, or ecological situation of poor population groups, or effectively support the self-help efforts of these groups. These groups are intended to be involved in the planning and implementation on a partnership basis. For projects or programs to be approved, they must adhere to the OECD-DAC criteria of relevance, effectiveness, efficiency, significance, and sustainability. NGOs must have their registered office and business operations in Germany, and their non-profit or charitable status must be recognized. They must demonstrate at least three years of experience in cooperation with independent and experienced partners in developing countries. When an NGO receives funding for the first time, the funding is limited to a maximum of €50,000 (Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung, 2016). Project funding by the BMZ is possible in all developing countries and regions that are on the DAC[2] list of eligible recipient countries (OECD/DAC, 2023). War and crisis zones are temporarily excluded. In such cases, humanitarian assistance can be provided through the Federal Foreign Office.

The BMZ collaborates with various organizations to implement its development policy objectives. Examples include the "Deutsche Gesellschaft für Internationale Zusammenarbeit" (GIZ), which executes development projects on behalf of the BMZ with its technical expertise, the state bank "Kreditanstalt für Wiederaufbau" (KfW), which provides financing and loans for development projects, and "Engagement Global", operating on behalf of the BMZ. If a project or program is approved, the BMZ funding first goes to Engagement Global, which manages and distributes it to NGOs (Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung, 2016). This is done to ensure that the funds are used efficiently, transparently, and in accordance with the agreed-upon goals and guidelines (Engagement Global, 2023a). Engagement Global operates the "bengo" program, which serves as a consulting center for NGOs on questions related to development projects in countries of the Global South. It supports NGOs in all phases of a project, including the preparatory phase, during the application process, during project implementation, and after the project's completion. For instance, bengo assists with checking eligibility criteria, project ideas and concepts, formulating applications and reports, and finalizing project agreements with partner organizations (Engagement Global, 2023b).

Due to the increasing global needs, reliable financing by the German federal government is necessary for the implementation of the 2030 Agenda (Szambelan et al., 2023). In 1970, the United Nations first issued a recommendation for industrialized countries to allocate 0.7% of their Gross National Income to Official Development Assistance (ODA). Although this recommendation is not legally binding, it has gained broad acceptance in the field of international development cooperation (Wissenschaftlichen Dienste des Deutschen Bundestages, 2018). In 2022, Germany allocated 0.83% of its Gross National Income for ODA purposes (Bundesministerium für wirtschaftliche

[2] "Development Assistance Committee" is a body within the Organization for Economic Co-operation and Development (OECD) that specializes in issues related to international development cooperation. The OECD is an intergovernmental organization focused on promoting economic development and cooperation among countries.

Zusammenarbeit und Entwicklung (BMZ), 2023c). The BMZ plays a significant role in international development cooperation, as Germany is the second-largest donor among DAC countries in absolute terms, following the USA (Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (BMZ), 2023b); (Süddeutsche Zeitung, 2022).

The BMZ has announced that in the coming years, it will particularly focus on the following priority themes: Global Health and Bodily Autonomy, Effective Reduction of Poverty, Hunger, and Inequality, Advancing Just Transition,[3] and Establishing Feminist Development Policies. It emphasizes that these efforts will be carried out in collaboration with BMZ partner countries, civil society, and multilateral institutions (Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (BMZ), 2023a). This is based on the understanding that sustainable development cooperation can only succeed through a fair distribution of decision-making and shaping competence (Szambelan et al., 2023).

Methodology

In this thesis, I have utilized scholarly literature as well as grey literature, such as NGO annual reports and documents published by the BMZ, Engagement Global, and VENRO[4]. The method of triangulation was employed in this study, involving a literature review and semi-formal interviews with NGO staff. Additionally, I spoke with representatives from Engagement Global and VENRO about their respective organizations. The results obtained from the current state of knowledge on this topic from the literature were compared with the results from the interviews.

Seven employees from seven different NGOs were interviewed: Viva con Agua Foundation, action medeor, World Vision Germany, CARE Germany, The Hunger Project, German Foundation for World Population (DSW), and Malteser International. These NGOs were receiving funding from the BMZ at the time of the interviews conducted in July and August 2023. Some of them had been receiving funding for several years. The amount of funding received varied from approximately 10% to 50% of their total revenue. Additionally, some of these NGOs also received further government funding from other German ministries, such as the Federal Foreign Office. However,

[3] A socially equitable transition to a climate-friendly economy with increasing energy and resource demands.
[4] VENRO is the umbrella association of development and humanitarian NGOs in Germany, representing the interests of its member organizations.

as these funds are allocated for humanitarian aid rather than development cooperation, they can be disregarded for the purposes of this study. Additionally, each NGO received funding from various other sources, including donations from individuals, corporations and foundations. The names of the interviewees are not disclosed in order to maintain their confidentiality, which I had assured them of at the beginning of each interview.

Interviews were conducted using an open and structured approach. A pre-designed qualitative questionnaire was used to gather specific information, and spontaneous follow-up questions were also posed. This approach aimed to foster a more open exploration of the interviewees' perspectives and experiences, rather than being constrained by predetermined questions. The interview duration ranged from 45 to 60 minutes, allowing for detailed and comprehensive responses. The interviews were recorded and later transcribed into written transcripts. These transcripts served as the basis for a thorough coding process.

Initially, the transcribed interviews were carefully read, and individual statements, ideas, and concepts were extracted, which were then condensed into preliminary codes. This open coding approach allowed for the identification of key themes and patterns in the statements. Following this, I compared insights from the interviews with existing research examined in the literature review, highlighting commonalities, deviations, and gaps in the literature. The resulting insights were interpreted in the context of the research questions. Overall, the combination of structured questionnaires and spontaneous questions in the interviews, followed by a systematic coding and analysis of the data, provided comprehensive insights into the perspectives and experiences of the NGO staff members.

Literature Review

How did NGO accountability evolve?

For a long time, NGOs enjoyed a good reputation for making development more effective, equitable, and representative (Cavill & Sohail, 2007). They were the ones originally demanding accountability and transparency from businesses and governments (Lee, J., 2004). However, the credibility of NGOs came under increasing scrutiny. They faced accusations of misusing funds, being dishonest in advocacy and fund-raising, or abusing their power over vulnerable people. Other accusations were directed at the quality of their work. They were criticized of lacking regulation, poor coordination with the public sector, amateurism, resource competition, duplication, subpar work, and inadequate sustainability (Cavill & Sohail, 2007). Eventually, the movement initiated by NGOs turned back on them, and the concept of accountability was transferred to the NGO sector, becoming a crucial topic.

Besides these critiques, other developments contributed to demands for NGO accountability. The NGO sector had grown rapidly, making it challenging to keep track of which NGOs were legitimate and which were not. One of the reasons for this growth was the largely negative attitude towards governments in the context of neoliberal development thinking in the 1980s and 1990s, which partly benefited NGOs as their revenues increased, and more service contracts were established with them. NGOs gained more and more influence in policy-making (Lee, J., 2004). The criticism of NGOs, their work, and the growing size and influence of the NGO sector triggered louder calls for NGO accountability.

What is NGO accountability?

Various definitions of "accountability" are used in the literature. For example, (Murtaza, 2012), defines it as "the right to be involved in all phases and levels of the performance management cycle of an entity." Accountability can be used in different ways, either to improve the effectiveness, efficiency, and economy of a project, for political purposes or as a goal in itself. Often, the terms "accountability" and "responsibility" are used interchangeably (Cavill & Sohail, 2007). (Oliver & Drewry, 1996), differentiate between the two terms based on blame. "Responsibility" means taking the blame if the task did not go as planned. In the context of "accountability," one is obligated to explain and make amends, but not necessarily take the blame.

To precisely determine the accountability of NGOs, answers to the following questions must be found: How? What? To whom? (Lee, J., 2004), (Murtaza, 2012).

How does accountability work?

In the literature, the "principal-agent" theory is commonly used to describe how accountability works: A principal delegates a specific task to an agent. In the case of NGOs, the principals include governments and donors. Principals need information from NGOs to monitor their work. However, the NGOs may not want to disclose all the information. Therefore, principals create incentives and sanctions to make NGOs perform their work according to the principal's expectations (Cavill & Sohail, 2007).

What is an NGO accountable for?

In the literature, two main levels of NGO accountability are distinguished: Practical accountability and strategic accountability. The two levels differ mainly in how they conceptualize "development" (Cavill & Sohail, 2007). According to (Ferguson, 1994), the development industry functions in two ways: on the one hand to achieve development and on the other hand to justify its own legitimacy to continue existing. Practical accountability deals with demonstrating short-term results, compliance with quality standards, and demonstrating the use of resources. Therefore, it is an instrument to legitimize the NGO and reproduce its existence in general. Achieving sustainable political or social successes is less of a focus in this level of accountability. Examples of practical accountability mechanisms include audits, quantifiable targets, technical instruments and performance indicators. On the other hand, strategic accountability aims to address structural issues to bring about sustainable social, political, and economic changes (Cavill & Sohail, 2007).

To whom is an NGO accountable?

