Annex IV: Country Information

Each of the reports is based on a combination of data derived from the following sources:

- Interviews with 2 respondents-HRAW leaders or informed observers of NGO landscape from a particular country. In total 21 interviews were held during February, March, April 2010 with respondents from 10 countries. Each interview was recorded and transcribed without attribution;
- Research of literature, publications and reports on the NGO sustainability, situation in the area of human rights, accountability and watchdog as well as about funding of NGOs;
- Web-search of sites of HRAWs and donor organizations relevant to the subject of the study.

At the beginning of each report we provide a summary of key human rights, accountability and watchdog issues that are relevant for a given country. These are based on various reports of international and domestic organizations that monitor the situation. The list of issues provides a context for the need of activities performed by the HRAWs. The list of selected HRAWs with their short description comes next and provides the reader with a sense of who are the major HRAW NGO actors in a given country. Lists are not exhaustive, but to some degree representative.

The next section in a country report looks at the sustainability situation of HRAWs and presents the key challenges and issues that these organizations face. The information in this section is based mostly on the analysis of conducted interviews.

The final section deals with the funding sources, both existing and potential ones and analyzes them from the perspective of HRAWs.

Given a very heterogeneous and to some extent incomplete information, it was not possible to formulate conclusions for each country, however for some countries we offer summary of findings and conclusions, especially when the available data allowed us to do so.

Each report also includes the list of resources and publications used, a list of HRAW web addresses and list of respondents without identification.

2.1 Czech Republic

1. Human Rights, Accountability and Watchdog Context

The following key issues in the human rights and governance area are identified in the reports of different international organizations ¹:

- Various forms of corruption;
- Right wing extremism and anti-Roma and anti-minorities attitudes;
- Societal discrimination of Roma;
- Violence against women and children;
- Violations of rights of asylum seekers, patients, prisoners, and detained persons;

¹ The list is based on reports such as the Nations in Transit 2010 by Freedom House, 2009 Human Rights Report:Czech Republic by US State Department, Amnesty International Worlds’ Human Rights Report 2009.
Corruption. Although few people encounter corruption directly, the perception of illegal activity, especially concerning the political elite, is widespread. Many view existing anticorruption measures as insufficient to dismantle the intricate web of connections between political and business elites. The 2009 Transparency International (TI) Corruption Perceptions Index ranked the Czech Republic 52 out of 180 countries, with a rating of 4.9 (10 indicates a country without corruption). The figures had worsened from the previous year, when the country ranked 45 and had a rating of 5.2. The Czech chapter of TI pointed to the gradual “cartelization” of the political space, the politicization of the public administration and the increasingly close connection between politics and business as reasons for the decline. TIC also noted the nontransparent financing of election campaigns, rowing influence of financial groups, and instability in the judicial and prosecution sectors that lead to the long-time inability to adequately solve more serious cases of economic crime and corruption.

Right-wing neo-nazi extremism and attacks targeting Roma and other minorities. In few last years there were several attacks by extremists groups on Roma families including children. One of the most known is the case of April 2009 in Vitkov near Prague where three extremists threw three bottles with flammable fluid into a window of a house of a Roma family. The attack caused three serious injuries including a two-year old girl that suffered burns on 80% of her body. The offenders have been put on trial. Similar attack repeated year ago in a settlement near Ostrava. Another well-known case took place in November 2008 when a running battle between far-right protesters and police broke out in the northern Bohemian town of Litvinov after marchers attempted to advance on a housing estate populated mainly by Roma. The government subsequently appealed to the Supreme Administrative Court to outlaw the Workers’ Party, which had helped to organize the march. But the court rejected the case in March 2009, arguing that the ministry had not presented convincing evidence that the party represented a threat to the democratic order. The Highest Administrative Court dissolved the Workers’ Party in February 2010. Its leaders in a response established the Workers Party of Social Justice in a few days and participated in national elections in May 2010, where they received 1.6% of votes.

Societal discrimination of Roma in accessing education, health and housing services. Roma continued to experience discrimination, particularly in accessing education, housing and health, as well as threats of attacks by far-right groups. The 2006 government report estimated that 80,000 Roma—roughly a third of the country’s Roma population—live in ghettos, with between 95 and 100 percent unemployment. The Czech government’s own data reveal that in some parts of the country Roma children are still 26–27 times more likely than non-Roma to be enrolled in practical schools for children with mental disabilities.