NGOs have to deal with accountability in various directions. They are usually accountable to a range of different actors, both at the local and global levels. The literature mentions at least four possible categories of stakeholders for NGOs: those who determine the operational environment of an NGO, such as governments and donors; those who belong internally to the NGO, such as employees and the board of directors; civil society, including social movements or other NGOs; and those on whom the activities of the NGO are focused, namely the beneficiaries (Lee, J., 2004). The literature assigns accountability to various forms depending on whom an NGO is accountable to:

- Upward accountability: NGOs are accountable to their funders for delivering value for money and achieving agreed-upon objectives.
- Downward accountability: NGOs are accountable to their partner organizations, as well as the beneficiaries affected by their projects. It is about involving the affected parties in their strategies and work, giving them local ownership, learning from them, and effectively and sustainably shaping their work according to their best knowledge and conscience.
- Horizontal accountability: NGOs are accountable to their peers for meeting shared values and standards to avoid damaging the norms and reputation of the NGO sector.
- Inward accountability: The employees of the NGO are accountable to the mission and values of their organization (Cavill & Sohail, 2007).

The different and sometimes conflicting directions of accountability put NGOs in the difficult position of constantly having to weigh and decide how to prioritize their accountabilities (Lee, J., 2004). This thesis focuses on the tensions between upward accountability and downward accountability, namely the accountability of NGOs to their governmental funders and the accountability of NGOs to their partner organizations.

Upward Accountability

Morally, NGOs should be primarily accountable to their values and to their beneficiaries. However, since NGOs need funds to finance and implement their projects, they are also accountable to their funders (AbouAssi & Trent, 2016). NGOs are accountable to their governmental funders on multiple levels. Most donor governments fund only specific projects, not the ongoing operating costs of NGOs themselves. So, to sustain themselves financially, NGOs must repeatedly secure funding for individual projects. The funders must agree with the objectives of the project, and agreements are documented in contracts. They have the right to evaluate the project's performance. If the funders are not satisfied with the results, they may not fund future projects proposed by the NGO. If funds were not used as specified in the contract, the funders are even entitled to reclaim the funds (Murtaza, 2012).

Advantages of Upward Accountability

When NGOs apply the concept of accountability, it can have positive effects on them. The NGO can learn from mistakes and continuously improve. By subjecting the work of an NGO to thorough scrutiny, the organization is motivated to work harder, be more efficient, deliver higher performance, align more closely with the perspectives of the community, and uphold higher ethical standards.

By being accountable to their funders, NGOs assure them that the funds are being used in line with the funders' intentions and can demonstrate their effectiveness and efficiency. This can build trust and a good reputation, which can attract further funding for the NGO in the future (Wenar, 2006), (Murtaza, 2012).

Disadvantages of Upward Accountability

However, upward accountability also has disadvantages for NGOs and their partner organizations. It is often criticized that governmental funders primarily focus on financial and legal accountability, while accountability regarding the involvement of the beneficiaries and the quality of the project takes a back seat. Upward accountability is criticized for diverting attention from the importance of accountability to the communities (Murtaza, 2012), (Cavill & Sohail, 2007). Additionally, the mechanisms required to ensure upward accountability, such as writing reports, are often time-consuming and cost the NGO valuable resources that could otherwise be used for project implementation (Wenar, 2006). Moreover, upward accountability to governmental funders carries the risk that the government pursues political and/or economic interests and instrumentalizes its funding for that purpose. Furthermore, the mechanisms are often very bureaucratic. Standardized reports may not accurately reflect the realities on the ground (Wenar, 2006). Governmental funders can only partially evaluate on-site NGO activities from their home country (Murtaza, 2012). Additionally, upward accountability tends to be rigid and inflexible and responds rather belatedly, making it difficult for NGOs to respond quickly to changes in the field. Another risk is the potential sanction by governmental funders, which may demotivate NGOs from tackling innovative or more challenging projects (Wenar, 2006).

Local Ownership and Downward Accountability

The traditional perception of accountability, namely exclusive upward accountability, which focuses solely on those who exercise formal authority over an organization, is largely seen as outdated and narrow in the literature today, as it excludes an important stakeholder group: all those affected by the organization's activities (Cavill & Sohail, 2007). In recent decades, due to persistently high poverty rates in the global South, there has been much discussion about the effectiveness of development cooperation or, more accurately, the lack of effectiveness. Many initiatives were launched, including the concept of "local ownership," as strategies to increase the effectiveness of development cooperation.

The OECD's Working Party on Aid Effectiveness initiated four High-Level Fora to establish goals, action plans, and binding practices for development policies. It began in 2003 with the first Forum in Rome, followed by Forums in Paris in 2005, Accra in 2008, and Busan in 2011. The Paris Declaration on Aid Effectiveness emerged from the Paris High-Level Forum and became a significant agreement between donor and recipient countries. A focal point of this declaration was the concept of local ownership (Hasselskog & Schierenbeck, 2017).

However, the Paris Declaration cannot be considered the ultimate starting point of this debate. The question of how to handle the relationship between donors and recipients of "aid" has been sought since the inception of international development cooperation. Central to this inquiry is the inequality between the two sets of actors, which becomes evident through attempts to overcome it. Consequently, terms were changed. "Aid" became "development cooperation," one-sided knowledge transfer evolved into "mutual learning," and prefabricated solutions yielded to “participatory planning” and 'recipients' became 'partners.' These transformations signify the endeavor to replace "paternalistic charity" with “equitable partnership” (Eyben, 2006), (Kremer et al., 2009), (Hasselskog & Schierenbeck, 2017). "Participatory development" seeks to involve the beneficiaries in the design, implementation, and evaluation of development projects that affect them. This approach aims to make projects more sensitive to local practices and desires, and the beneficiaries experience local ownership (Wenar, 2006).

Local ownership has been emphasized in numerous policy documents. Both the Addis Ababa Action Agenda and the 2030 Agenda for Sustainable Development stress that local ownership is crucial to achieving sustainable development (A/RES/70/1 – Transforming Our World: The 2030

Agenda for Sustainable Development, 2015). The participation of local populations is central to local ownership. Recipient countries are urged to take leadership in formulating and implementing development strategies and coordinating aid, while donor countries are encouraged to respect this leadership (OECD, 2009), (OECD, 2008), (OECD, 2011).

In 2011, the fourth and final High-Level Forum took place in Busan. The extent to which the principles for effective development cooperation agreed upon in Paris in 2005 were adhered to and how to proceed in the future were assessed. This led to the establishment of the Busan Partnership for Effective Development Cooperation. For the first time, traditional funders also engaged with emerging economies as donor countries, acknowledging South-South cooperation as a crucial element of development cooperation. Additionally, the Busan Partnership empowers non-state actors from civil society, private sector, and philanthropic foundations (Hasselskog & Schierenbeck, 2017).

Local Ownership has been considered central to successful and sustainable international development cooperation in recent decades. Today, it remains highly relevant and is deemed important, if not more important than ever before. A particularly significant approach to realizing local ownership is the implementation of downward accountability towards partner organizations and the individuals targeted by NGO projects and programs. With the recognition of local ownership, there has been a growing demand from donor countries, NGOs, and partner organizations for enhanced downward accountability to the affected organizations and communities in the global South (Cavill & Sohail, 2007), (Murtaza, 2012).

The BMZ officially recognizes local ownership as crucial for effective and sustainable development cooperation. In its guidelines for funding NGOs, it is emphasized that partner organizations should participate appropriately in the project and their own structures should be strengthened (Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung, 2016); (Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (BMZ), 2023a).

Discussion

Upward Accountability: NGOs towards the BMZ

At the outset of any funding agreement with the BMZ, NGOs are required to submit a detailed project proposal that encompasses the project's objectives, planned activities, target groups, expected outcomes, and project timeline. The project must align with the development goals and priorities set by the BMZ. The project proposal should demonstrate the long-term sustainability of the planned interventions and their impact on the target groups. NGOs should possess demonstrable experience and expertise in the field of the proposed activities. They must provide a realistic budget that covers the planned project expenditures. Additionally, they need to demonstrate their own financial capacity, including a willingness to contribute a portion of the project costs. NGOs must be capable of providing clear reports on the use of the funding and presenting transparent financial accounting and controls. They should have an appropriate system for monitoring and evaluating project implementation and outcomes. If all these conditions are met and both parties agree, a contract is signed. This establishes clear and legally binding guidelines and requirements from the outset (Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung, 2016).

In the literature, advantages have been mentioned that can positively impact the work of NGOs through upward accountability to government funders. For instance, NGOs could learn from their mistakes, NGO staff could be more motivated to work harder and more efficiently, to identify more strongly with the perspectives of the community, or to uphold higher ethical standards. Therefore, the work of NGOs could be continuously improved through upward accountability (Wenar, 2006), (Murtaza, 2012). However, the interviewees did not agree with these hypotheses. All of them emphasized that the quality of their work was not related to the accountability they had to fulfill towards the BMZ but rather followed from regular reflection and self-critique, as well as intensive exchange with partner organizations.

Regarding one advantage, interviewees did align with the literature. The literature assumes that successfully meeting accountability requirements strengthens funders' trust in NGOs, leading to NGOs gaining a good reputation, which could help them secure further funding in the future (Wenar, 2006), (Murtaza, 2012). Several interviewees mentioned that it is challenging to receive funding from the BMZ for the first time. However, once an NGO has succeeded, it benefits from a certain level of trust. Other funders are also more willing to provide support, as funding from the BMZ is perceived as particularly demanding and thus also serves as a sign of organizational effectiveness.

In the literature, there does not appear to be significant discussion about NGOs demonstrating an understanding that they are accountable to the BMZ. Nonetheless, and although the interviewees did not confirm the theoretical advantages mentioned in the literature, they all expressed their understanding of the necessity of their overall accountability to the BMZ. They demonstrated an understanding that the BMZ requires certain bureaucratic processes to ensure the accountability of NGOs. Interviewees emphasized that the BMZ itself is also accountable, specifically to the German Federal Court of Auditors. This entity serves as the supreme external financial control authority in Germany and is primarily responsible for scrutinizing the use of federal public funds, ensuring their lawful, economical, and appropriate utilization (Bundesrechnungshof, 2023). All interviewees agreed that it is legitimate and necessary to control the use of taxpayer money. One interviewee stressed that German ministries, including the BMZ, operate quite well and flexibly compared to American government funders, local funds, and especially other funding NGOs. Several interviewees reported that over time, governmental funders, including the BMZ, have shown increased understanding of NGOs' concerns and have sought adapted solutions.

Downward Accountability: NGOs towards their partner organizations

The accountability of NGOs towards their partner organizations differs significantly from their accountability to the BMZ. While accountability to the BMZ is formal and legally binding through a contract, accountability to partner organizations is mostly moral and voluntary. While the BMZ is a funder of NGOs, NGOs act as funders for their partner organizations by forwarding the funds from the BMZ to them. Although all interviewees confirmed that there is no legally binding accountability towards their partner organizations, they all emphasized that they take the moral component very seriously. The interviewees' responses regarding moral accountability can be summarized under the concept of local ownership. As a reminder, further above, I noted that downward accountability towards partner organizations and the individuals targeted by NGO projects and programs is a particularly important approach to realize the overarching concept of local ownership.

Some interviewees mentioned that the NGO community is still not in agreement about the meaning of the term ‘local ownership’, which has been widely used in recent years by both NGOs and governmental funders. In the Paris Declaration, ownership is described as follows: “Partner countries exercise effective leadership over their development policies, and strategies and co-ordinate development actions” (OECD, 2008). The same definition can be applied to partner organizations. However, an official definition is still lacking. The interviews highlighted that the application of the concepts of "Community-Led Development Approach" and "People-Centered Participation" are crucial for successful local ownership. Both concepts place the local community at the center of project development and implementation, as they are directly affected by the outcomes. The community should actively participate in all phases of the project, identifying their own needs, priorities, and goals and participating in planning, implementation, and evaluation. The voice and knowledge of the community should be respected and utilized to develop tailored solutions for their needs. Projects should follow a bottom-up approach, where the initiative starts from the community itself. Transparency and accountability to the community are of great importance. The ultimate goal is to strengthen the community's capabilities, self-determination, and self-responsibility to promote sustainable development (Wenar, 2006).

All interviewees emphasized that these concepts are being realized, albeit to varying degrees. When asked how partner organizations are involved in project development and implementation, one interviewee responded that the question should be reversed: How do partner organizations involve NGOs? The interviewees explained that the needs are identified by the partner organizations. It became clear that partner organizations are actively involved from the beginning to the end of projects, from project design and proposal submission to the BMZ, through implementation and monitoring. The latter two phases are predominantly carried out by the partner organizations themselves. It was evident that partner organizations maintain active communication with BMZ-funded German NGOs. Site visits are not one-sided; partner organizations not only host visits from NGOs to the project sites but also occasionally travel to Germany to engage with NGOs. The concept of local ownership was unanimously considered extremely important and relevant by all interviewees, and NGOs invest a considerable amount of effort in its implementation.

Tensions between upward and downward accountability

To obtain funding from the BMZ, NGOs need to go through bureaucratic processes and fulfill specific requirements (as described above). In the literature, these processes are frequently criticized for being extensive, overly demanding, and restrictive (Wenar, 2006; Murtaza, 2012; Cavill & Sohail, 2007). Without specifically asking about it, this criticism was also voiced by all interviewees.

The following are six critiques of upward accountability that emerged from the interviews: First and foremost, it is described that the emphasis of upward accountability towards the BMZ strongly revolves around financial matters. Tensions between upward and downward accountability arise because the demanding bureaucratic requirements of the BMZ sometimes cannot align with on-ground realities and consume valuable resources, because requirements and instruments are at times not flexible enough to respond adequately to local changes, and because funding allocations sometimes do not align with local needs.

Strong focus on financial accountability

"*Accountability is seen as very important, and in the truest sense, it is about accounting*." – *Employee of an NGO, 10.08.2023*

When it comes to the substantive design of projects, NGOs have relatively free discretion. This freedom is made possible through the right of initiative, which allows NGOs to actively propose projects to the BMZ. This enables NGOs to participate in shaping policy decisions within development cooperation and ensure that the needs and perspectives of their partner organizations and local target groups are adequately taken into account. The right of initiative promotes the democratic process in development cooperation (bengo, 2023). The VENRO employee I interviewed believed that the right of initiative is a significant feature of German NGO funding. Although it often contradicts the BMZ's desire for stronger political control or alignment with BMZ priorities, it consistently prevails. The employee had the impression that the right of initiative is respected by the BMZ. Debates surrounding "Shifting Power" and more decolonial development cooperation also contribute to safeguarding this right and the associated freedom of design. VENRO expressly welcomes the BMZ's commitment to continue respecting the right of initiative (Goltermann, L., 2021), (Wenzel, J., 2020). VENRO also insists that when NGOs submit project proposals, consultation should exclusively focus on the guidelines of funding regulations and the administrative procedures necessary for application and implementation. Interference in the conception of projects should be avoided (Wenzel, J., 2020).

It can be noted, that in terms of project design, NGOs enjoy a relatively high degree of freedom. However, in contrast, financial accountability is demanding and restrictive. As evident in the literature review above, it is often criticized that government funders place a strong focus on financial accountability (Murtaza, 2012). According to VENRO, NGOs perceive projects to be overly controlled by the government funder when it comes to their financial accountability (Wenzel, J., 2020). Some interviewees reported that the focus on financial accountability is “extremely strong.” The financial administration is “extremely” regulated and comes with “extremely” detailed requirements. Since the BMZ itself must be accountable to the German Federal Court of Audit, financial accountability takes priority.

Guidelines and requirements clash with realities on the ground

"These are incredible demands. It's outrageous, often things they expect from Malawi cannot even be delivered in a Bavarian village." - Employee of an NGO, 02.08.2023

The guidelines and requirements set by the BMZ for obtaining funding were described by all interviewees as extensive and demanding. The bureaucracy itself is challenging, and its implementation becomes even more formidable in fragile contexts. It does not align with realities in regions where a lack of competent personnel due to capacity to pay staff, lack of access to training, and, in some cases, small partner organizations without proper accounting practices are prevalent. All interviewees agreed that demanding receipts for minor purchases and services, such as food or taxi rides, in regions where a cash economy prevails can be extremely difficult, if not impossible. Interviewees mentioned the difficulty of gaining understanding from partner organizations for some of these requirements and guidelines. Some partner organizations are accustomed to less stringency from other funders. According to one interviewee, in the NGO-community the BMZ is “notorious” for its demanding guidelines and requirements that involve numerous bureaucratic processes. Another interviewee joked that successfully reconciling a BMZ project was an art.

However, the challenges extend further and can structurally impact local ownership efforts. As NGOs are accountable to the BMZ by adhering to these demanding and restrictive guidelines and requirements, they rely on partner organizations that, in turn, must meet their own set of guidelines and requirements. The requirements associated with funding from BMZ are quite demanding for partner organizations. It involves unique regulations that often differ from those of other funders. "For the partner organizations collaborating with various donors, this is a nightmare," explained the VENRO employee. Partner organizations have to read and comprehend hundreds of pages, integrating them into their internal systems. Additionally, there are complex application procedures in some cases (Schwedersky et al., 2020), (Wenzel, J., 2020). Several interviewees emphasized the need for competent personnel and certain structures, such as an accounting system, to achieve this. NGOs may find it challenging to work with less efficient partner organizations that do not have the capacity to comply with the BMZ's accounting requirements. Partner organizations that possess such capabilities can effectively, efficiently, and successfully collaborate with international NGOs, making them preferred choices for NGOs, as reported by some interviewees. These partner organizations often tend to be larger and more established, while smaller, younger, or less professional organizations may not meet these criteria. This situation might seem positive at first glance, as the latter organizations likely contribute less to effective development cooperation. However, this assumption is deceptive. Such organizations often comprise associations of farmers, women, or indigenous communities, who are central to the very communities most affected by the development projects. Some interviewees stressed that these smaller organizations are frequently deeply connected, possess an intimate understanding of problems and needs, and have insights into setting priorities. Collaborations between NGOs and such organizations serve as prime examples of concepts like "Community-Led Development Approach" and "People-Centered Participation," which align with the concept of local ownership. However, such collaboration is hindered by overly demanding and restrictive bureaucracies.