The government fails to implement adequate anti-discrimination provisions. There were concerns over inhuman and degrading treatment of people with mental disabilities. Comprehensive anti-discrimination legislation providing legal aid for victims and effective monitoring mechanisms was not enacted. In May 2009 the President vetoed anti-discrimination legislation stating, according to news reports, that it was “unnecessary, counter-productive and of a poor quality, and its impact … very questionable”. This was despite the government’s pledge to introduce a law safeguarding the

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2 Nations in Transit 2010, Czech Republic
4 2010 Nations in Transit, Czech Republic, Freedom House
right to equal treatment and protection against discrimination, in line with EU directives.\(^5\)

- Other similar issues include trafficking in persons for the purpose of sexual services, domestic violence against women and children, rights of children whose parents are detained, children’s rights, immigrants and asylum seekers’ rights, prisoners and detained persons’ rights, patients’ rights.\(^6\)

- Environment. The state system of environment protection is traditionally of high standards including a well governed system of protected territories. Watchdog protection of environment dates back to the communist period. There is a considerable number of environmental organizations with thousands of volunteers who help to govern these territories and present species. Several national NGOs emerged from these grassroots’ initiatives. In last period there is evident pressure by the state administration to limit the state support of the environment protection. Even members of government acknowledged that ČEZ, national electricity giant (involved in a number of environmental scandals) finances major political parties.\(^7\)

2. The Civil Society and HRAW NGO Context\(^8\)

NGOs enter the public space and challenge the government in its anti-corruption efforts.

For example in October 2009, TI-Czech and Oživení (NGO dealing with corruption), released an open letter to the government outlining six anticorruption measures they claimed were not only important but possible to implement in the Czech Republic. These included: to implement “electronic auctions” for public tenders in order to increase transparency and competitiveness; to push for the passage of amendments to the laws on public supply contracts and concessions; to create a database of all funds granted by the state administration, including EU funds, to reduce clientelism; to depoliticize and professionalize the state administration; to amend laws concerned with local governments to improve their enforceability and increase the efficiency of the use of public funds on the local level; and to end the practice of anonymous shareholding, which has contributed to opaque ownership structures and the suspicion of corruption in awarding public tenders.\(^9\)

The recent study on watchdog NGOs in the Czech Republic by Bouchal, which this chapter heavily builds upon, describes the complicated context of civil society in the Czech Republic as a result of peculiar development of the Czech society – and in some sense of the whole CEE. According to Bouchal, civil society is on one hand identified with the dissident movement that is typical of its anti-establishment attitude and not-involvement in the governance activities. On the other hand, there is also a strong tendency in the society to connect civil society with the social services delivery. Both are not fully correct and the space for active citizens who interact with the public and political institutions and cooperate with them for more effective governance is not conceptually and culturally understood.

*The specific “dissident” nature of civil society, rather abstract when seen from the everyday perspective (Václav Havel's life in truth), and its stress on individual integrity (the dissent-oriented*

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\(^8\) Section 2 is taken from the Bouchal P.: Happy Watchdog (without the Muzzle), The Work and Funding of Watchdog and Advocacy NGOs in the Czech Republic OSF Prague, 2009

civil society as a community of unique personalities) have led to civil society in the Czech Republic – and, to some extent, in the entire Central and Eastern Europe – being regarded as something special, too distant from ordinary people and their duties. In addition, the initial “anti-establishment” nature of civil society as well as clichés such as “anti-politics” and “non-political politics” seem to signal to people that if they care about smooth governance – especially at a time of transformation with its immanent imperfections and mistakes – they had better not engage in these things: in other words, civil involvement would be seen as chronic grumbling. As a result of this past legacy, huge sections of society still refuse to support or even be interested in non-profit organizations….. And the analysis even falls into a vicious circle as it is revealed that non-profit organizations are unable to become stable partners for public institutions in protecting the public interest partly because public institutions lack responsibility in that they are not sufficiently monitored with respect to the public interest.

But the situation is not desperate. There are signs of change and improvement, which is gradual, but recognizable:

The rising number of those who appreciate the role of non-profit organizations as a counterbalance to state institutions and bureaucracy may signal a changing public attitude towards advocacy and watchdog organizations.