Bureaucracy consumes valuable resources

Fulfilling accountability to state funders entails several tasks. In the literature, it is often criticized that these mechanisms consume valuable human resources that could be better utilized elsewhere (Wenar, 2006; Murtaza, 2012; Cavill & Sohail, 2007). All interviewees concurred that adhering to the guidelines and requirements of the BMZ, along with the associated bureaucratic processes and conveying them to partner organizations, consumes substantial human resources. The extensive project applications that need multiple rounds of revision and might not even be funded in the end were highlighted as particularly resource intensive. Interviewees also emphasized the time-consuming training sessions required for colleagues at partner organizations to work with the BMZ's guidelines and requirements. Several interviewees underscored that the resources dedicated to fulfilling bureaucratic requirements could be better allocated elsewhere, particularly for a stronger focus on the substantive aspects of the project or even for additional projects.

In addition, the administrative and personnel costs incurred by NGOs are not adequately covered by the BMZ. It can be observed that BMZ imposes a high level of requirements that lead to administrative and personnel costs, but it does not sufficiently fund these expenses. The VENRO employee explained that NGOs are under increased financial pressure due to the underfunding of administrative costs. The in-kind contributions they provide are significantly higher than the financial counterpart specified in the project proposal, primarily due to the low administrative overhead rates. Especially with new partner organizations, the effort is substantial as they need to be informed about all relevant administrative regulations and ensure their compliance. Smaller NGOs might find this particularly burdensome, as the non-budgeted administrative tasks would either have to be managed through volunteer engagement or other additional resources.

Guidelines and requirements are not flexible enough

"Accountability is undoubtedly important, but on the ground, we need a certain level of flexibility, and achieving that with these German laws is incredibly challenging".

– Employee of an NGO, 24.07.2023

In the literature, it is often criticized that the guidelines, mechanisms, instruments, and requirements of the BMZ are rigid and lack sufficient flexibility (Wenar, 2006). The interviews also revealed that this frequently poses challenges for the work of NGOs. All interviewees agreed that flexibility is necessary to achieve successful development cooperation in fragile contexts, and they perceived the lack of flexibility in the BMZ's requirements as a significant challenge. Some BMZ financing instruments and mechanisms are not sufficiently adaptable to be tailored to specific on-the-ground contexts.

NGOs often find during the course of a project that their initial plans will not lead to the intended goals, thus necessitating adjustments or changes. While this is sensible and necessary for successful project implementation, it is impeded by bureaucratic obstacles. Changes require bureaucratic effort and are often hindered by rigid funding guidelines from the BMZ. This leads to prolonged coordination and decision-making processes, resulting in significant project delays. This becomes problematic, particularly for smaller NGOs, as they often lack the necessary funds to cover the financing of changes themselves. Especially small NGOs rarely have the financial leeway to pre-finance necessary changes until a change request is approved. Furthermore, they often cannot afford the risk that the adjustments or changes may not be retroactively funded by the BMZ. However, this inflexibility is not only detrimental to the NGOs themselves but also to the BMZ, as it may have funded the agreed-upon activities but may not achieve the agreed-upon outcomes if adjustments are not facilitated or are made difficult (Krause, L., 2020).

One interviewee illustrated this desire with an example from their work: A project consists of two components, a health component and a WASH (Water, Sanitation, and Hygiene) component. As the project progresses, it becomes evident that less money is needed for building latrines than anticipated, while the health centers require further renovation. To redirect the surplus funds originally allocated for latrine construction towards renovating the health centers, an amendment proposal must be submitted. The process of reallocating funds is constrained by the necessity to prepare and submit an amendment request, which may not even be approved. As a result, resources and valuable time are lost, which is also clearly defined and limited by BMZ-established guidelines. Instead, the interviewee suggested a unified budget line, which, in this example, could be named "Infrastructure Rehabilitation Measures." This approach would allow for the flexible and targeted reallocation of saved or surplus funds within the project, addressing needs as they arise. Such a budget structure would better accommodate variations from the original proposal due to on-site realities, thereby enabling more effective work. Therefore, increasing the availability of funds that can be used flexibly would be helpful.

Projects durations are too short

In the literature, there is a general consensus that sustainable development can be better achieved through the establishment and strengthening of local structures, as well as through attitudinal and behavioral changes, rather than solely relying on the implementation of individual projects (Hasselskog & Schierenbeck, 2017), (Murtaza, 2012), (Krause, L., 2020). Such approaches naturally require some time.

Several interviewees shared that their NGOs are striving to embrace local ownership by moving away from project-based contracts and instead focusing on implementing more comprehensive programs. They mentioned that the goal is to collaborate with partner organizations over an extended period, jointly build strategic initiatives with them, and provide regular funding to partner organizations beyond project timelines to help sustain their own structures.

However, several interviewees criticized the short project timelines allowed by the BMZ. Presently, only those projects are funded whose clearly defined goals can be achieved within a maximum duration of four years. Extensions require the consent of the BMZ (Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung, 2016). All interviewees deemed four years significantly insufficient for establishing strategic changes. Consequently, project proposals don't outline overarching objectives, but rather focus on subordinate indicators. Currently, there is no provision to advocate for longer project durations. Interviewees expressed the desire for the BMZ to adopt longer-term thinking and ideally allow funding spans of at least ten years. Nonetheless, they acknowledged that this is unrealistic, as the four-year cycle aligns with the four-year legislative periods. This means that within a ten-year project period, two elections and potentially changes in government would occur both in Germany and the partner countries. As a result, the BMZ would have to contend with significant uncertainty due to changes in government and other unforeseeable future events.

Yet, sustaining longer project durations solely through donations would be unfeasible, co-financing with BMZ funds, which are bound by fixed project durations, would be essential. Some interviewees mentioned that they try to compensate for the short project durations by applying for follow-up projects. However, this leads to another challenge. One interviewee explained that the Federal Budget Code does not allow for a follow-up project that is essentially the same as the previous one since the NGO was entrusted to achieve a specific goal and contractually committed to achieving it within the corresponding project. Further projects that are identical would imply that the contract was not fulfilled.

Funding pots do not match needs

Since the Paris Declaration, the literature has largely agreed that sustainable development can only occur when those to whom NGOs' activities are directed indicate what their needs are and how these should be prioritized (Hasselskog & Schierenbeck, 2017). The interviewees also agreed that partner organizations or target groups must identify the needs.

However, sometimes there are no appropriate funding sources for these needs. One interviewee explained that the funding guidelines have a very high sustainability requirement. At first glance, this requirement aligns well with the needs of the target groups because, according to several interviewees, these groups are strongly committed to building and strengthening their structures sustainably. Establishing structures such as health centers, schools, or training facilities can advance the sustainability of a region. However, this can only happen if these structures continue to exist even after the corresponding projects that created them are completed.

This is difficult, for example, in the context of the healthcare system, as one interviewee explained with an example: Her NGO opened a midwifery school funded through the BMZ. This funding came with the requirement that the school be handed over to the local government and operate independently after three years. The interviewee stated that these requirements were very challenging. The midwifery school was able to meet the BMZ's high sustainability requirements, but many similar attempts to establish structures would fail. Health centers, schools, or training facilities, in particular, often face challenges in achieving sustainability. To ensure free healthcare, medicines and healthcare personnel must continue to be funded after the project ends, and teachers' salaries must still be paid. An interviewee talked about all the ruins of previously established schools in some regions that have since closed and decayed. To avoid such outcomes in the future, NGOs must fulfill certain requirements to secure sustained funding beyond the project's duration. For example, they may need to provide a support letter from the local Ministry of Health, confirming that the structures will be taken over after the project ends. Another option is to provide confirmation of follow-up funding from the local government or another funder. If an NGO fails to do this, the sustainability requirement is not met, and the project will not be funded by the BMZ. "It's often very difficult; sometimes you get the feeling that the funding stream just doesn’t allow it," one interviewee said. According to her, there are very few alternative funding options in Germany whose guidelines and requirements would still allow funding for such projects.

NGO’s own share is too high

In order to co-finance with the BMZ, NGOs must finance at least 25% of the project costs through their own funds. The NGO's own share must not come from other public funds, such as those from the European Union, a federal state, or municipalities (Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung, 2016).

NGOs generate these funds through donations. However, obtaining donations often presents a significant challenge, as some needs lie well outside the public's awareness. Moreover, the willingness of individuals to donate is steadily decreasing, as several interviewees claimed. Generating donation funds requires NGOs to allocate valuable resources. The human resources previously used to secure the 25% own-funding requirement could be better utilized for other tasks (Goltermann, L., 2021).

All interviewees found the 25% co-financing requirement to be too high. Some criticized that this often limits the projects that can be requested, as the 25% from a larger sum would require a substantial amount of own funds. According to several interviewees, this could lead to the exclusion of other projects once a significant amount of funds has been used for the own-funding portion of a larger project. Another issue is that smaller NGOs unable to gather the necessary own funds would be excluded. Additionally, the requirement to have the 25% own funds in place before being able to apply for the project was seen as problematic.

The variable country offices

The examined NGOs resemble or differ in terms of whether they have country offices in regions of their partner organizations or not. Country offices are local or regional branches or subsidiaries established and operated by an overarching NGO. Among the examined NGOs, four variations could be identified: Five of them have country offices in multiple countries, three of which are gradually phasing them out. One NGO operates without any country offices, and another NGO also does not operate any, but collaborates with entirely independent sister organizations established and developed in countries of the Global South. Some NGOs have both country offices that are locally registered and autonomous, as well as those that are, at least on paper, still dependent on the NGO. Some NGOs exclusively work with their country offices, while others indeed collaborate with partner organizations, with a country office serving as an intermediary between the NGO and the partner organization.

The interviewee from the NGO that has no country offices but operates entirely independent sister organizations emphasized that these entities have nothing in common with country offices as other NGOs have them. Unlike country offices, their sister organizations are completely independent entities established under respective national laws, with their own funds, executive directors, and project implementations. The only similarity between the NGO and the sister organizations lies in the name and logo, which the latter are allowed to use after a shared organizational development process. In the initial years, the sister organizations would receive a significant portion of their funding from the NGO for support. However, once they have established themselves, they would also seek funding from other sources. The interviewee described the term "country office" as rather old-fashioned and likened them to branches or subsidiaries of the German headquarters. The interviewee viewed the emergence of independent sister organizations as a positive development.

The interviewees were in agreement regarding the point that country offices make things easier for NGOs. Interviewees from NGOs with country offices mainly saw a significant benefit in being able to apply a "One Fits All Approach," meaning they could operate on-site with the same business practices as in Germany. This would save them from several bureaucratic processes. Another major advantageous aspect mentioned was that they wouldn't have to work directly with partner organizations they might not know. An interviewee from an NGO with country offices explained that the colleagues of the NGOs and their country offices would know each other, thus providing better access to the country offices compared to unfamiliar organizations. This would also save them from some bureaucratic processes, as they wouldn't need to undergo extensive due diligence procedures for unfamiliar organizations. An interviewee from an NGO without country offices explained that a direct transfer without an intermediary country office comes with specific challenges and risks. Establishing direct contact with partner organizations without the “buffer” of country offices requires significant effort, as some of them still need support and capacity strengthening. any partner organizations are small and inexperienced, lacking resources like accounting. An interviewee from an NGO with country offices mentioned that without a country office acting as an intermediary, proper support and monitoring of partner organizations couldn't be ensured, and their preparedness and access to necessary information might be compromised. Country offices don't transfer funds all at once; instead, they disburse funds gradually to partner organizations. This is done only after the organizations have submitted appropriate reports or demonstrated that the funds have been already utilized. Thus, NGOs, through their country offices, maintain some control over partner organizations. "We need to retain some control because we also bear responsibility," the interviewee explained. NGOs bear responsibility in the sense that they might need to return the funds to BMZ in the worst-case scenario if the project is not implemented as contractually agreed upon or if the funds were not used as intended. Several interviewees mentioned that finding suitable partner organizations can be challenging in some regions, as "the good ones" are often already engaged by other NGOs from different countries. "The really good and implementation-strong ones are already taken by at least one or two other international NGOs," explained an interviewee from an NGO without country offices. "The truly skilled and effective ones are always already occupied by a German NGO," she added, explaining that there aren't yet enough implementation-strong organizations in the Global South due to limited structural possibilities. Many of them need regular substantial funding to establish themselves. Another noteworthy advantage of country offices is that NGOs can attempt to secure funding and donations locally through these offices, further diversifying their revenue sources. Additionally, it's considered positive that projects can continue to be managed by the NGO even if travel bans are in place from Germany. Another interviewee from an NGO with country offices highlighted that it's meaningful to have country offices where staff from partner organizations are persecuted for political activities. For instance, a country office established by the USA would provide the advantage of officially having local employees as USA staff, affording them protection from persecution. Country offices are necessary in regions where civil society is weak or absent. Accordingly, some NGOs adopt a hybrid approach. Where possible, they work directly with partner organizations, and where there are no or no suitable partners, they collaborate through their country offices or with partner organizations via their country offices.

Despite such advantages that country offices bring, the BMZ generally supports projects that are directly implemented through partner organizations that are independent from the applicant organization. NGOs thus transfer the funds provided for project implementation directly to local partner organizations. Transfer through a country office is excluded and ineligible for funding. Partner organizations must be locally registered. An independent partner organization usually also has its own boards and control structures that are not occupied by the NGO. Moreover, it carries out its own projects locally independently of the NGO. In this context, the NGO does not act as a guide, controller, or implementer toward the partner organization but potentially serves as a supportive advisor through activities such as project supervision trips and digital exchanges involving financial and status reports (bengo, 2023). This arrangement aims to strengthen local civil society structures in the Global South, i.e., local nonprofit organizations, in line with local ownership. An interviewee of an NGO with country offices demonstrated understanding for the fact that the BMZ prefers direct transfers to strengthen local organizations. Despite the drawbacks, including additional effort and risk, the interviewee stressed that this approach makes sense in terms of further promoting local ownership.

Consequently, this regulation implies that NGOs would not receive funding for projects carried out through country offices. In exceptional cases, project financing through a country office is possible. For instance, country offices could be active in Capacity Development or contexts with heavily restricted civil society spaces (bengo, 2023).

Some interviewees criticized the BMZ's cautious stance toward country offices, as this stance creates certain drawbacks. Although the BMZ aims to reinforce local ownership, it sometimes hinders it due to associated challenges and risks. "BMZ is sometimes too distant to see how very small partner organizations operate and the obstacles this presents for us," said an interviewee, wishing that BMZ would acknowledge and consider such obstacles. According to some interviewees, the negative attitude toward country offices is also unjustified in some respects since almost all of the staff are local employees, making little difference compared to other local organizations.

Interviewees from both NGOs without country offices and an interviewee from an NGO with multiple country offices held an opposing view. While they acknowledged the advantages of country offices, they emphasized that even if there seem to be no significant differences between country offices and local partner organizations at first glance, differences do exist. A country office remains legally an organization controlled by a German NGO, which may represent different interests than a local organization that is fully independent.

Those NGOs that exclusively collaborate with their country offices and not with partner organizations cannot benefit from the fact that local organizations are often particularly well-connected within civil society and integrated into local structures, allowing them to work more effectively and efficiently than country offices.

Interviewees from NGOs without country offices stated that they deliberately work with partner organizations without an intermediary. An interviewee explained that it's their "ethical commitment" to promote global justice and act in accordance with local ownership. Interviewees from NGOs without country offices emphasized that they are aware of the challenges associated with "unfiltered" collaboration with partner organizations, but they acknowledged that local ownership inherently involves effort, and these challenges must be accepted to achieve a fairer and more sustainable development cooperation.

Overall, BMZ's preference for local partner organizations over country offices appears to align with a general trend of NGOs moving toward local partner organizations. All except one of the interviewees from NGOs with country offices mentioned that their country offices are gradually being phased out. The interviewees stressed that, whenever possible, they would collaborate directly with partner organizations.

Local Ownership Paradox

This thesis focused on NGOs and the two stakeholders to whom they are accountable, namely the BMZ and their partner organizations. Although the main emphasis was on examining the tensions in accountability to both sets of, it should be emphasized again that all three stakeholders (i.e., also including the NGOs themselves), share the same ultimate goal of local ownership. Starting from the top: The BMZ officially recognizes local ownership as crucial for effective and sustainable development cooperation (Federal Ministry for Economic Cooperation and Development, 2023) and thus promotes downward accountability of the NGOs it financially supports towards their partner organizations.

Nevertheless, NGOs are often impeded by BMZ's guidelines and requirements in fulfilling downward accountability. There are two reasons for this. Firstly, BMZ creates stringent guidelines and requirements because it is accountable to the German Federal Court of Auditors, which is responsible for ensuring the appropriate use of German taxpayers' funds. In order for the BMZ to fulfill its accountability to the Federal Court of Auditors, these guidelines and requirements are necessary. They are not intended to restrict downward accountability, but unintentionally end up doing so. Secondly, sometimes it is precisely those guidelines and requirements of BMZ intended to promote downward accountability that end up limiting it. In some cases, they do serve their purpose, but in others, they unintentionally do not. Throughout the study, the following challenges were described, which lead to a “local ownership paradox”:

- Demanding guidelines and requirements of the BMZ are sometimes not compatible with on-the-ground realities, as only certain local organizations have the capacity to implement them. Consequently, NGOs prefer to work with these organizations rather than smaller, less experienced ones or associations that would better reflect the core of local communities.
- BMZ's guidelines, requirements, and funding instruments are inflexible and therefore cannot be adapted to local changes. Partner organizations that work on-site and are best positioned to decide what needs to be done to implement the project most effectively are hindered from doing so.
- Project durations are too short to establish and strengthen local structures. Programs that would support partner organizations beyond individual projects to maintain their own structures are rarely funded.
- Since only projects with extremely high sustainability standards can be funded, projects that would build structures and thus sustainability but do not fully meet these standards are not funded at all.
- Projects conducted through country offices are usually not funded. This complicates and increases the risk of conveying BMZ's guidelines and requirements to partner organizations, which can lead NGOs to prefer established, experienced organizations, smaller community-based organizations, or associations.

The BMZ sets these requirements to strengthen local ownership. However, precisely these requirements sometimes unintentionally achieve the opposite. Thus, a "local ownership paradox" emerges.

NGOs also aim to promote local ownership but can only do so to the extent allowed and facilitated by the BMZ. At the bottom of the hierarchy are the partner organizations, which also wish for local ownership. However, whether and to what extent local ownership reaches them in practice depends on NGOs, but primarily on the BMZ.