3. Key Human Rights, Accountability and Watchdog NGOs

The HRAW NGOs position in the Czech non-profit sector is a complicated one as the public in general perceives their activities with less understanding than traditional charities and service providers. Organizations advocating the public interest occupy an ambiguous position in the Czech non-profit sector: in addition to monitoring governance bodies, watchdog and advocacy organizations play the role of public control bodies; they are, however, considered by the public sector as part of the non-profit sector, having to face all the potential disadvantages related to such characterization, no matter whether it is right or wrong. Their systemic work rarely matches with the way NPOs are generally perceived, their output not being measurable or presentable in numbers of persons supported or indicators fulfilled, which is the way social service providers work; therefore, the general public and the rest of the non-profit sector are unable to associate such organizations with a concrete role in society. The latter problem is further complicated by the fact that in order to increase the impact of their work inside public institutions, watchdog and advocacy organizations

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11 “Happy Watchdog (without the Muzzle): The Work and Funding of Watchdog and Advocacy NGOs in the Czech Republic by Petr Bouchal, Open Society Fund, Prague, 2009
12 Ibid.
13 For more data on the state of Czech civil society when the country was joining the European Union (2004), see websites of STEM, a private Czech polling agency, at http://www.stem.cz/tisk.php?id=731.
have become more professional – in the practical way and in the media, too – than, for instance, NGOs providing social services\textsuperscript{14}.

Below is a list of selected HRAW NGOs active in the Czech Republic that illustrates the typical organizations and types of activities. This is not an exhaustive list of all HRAWs, as there is more of them:

- The Environmental Law Service (ELS) is a non-governmental, non-profit organization of lawyers to further the public interest. It is based in Brno. Its aim is to eliminate cases of unlawful and improper decision-making by state offices in matters of environment and human rights, to help people gain access to courts, to build knowledge and skills of non-profits staff, to expand the ranks of public-interest lawyers, and to help bring about a high-quality legal code. ELS is a public interest law organization.\textsuperscript{15}

- Iuridicum Remedium is a Prague based organization promoting human rights. It addresses issues of blanket infringements on individual rights as a result of legislative actions, and also deals with specific cases of human rights violations. IuRe’s focus includes current threats to human rights in the fields of social exclusion; human rights and technologies; and human rights and public administration. IuRe is active in the areas of legislation and legal assistance, and disseminates information to the professional community and the general public.\textsuperscript{16}

- Liga Lidskych Prav (League of human rights) is a non-governmental organization based in Brno (second largest city of the Czech Republic), which promotes protection of human rights by working within the scope of the Charter of Fundamental Rights and Freedoms, and other legally binding international conventions. Liga promotes human rights with the aid of research and education in order to improve the quality of life for all, and by undertaking strategic litigation in courts, producing innovative arguments and landmark solutions. It also focuses on improvements of human rights situation within the health service.\textsuperscript{17}

- The Czech Helsinki Committee is a non-governmental non-profit organization for human rights established in November 1988 in Prague. It is a part of the International Helsinki Federation. It monitors the state of human rights in the Czech Republic with a special emphasis on selected areas and prepares regular reports on the situation with human rights. It provides free legal counseling for citizens, whose human rights were violated and offers litigation. It also provides education on human rights, organizes discussions and human rights seminars. Its areas of focus are children rights, fight against racism and intolerance, penitential system, rights of prisoners and detained persons, social counseling, human rights education and developing a human rights library.\textsuperscript{18}

- Oživení is a non-governmental organization founded in 1997 in Prague. Since the beginning, it has been dealing with the propagation and development of bicycle routes and general support of a sustainable transport system. Since 1999, Oživení has been aiming its efforts on a systematic uncovering of the conflict of interests and corruption in the public administration and increasing transparency of the public sector. The NGO monitors the cases of conflict of interests and

\textsuperscript{14} Bouchal P.: Happy Watchdog (without the Muzzle), The Work and Funding of Watchdog and Advocacy NGOs in the Czech Republic OSF Prague, 2009
\textsuperscript{15} http://www.eps.cz
\textsuperscript{16} http://www.iure.org/en
\textsuperscript{17} http://www.llp.cz/en
\textsuperscript{18} http://www.helcom.cz/en
consequently informs the public, prepares systemic measures including influencing the legislation and last but not least spreads its know-how.  