However, the paradox begins way earlier, as "aid" itself is contradictory in part. "Aid involves the voluntary transfer of resources from someone who has them to someone who needs them" (Brolin, 2017). Local ownership refers to the capacity and entitlement of recipients to establish their own development objectives and formulate their own methods to accomplish these objectives. Donors are anticipated to avoid involvement in these choices (Brolin, 2017).

Nevertheless, the literature often emphasizes that it is unlikely for this to happen in practice (Hasselskog & Schierenbeck, 2017).

Answer to research question

In this thesis, I have posed the question of how NGOs can navigate the tensions arising from their upward accountability to the BMZ and their downward accountability to their partner organizations. To address this question, I initially delineated the nature of these tensions and the factors contributing to their emergence. Tensions between upward and downward accountability arise because demanding bureaucratic requirements often do not align with the realities on the ground and consume valuable resources. Guidelines and instruments can lack the necessary flexibility to adequately respond to local changes, and funding mechanisms may not always align with local needs. In summary, it can be stated that certain BMZ guidelines and requirements are not congruent with what would actually be needed on the ground.

When tensions arise due to the challenges posed by BMZ's requirements that hinder or make NGOs' downward accountability to their partner organizations impossible, NGOs have several options to alleviate or entirely bypass these tensions. NGOs can navigate tensions in the following ways:

- NGOs can take proactive steps by diversifying their sources of revenue and collaborating with other NGOs to share resources.
- NGOs engage in dialogue with the BMZ alongside other NGOs to drive desired reforms in the administration of development funding.

The following section discusses these possibilities:

Options within the control of NGOs: Diversification and Sharing Resources

Diversification

NGOs have the opportunity to diversify their sources of revenue. In addition to governmental funders like the BMZ, they can seek support from private donors, corporations, and foundations. Furthermore, they can attempt to secure funds from local funds or other public donors. All interviewees emphasized that diversifying their sources of revenue plays a significant role for them and is crucial to avoid strong dependency on the BMZ, allowing for greater operational freedom.

On one hand, diversifying towards donations is essential because these funds become necessary when NGOs receive inadequate funding from the BMZ, such as due to cuts in development cooperation budgets. By diversifying their funding sources, NGOs have access to not only government funds, which are tied to specific requirements, but also donations. The latter have the significant advantage of being unrestricted, allowing them to be used for projects that may not be funded by the BMZ.

Another option is to seek support from other donors. In cases where the challenge lies in pots not matching needs, an alternative could be to seek funding from sources such as “United States Agency for International Development” (USAID). One interviewee mentioned that USAID, compared to the BMZ, funds infrastructure projects, which could be used to finance educational institutions and hospitals. Furthermore, diversification towards unrestricted funds is important as grant funds from the BMZ are sometimes approved only for very fragile contexts, and certain projects in other regions require unrestricted funds.

On the other hand, it is important to continue and secure more grant funding from the BMZ. All interviewees were in agreement on this. One reason is that while global demands are increasing (Szambelan et al., 2023) individual donations worldwide are steadily decreasing, and projects funded solely by donations often cannot be implemented without co-financing from BMZ grants.

One interviewee shared that their NGO, whose funding is largely derived from event revenues, wouldn't have weathered the Covid-19 pandemic's impact on event cancellations as well if they hadn't also received BMZ grant funds.

NGOs can also seek funding from other public funders, for example the United Nations Food and Agricultural Organization (FAO), the World Food Program (WFP) or USAID. Particularly, NGOs that have received BMZ grants are highly regarded by other government donors due to the perceived demanding nature of BMZ's guidelines and requirements.

However, diversification towards tied funds also brings challenges. Different donors attach different guidelines and requirements to their funding. To become familiar with and apply these, NGOs need competent staff in Germany and on-site who can convey them to partner organizations. Additionally, partner organizations must be assessed to determine whether they already have experience with these funding regulations and requirements. If not, significant human resources must be allocated for their education and support. Here, there is a risk of another "local ownership paradox" emerging, as NGOs might prefer to work with established and experienced organizations over less-experienced ones.

Sharing Resources

To save scarce and valuable resources, some NGOs exchange and collaborate with other similarly sized NGOs. One interviewee mentioned that it's not always necessary for each individual NGO to have its own Monitoring, Impact Evaluation and Learning (MIEL) specialists or its own procurement unit. Even though they work on different projects, they can share specialized units such as those dedicated to topics like gender mainstreaming or compliance. The interviewee shared that her NGO is currently in the process of implementing such approaches.

Furthermore, NGOs can submit applications in a group or consortium. In this approach, multiple NGOs can collaborate on a project, such as a health project, where each NGO takes responsibility for the specific regions of their partner organizations. For instance, one NGO might provide health equipment, while another NGO handles the training of midwives in a different region. In a consortium application, one NGO takes the lead and enters into a contract with the BMZ, as well as a separate contract with the other NGOs, and then channels funds to that one. This benefits the BMZ by streamlining the administrative process, as only one contract with one NGO needs to be established, and only a joint report needs to be reviewed.

When a significant amount of human resources is required for conveying guidelines and requirements, or for administration, and if administrative and personnel costs are not adequately funded, NGOs need to be frugal with their human resources. In such cases, cooperating with other NGOs and sharing human resources can be advantageous.

Initiating dialogue with BMZ collectively through VENRO

In the interviews, it became evident that a very common strategy employed by NGOs to alleviate tensions is to collaborate with other NGOs. The umbrella organization for development policy and humanitarian NGOs in Germany was frequently mentioned in this context. All except one of the NGOs interviewed are members. Around 140 NGOs are affiliated with VENRO. It advocates for the interests of these NGOs towards the government, enhances the role of NGOs and civil society in development policy, and raises public awareness about development policy issues and sustainable development. Currently, VENRO operates 13 working groups in which association members collaboratively monitor development policy processes critically and organize specialized conferences. The jointly developed stances are published and serve as the basis for the association's policy advocacy (VENRO, 2023b). The "Co-Financing" working group is responsible for the collaboration between NGOs and the BMZ and engages in an intensive political dialogue with the BMZ. It offers guidance on the implications of guidelines for NGOs, presenting demands to the BMZ on behalf of the NGOs (VENRO, 2023c), (VENRO, 2023b), (VENRO, 2023a).

VENRO also addresses the tensions mentioned in this thesis and formulates demands that could help alleviate these tensions. It highlights four main demands related to the tensions between upward and downward accountability: Streamlining Bureaucracy and Increasing Funding for Administrative and Personnel Costs, More Flexibility, Extension of Project Durations and Reducing Own Share.

Streamlining Bureaucracy and Increasing Funding for Administrative and Personnel Costs

Conveying the demanding guidelines and requirements of the BMZ to partner organizations is intricate and hampers cooperation, particularly with less experienced partner organizations. Adhering to guidelines and requirements necessitates bureaucratic processes that consume human resources. Insufficient funding for administrative and personnel costs exacerbates the scarcity of resources. VENRO calls for a streamlining of application procedures. The number of required documents and the overall scope should be reduced to a necessary minimum. The criteria and limits for funding should be made more transparent for NGOs. VENRO aims for regulations to be tiered for smaller projects. VENRO welcomes and supports the efforts of the BMZ to simplify the administrative requirements for NGO projects (Goltermann, L., 2021).

In order to ensure the quality implementation of projects and programs, appropriate administrative costs are essential. According to VENRO's calculations, the average administrative costs for NGOs' international projects are 18 percent, the VENRO representative shared. Depending on the nature of the initiative, administrative costs are financed by the BMZ up to a maximum of 14% of a project’s total budget. Primarily investment-oriented projects receive up to 4%, more complex projects with capacity-building elements receive up to 10%, and projects with micro, meso, and macro-level approaches receive up to 14% as administrative cost allowances (Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung, 2016). The VENRO representative explained that around 60 percent of NGOs received an administrative cost allowance of only four percent in 2018. The funding fell significantly below the actual administrative expenses incurred. Many NGOs also reported that the administrative requirements imposed on them have increased significantly in recent years. As early as 2013, VENRO pointed out that actual administrative costs exceeded ten percent, regardless of whether a project achieved effects at the micro, meso, or macro level (Goltermann, L., 2021). The VENRO representative explained that in the discussion about whether the administrative cost allowance should be increased, one must not overlook the fact that NGOs already provide a range of services that are not funded by the BMZ. This includes the entire preparation and follow-up of project proposals, such as establishing partnerships, participatory project planning, or final evaluations. In total, specialized personnel are involved one and a half to two years before the start of measures and again for up to five years after the project is completed, especially if a detailed project review takes place during that period.

Not only administrative expenses, but also personnel costs must be adequately funded for successful project implementation. According to current funding guidelines, personnel costs are to be gradually reduced. VENRO emphasizes that for most projects, reducing personnel costs during the course of the project would be counterproductive. They criticize that diminishing personnel costs would limit the sustainability and quality of a project and often create pressure to achieve the same results with less funding (Goltermann, L., 2021).