- **Counseling Centre for Citizenship, Civil and Human Rights** is a non-governmental and non-profit organization, registered as a citizens' assembly. It is monitoring compliance of Czech domestic laws with ratified international treaties on human rights and freedoms; facilitates conditions for cooperation between the non-governmental sector and state institutions, with a special regard to human rights in the Czech Republic; monitors legislative activities of governmental institutions with regard to the obligations arising from international conventions on human rights.  

- **Transparency International - Czech Republic (TIC)** is a non-governmental organization, which objective is to monitor the state of corruption in the Czech Republic and contribute to its systemic reduction. TI's mission is to create change towards the world free of corruption. TI and its chapters fight corruption in a number of ways. They bring together relevant players from government, civil society, business and media to promote transparency in elections, in public administration, in procurement and business. TI's global network of chapters and contacts also use advocacy campaigns to lobby governments to implement anti-corruption reforms.  

- **The Open Society** is a non-profit organization based in Prague supporting the consolidation of civil society in the Czech Republic by pursuing principles and promoting policies based on the culture of law and legal state, on a democratic form of administration as well as on human rights principles. Programs and projects implemented by the Open Society are related to the following fields: people's public participation; police service reform; equal opportunities for women and men; culture policy; social inclusion; social economy. The organization is running a project called „Right of Information Project – Otevrete.cz“. It supports the accessibility of public administration.  

- **The Multicultural Center Prague** is a non-profit organization interested in issues related to the coexistence of different cultures in the Czech Republic and abroad. Since its founding in 1999, they have been working on new educational, cultural and information initiatives. They organize workshops, courses, international seminars, debates, film screenings and book readings. They also run websites devoted to issues such as migration or multicultural librarianship. They have a well-stocked public library designed for those with an interest on multicultural issues.  

- **Agora Central Europe (Agora CE)** civic association was founded in 1998 in Prague with the aim of helping to enhance communication between local governments, central government bodies and citizens. The Association pursues consulting, advisory, educational, moderating and other activities. It publishes materials about its work, produces and spreads documentary films, etc. It organises public meetings, workshops, social and cultural events, and pursues various other activities including work with youth.  

- **Zvůle práva** is a non-governmental organization based in Prague focusing on legal protection of Roma citizens against discrimination, unlawful intrusion and harassment. Its objective is accessibility of law and standard liberties for the Roma minority who is discriminated, suffers from a lack of opportunities and often also from hidden or open persecution. The organization’s vision is

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19  http://www.oziveni.cz  
21  http://www.transparency.cz  
22  http://www.osops.cz/en  
24  http://www.agora-ce.cz
to create a society where law is not a mechanism of power, where the principle of equal opportunities is applied and where human rights are a living horizon of legal and social reality.25

- Pro bono alliance is a nonprofit organization of lawyers based in Tabor who believe that in the Czech Republic, many individuals, groups and interests continue to be neglected by the legal profession and the country's legal system. PBA's foremost goal is to achieve systematic changes which would help to make the Czech Republic's legal instruments more effective in protecting human rights, public interest and important common values.26

- La Strada Czech Republic is a non profit organization. It aims to prevent and minimalise the results of trafficking in human beings and commercial exploitation while respecting individual rights of all involved. The La Strada's mission is threefold: to make the issue of THB visible, to influence authorities, media and public opinion to address this violation of human rights; to inform about possible dangers of trafficking and commercial exploitation and to provide support and direct assistance to trafficked persons.27

- Hnutí Duha (Movement Rainbow) is a branch of Friends of the Earth in Czech Republic. Based in Brno with some 15 local groups, it runs campaigns on issues such as renewable and nuclear energy, climate change, nature conservation, national parks, forestry, waste recycling, ecological agriculture, environmental impact of mining and public participation in environmental decision making. It also deals with general environmental policy issues such as public participation and civil society development, green taxes, environmental debates in political parties' discourse, environmental modernization of the economy and others.28

- Green Circle is one of the oldest Czech associations of non-governmen-tal organizations – it was established in 1989 and currently has 28 members. This association was formed by NGOs working in the area of environmental protection. It delegates representatives to various interdisciplinary working groups, advisory government bodies and committees. It mediates to its member organizations shares important information related to legal issues and other social topics and participates in the preparatory processes and implementation of environmental policy and mutually agreed positions towards policymaking.29