VENRO welcomes the initiative by the German Federal Court of Audit to revise the regulations concerning administrative cost allowances (Goltermann, L., 2021). VENRO criticizes that an administrative cost allowance of four percent, which applies to the majority of projects, is far too low and does not correspond to the actual administrative costs. NGOs incur significantly higher administrative costs in carrying out publicly funded projects. The administrative cost allowance of 4% has been in place since the 1990s and is no longer realistic given today's cost levels. In addition to general administrative overhead costs such as rent, heating, or office expenses, extensive reporting, coordination, transparency, and compliance obligations are added for publicly funded projects. Therefore, VENRO demands an increase in the administrative cost allowance to a standard 14%. Furthermore, personnel costs are incurred for quality assurance and capacity strengthening. VENRO calls for the funding guidelines to clearly state that all implementation, personnel, and administrative costs incurred both domestically and internationally in the project are eligible for funding (Goltermann, L., 2021).

More Flexibility

Guidelines, requirements, and funding instruments of the BMZ are inflexible and therefore cannot be adapted to changes on the ground. Partner organizations working locally and having the best understanding of what needs to be done to implement the project effectively are hindered from acting accordingly. VENRO calls for more flexibility, both in the implementation of project goals and in terms of methods. More flexible methods should be allowed in the planning and outcome-oriented approach of projects and programs. VENRO asks the BMZ to allow greater flexibility and to prioritize project goals in its funding approach. This means that the BMZ should leave the decisions for adjustments in measures and strategies, including budget adjustments, to the NGOs. While NGOs should present and justify strategic shifts, they should not be hindered by cumbersome and time-consuming bureaucratic processes (Goltermann, L., 2021), (Krause, L., 2020).

Extension of Project Durations

Project durations are often too short to establish and strengthen local structures adequately. Programs that could support partner organizations in maintaining their own structures beyond individual projects are rarely funded. Structural changes can only be successfully and sustainably implemented within an appropriate timeframe. VENRO advocates for the funding of long-term projects and engages in lobbying efforts to enable a fifth year of project funding. However, extending project durations from four to five years is not sufficient. In order to achieve sustainable impacts on target groups, some initiatives require long-term partnerships and longer project durations, or successive project phases spanning ten to 15 years. Therefore, it should be possible to consider and plan for at least two follow-up proposals at the inception of a project (Goltermann, L., 2021), (Krause, L., 2020).

Reducing Own Share

For many NGOs, it is difficult to provide a 25% co-funding share. This can result in only smaller projects or fewer projects being implemented. "I have been fighting for years to reduce the own-funding share within the federal government," one interviewee said. VENRO demands that the funding share be increased to 90% as the norm, thereby reducing the own-funding share for all NGOs to a maximum of ten percent (Goltermann, L., 2021).

Several interviewees expressed the view that engaging in a dialogue with the BMZ through VENRO can be beneficial. In certain matters, the BMZ shows understanding, and together, some tensions could be alleviated.

Conclusion

In the Global North, there tends to be a notion that NGOs from industrialized countries work in the Global South to improve the lives of many people there. However, it's easy to overlook that this is quite an outdated perspective on development cooperation, or to use its former term, aid. Up until the 1980s, this approach was fairly common. NGOs from industrialized countries implemented their own projects and programs in poorer nations themselves. It should be noted that even back then, these NGOs heavily relied on local staff, their language skills, knowledge and networks.

Yet, the reality has largely changed since then. While there are still some NGOs that continue to operate this way, the implementation approach is no longer the norm. The majority of

NGOs have transformed their role. Instead of implementing their own projects and programs themselves, they identify local partner organizations for that purpose. The NGOs take on the role of funders and organizational supporters. This transition is now referred to as "partnership." All the NGOs examined in this thesis see themselves in this new role.

This significant change in the role of NGOs presents several challenges for them. Defining universally accepted terms for these new partnerships is difficult, and they have increasingly been questioned by local partner organizations (D. Lewis, 1998). "Partnership" is a concept that partners with unequal power can interpret differently (D. J. Lewis, 1998). Differences in motivation and power dynamics can exist. Some partnerships are based on the fact that partner organizations receive access to funding from international funders, such as the BMZ, rather than being centered around collaborative work on a project. (D. Lewis, 1998) distinguishes between "dependent" and "active partnerships." While the former often comes with a "blueprint character" and is closely tied to funding, "active partnerships" involve ongoing negotiations, debates, occasional conflicts, and shared learning through trial and error. The roles of partners are clearly defined but can change and adapt according to need and circumstance over the course of a project.

The literature points out that partnerships bring along challenges (D. Lewis, 1998). The interviewees all spoke about the difficulty and effort required to convey the BMZ's guidelines and requirements to partner organizations. Most NGOs nowadays undertake the task of "capacity building." This new role is based on the assumption that an NGO sector has emerged and is emerging in many Global South countries and requires support (D. Lewis, 1998). (James, 1994) describes capacity-building as “an explicit outside intervention to improve an organization’s effectiveness and sustainability in relation to its mission and context”. Capacity-building can take the form of technical support in operational matters. This means that NGOs can provide their partner organizations with personnel and technical resources, offer strategic planning advice, conduct management training, and assist them in developing their organizations in a way that enables them to tackle future challenges independently. The aim of capacity-building is to be more than just the transfer of resources and skills, it's about supporting partner organizations to become self-reliant and independent (Sahley, 1995).

However, capacity-building is also critiqued for various reasons. It often involves a "one-way flow" of expertise and skills from NGOs in the Global North to organizations in the Global South. In some cases, partner organizations can exclusively benefit from the funds provided by

NGOs, as some NGOs in the Global North themselves struggle in terms of organization and capacity (Stark Biddle, 1984). NGOs should apply capacity-building principles they impart to their partner organizations to themselves as well, as many of them also would require adjustments or transformations. Those that fail to do so are practicing double standards (James, 1994). Capacity-building in terms of knowledge and skill exchange, rather than one-sided transfer, could foster a genuine partnership that goes beyond superficiality and truly exists in practice (D. Lewis, 1998).

Furthermore, the question arises about the role NGOs play once partner organizations have successfully become independent and self-reliant through capacity-building. NGOs could collaborate with other, less-established organizations and support their transformation into self-sustaining organizations. However, the rationale behind this approach can be questioned. It's probably more effective for these organizations to learn from NGOs in the Global South that operate in similar contexts, rather than solely from NGOs in the Global North. A potential new role for NGOs could involve facilitating South-South knowledge transfers (D. Lewis, 1998).

The role of NGOs in the global South has undergone significant changes over the past decades. While they used to be direct implementers of projects, the common role of NGOs today is that of funders and supportive mediators of guidelines and requirements associated with these funds. But what if this role too becomes obsolete someday? What if NGOs no longer have funds to allocate and thus no bureaucratic processes to convey, as funds from government funders are no longer channeled through NGOs to partner organizations but are directly provided to the latter? Furthermore, an increasing mobilization of local resources would alter the current role of NGOs.

In recent years, significant shifts have occurred in the operating environment of civil society organizations (CSOs) in the Global South. Some countries have introduced restrictive laws and policies to limit CSOs' access to foreign funding and constrain their influence (Baoumi, 2016). Between 2003 and 2012, 39 countries enacted laws restricting foreign financing for local CSOs. In certain countries like Angola, Equatorial Guinea, and Uzbekistan, government approvals are required for foreign-funded NGOs. Ethiopia introduced the Charities and Societies Proclamation, which imposes limitations on foreign funding and advocacy activities. The global umbrella organization for CSOs, CIVICUS, reports closures, repression, or obstruction of the civil space in 109 countries. Many CSOs in the Global South heavily rely on foreign funding, constituting a significant portion of their annual budgets. The curtailment of CSOs' operational freedom is partially exacerbated by their dependence on external funding (Emmanuel Kumi & Rachel Hayman, 2019).

For these reasons, there is a growing demand for more diverse and sustainable financing strategies in the Global South. Many CSOs in the Global South are increasingly mobilizing local resources to reduce their reliance on external financing and ensure their sustainability (Baoumi, 2016). These efforts enhance the legitimacy and credibility of CSOs at the local level and increase downward accountability. Mobilizing local resources can open up new space for civil society, allowing CSOs to be more responsive to the needs and priorities of intended beneficiaries. Involving individuals and communities in project planning and implementation raises awareness of beneficiaries' rights and fosters a sense of local ownership. Engaging volunteers and seeking individual local donations is a crucial strategy. Depending on contexts, the mobilization of local resources varies in effectiveness among different countries. Local resources often constitute only a small portion of overall budgets (Emmanuel Kumi & Rachel Hayman, 2019).

Legitimate criticisms exist concerning foreign financing, but local financing also faces its challenges (Baoumi, 2016). In some cases, government political repression can hinder the mobilization of domestic resources (Emmanuel Kumi & Rachel Hayman, 2019). Authoritarian regimes suppress, persecute, and threaten local human rights organizations, making local financing difficult. In some instances, governments accuse local financing of having ties to terrorism and subsequently deem it illegal.

In many cases, foreign financing is more feasible as authoritarian regimes have less control over it. Foreign funding could potentially empower the voices of people in the Global South in certain instances (Baoumi, 2016). Direct funding to organizations in the Global South or the mobilization of local resources would significantly alter the relationships between NGOs, organizations in the Global South, and donors from the Global North.

It is possible that NGOs might not exist in the future as funders and supportive intermediaries. I asked the interviewees how they perceive this and what they envision for the future of their NGOs. Many interviewees stated that the ultimate goal of their NGOs is to eventually make themselves obsolete. They all agreed that currently, NGOs are still needed to convey the complex German bureaucracy associated with funding to partner organizations. Some interviewees could envision their NGOs focusing on consultancy, advocacy, and networking in the future. All interviewees confirmed that the trend is clearly moving towards local ownership. However, some emphasized that they don't believe that direct funding will become common anytime soon, if at all. "Development cooperation is also a huge business; powerful forces are at work there. There's a lot of money involved. So, you're definitely inclined to say that we are still needed," one interviewee shared and explained that as things stand now, with the German Federal Court of Auditors responsible for reviewing the allocation of tax funds, the German government cannot simply allocate taxpayer money directly to partner organizations without an intermediary like NGOs. He expressed a wish for that to change. He also hypothesized that the funds that might be lost due to the absence of an intermediary NGO might possibly balance out with the administrative costs required for such an intermediary.

Summary of Results & Outlook

The accountability of NGOs to the BMZ can sometimes impede their ability to fulfill their accountability towards partner organizations. While the BMZ, NGOs, and partner organizations ultimately share a common objective of promoting local ownership in international development cooperation and thereby enhancing accountability towards partner organizations, BMZ policies and requirements sometimes create obstacles that undermine this goal in various ways. In certain instances, unintended and automatic side effects arise due to the accountability demanded by the BMZ, while in others, it could be characterized as a "local ownership paradox" since the very requirements meant to bolster local ownership and, consequently, downward accountability, end up hindering them. Nevertheless, NGOs adopt a range of strategies to mitigate or bypass these challenges. On one hand, NGOs can proactively address these issues by diversifying their funding sources and collaborating with other NGOs to pool resources. On the other hand, they can initiate dialogues with the BMZ together with fellow NGOs through VENRO, to promote the desired changes.

The topic of my thesis is relevant because global needs continue to rise, and effective, sustainable, and equitable development cooperation is still, perhaps even more than ever, necessary. NGOs and organizations in the Global South play a significant role in this, as compared to governmental institutions, they are well connected with local civil societies, both in the country where they are registered and in countries of the Global South. This allows them to better involve these communities in project design, thus enabling more sustainable and equitable development cooperation. Furthermore, funding from governmental donors such as BMZ is still of great importance, as donations alone cannot sufficiently address the substantial and increasing needs. The BMZ plays a crucial role in international development cooperation, with Germany being the second-largest donor among DAC countries now and in recent years (Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (BMZ), 2023b); (Süddeutsche Zeitung, 2022).

The role of NGOs and organizations in the Global South is evolving. Further research should investigate how effective, sustainable, and equitable development cooperation can be shaped through direct funding or funding from local funds. It should also explore the problems and opportunities associated with direct funding to the latter and funding from local donors. Foreign funding, like that from the BMZ might potentially be complemented by direct funding and local donors. Whenever one funding approach is not compatible with the given challenges, the other funding approach could serve as an alternative.

In this thesis, I have primarily focused on NGOs, while both BMZ, relatively the entire German development policy, as well as organizations in the Global South and communities, have taken on subsidiary roles. In further research, the perspectives of these significant actors within the scope of this topic should be more thoroughly explored. The perspectives of other governmental donors, such as USAID, Agence Française de Développement (AFD) in France, or Global Affairs Canada, should also be investigated and compared.

I believe that a significant step toward effective, sustainable, and equitable development cooperation is to avoid categorizing various actors, recognizing their individual needs, commitments, and challenges, and not viewing them as adversaries. The BMZ, NGOs, and partner organizations often share the same goal, namely strengthening local ownership. At this juncture, all three actors still need and benefit from each other. Therefore, they should seek dialogue and support each other in achieving their common goal.

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Appendix

Abstract

This thesis addresses the question of how German non-governmental organizations (NGOs) navigate the tensions arising from their upward accountability to their governmental funder, the Federal Ministry for Economic Cooperation and Development (BMZ), and their downward accountability to their partner organizations in the global South. To answer this question, the study examines the specific tensions, their causes, and the strategies that NGOs employ to alleviate or circumvent them.

Representatives from NGOs are interviewed, and conversations are held with representatives from Engagement Global, an organization acting on behalf of the BMZ, and VENRO, the umbrella organization for NGOs in Germany. Results from the literature are compared with the findings from the interviews.

The argument presented is that NGOs' accountability to the BMZ may hinder their fulfillment of responsibilities towards partner organizations. While the BMZ, NGOs, and partner organizations indeed share the common goal of strengthening downward accountability towards partner organizations, BMZ policies and requirements can sometimes impede this goal. In some cases, unintended side effects automatically arise from accountability to the BMZ. In other instances, it is these very requirements intended to enhance downward accountability that hinder it. NGOs utilize a variety of strategies to mitigate or overcome these obstacles. On one hand, they can take proactive measures such as diversifying revenue sources or collaborating with other NGOs to share resources. On the other hand, they can engage in a dialogue with the BMZ through VENRO to drive reforms in the systems of upward accountability.

Zusammenfassung

Diese Thesis setzt sich mit der Frage auseinander, wie deutsche Nichtregierungsorganisationen (NGOs) mit den Spannungen umgehen, die sich aus ihrer nach oben gerichteten Rechenschaftspflicht gegenüber ihrem staatlichen Geldgeber, dem Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (BMZ), und ihrer nach unten gerichteten Verantwortung gegenüber ihren Partnerorganisationen im globalen Süden ergeben. Um diese Frage beantworten zu können, wird untersucht, welche Spannungen bestehen, wodurch diese verursacht werden und welche Strategien NGOs nutzen, um sie abzubauen oder zu umgehen.

Hierfür werden Vertreter*innen von NGOs interviewt und Gespräche mit Vertreter*innen von der im Auftrag des BMZ agierenden Organisation Engagement Global und des Dachverbandes von NGOs in Deutschland VENRO geführt. Aus der Literatur gewonnene Ergebnisse werden mit den Ergebnissen aus den Interviews verglichen.

Es wird argumentiert, dass die Rechenschaftspflicht der NGOs gegenüber dem BMZ die Erfüllung ihrer Verantwortung gegenüber den Partnerorganisationen beeinträchtigen kann. Das BMZ, die NGOs und die Partnerorganisationen teilen tatsächlich ein gemeinsames Ziel, nämlich die Verantwortung gegenüber Partnerorganisationen zu stärken. Manchmal behindern BMZ-Richtlinien und -Anforderungen dieses Ziel jedoch. In einigen Fällen handelt es sich um unbeabsichtigte Nebenwirkungen, die automatisch mit der Rechenschaftspflicht gegenüber dem BMZ einhergehen. In anderen Fällen behindern gerade jene Anforderungen, die die nach unten gerichtete Verantwortung eigentlich stärken sollen. NGOs setzen vielfältige Strategien ein, um diese Hindernisse zu mildern oder zu umgehen. Einerseits können sie proaktive Schritte unternehmen, indem sie ihre Einnahmequellen diversifizieren oder mit anderen NGOs zusammenarbeiten, um Ressourcen zu teilen. Andererseits können sie durch VENRO mit dem BMZ in einen Dialog treten, um Reformen in den Systemen der nach oben gerichteten Rechenschaftspflicht voranzutreiben.

Questionnaire for Interviews

1. What is your background and role at NGO X?

2. What tensions exist regarding the accountability of NGO X towards the BMZ and towards its partner organizations?

3. Through which mechanisms does the BMZ hold NGO X accountable? What challenges does this pose for NGO X?

4. What measures are taken by partner organizations to ensure that NGO X aligns with their interests? And what does NGO X do itself? Can you provide examples of situations where meeting partner organizations' demands is challenging?

5. What opportunities and challenges arise when working with the local communities targeted by the projects? In what ways and to what extent are they involved in the design, implementation, and monitoring of the projects?

6. What role does diversification of funding sources play for NGO X? What challenges and opportunities may arise in this context?

7. How does NGO X reflect on and learn from challenges?

Follow-up Questions

- What types of partner organizations do you collaborate with (such as NGOs, civil society organizations, associations)?
- Do you primarily work with your country offices, which in turn collaborate with partner organizations? What is the ratio between partner organizations you collaborate with directly and partner organizations you work with through a country office?
- Are the funds from the BMZ transferred to partner organizations through your country offices or do they go directly to the partner organizations?
- Would you say there is a power imbalance or unequal agency between your NGO and the partner organizations, given that the NGO is also a funder in relation to them?
- Do you implement programs alongside projects? When is each more appropriate, and is there a future direction towards focusing more on programs?
- What would your NGO wish for from the BMZ?
- What aspects of collaboration with the BMZ are working well?
- How does your NGO handle situations where funding is not renewed but collaboration with local partner organizations continues?
- Which elements of projects are evaluated and how?
- Do challenges arise because of BMZ's pursuit of measurable outcomes, yet it's difficult to quantify certain successes such as "Women's Empowerment"?
- Do challenges arise because funders prefer quick, tangible results, whereas local partner organizations prioritize long-term sustainability?
- What strategies does your NGO employ to address issues?
- How would you describe your level of freedom in shaping project content?
- What measures for accountability towards BMZ does your NGO find challenging to implement, and which are particularly difficult?
- You mentioned a high level of bureaucracy being required. Is it excessive or deemed necessary? Where could cuts be made without compromising accountability?
- Do project delays occur frequently?