- NeSeHnutí (Independent Socially-Ecological Movement) based in Brno is engaged in regional ecological issues as well as nationwide ones (eg. hypermarket development, sexism) or even Czech contribution to international issues (e.g. weapon business or participation in Social watch network). It bases its activities on belief, that ecological and social have the same causes and consequences. It is probably the only professional NGO, that adhered to this belief that used to be more widespread in early 90's. Most of the other organizations have narrowed their focus to one main theme.30

4. Situation of the HRAW NGOs and their Sustainability

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25 http://www.zvuleprava.cz
27 http://www.strada.cz/en
28 http://hnutiduha.cz/english/
30 http://nesehnuti.cz/
The situation of HRAW NGOs in the Czech Republic is similar as in other countries of the region – their activities address important issues which are not always in the spotlight of the general public. They operate as professional and effective organizations with a high degree of influence in public affairs. At the same time most of them do not engage citizens in their activities.

The community of HRAW NGOs in the Czech Republic had a connection to and support from various independent and private US foundations which allowed them to address issues not favored by the mainstream public. After the US funding became scarce, the EU funding came in and influenced their agenda as well, however, allowed for their autonomous development with partial separation from the society. Buchal describes the situation in a very precise way:

In all the organizations [included in the present report], funding has always been dependent, to a great degree, on several American foundations that came to Central and Eastern Europe after 1989. The funding methods and know-how that these foundations brought to the Czech watchdog sector has had a major influence on the way local watchdog organizations work. In his recent publication, Political Activism in the Czech Republic\(^{31}\), Ondřej Cisař defines the work of Czech watchdog organizations in environmental and human-rights related areas as “transactional activism”, a combination of high transactional capacity (i.e. a capacity to exert influence on public issues) and low mobilization capacity (i.e. a capacity to mobilize huge masses of people in favor of such activities).\(^{32}\) Organizations that work in this way are small-sized and professional, and have a privileged access to decision-making bodies. This, Cisař suggests, is due to the influence of foreign foundations that (a) promoted in Central and Eastern Europe the type of advocacy activism that had its roots in the USA, (b) being independent, made it possible for the organizations supported to tackle controversial issues that did not resonate with the general public and often went against the grain of official institutions. Following up on the above theoretical background, the funding that first came from predominantly American foundations and later from the EU allowed Czech watchdog organizations to completely avoid what was the “Czech controversy around civil society” since they became professional and actively involved in decision-making processes. This meant, however, that they also avoided their own reflection on their position within civil society since – to put it crudely – they worked in society without having to engage citizens in the process\(^{33}\).

After the Czech Republic joined the EU, the HRAW NGOs' agenda and the European agenda overlap which influenced their watchdog function.

Then, before the country joined the European Union in 2004, EU funds were brought into the whole process, causing a slight shift in the issues addressed to satisfy priorities promoted by the EU and enhancing co-operation between watchdog organizations and public authorities, although this made their watchdog function slightly weaker.\(^{34}\) On closer inspection, different organizations used

\(^{31}\) Brno: Democracy and Culture Studies Centre (2008).


\(^{33}\) Bouchal P.: Happy Watchdog (without the Muzzle), The Work and Funding of Watchdog and Advocacy NGOs in the Czech Republic OSF Prague, 2009

\(^{34}\) Stulík, David. “Vliv členství České republiky v Evropské unii na postavení českých nevládních neziskových organizací a jejich zapojení do společnosti.” [The influence of the Czech Republic's EU membership on the position and social involvement of Czech non-governmental non-profit organizations] in Dopady členství České republiky v Evropské unii na nestátní neziskové
these opportunities in different ways, depending on their own priorities.\footnote{This point is further developed in Ondřej Císař's Transnacionální politické sítě [Transnational Policy Networks]. Brno, International Institute of Political Science of Masaryk University, 2004, esp. Chapter 5.} Human rights are increasingly on the agenda of national and international institutions (European Court of Justice, European Court of Human Rights, newly established Ombudsman office). For another, recent changes – some due to the country’s EU membership – have made organizations involved in civil society identify their own position in the changing environment, such as with the recently adopted Antidiscrimination Act or legislation on free legal aid which is yet to be adopted.\footnote{For more about the draft legislation on free legal aid, see www.bezplatnapravnipomoc.cz/novy-zakon/}

The need for HRAWs to be more active towards their constituencies is echoed also in another qualitative research, which was recently completed in the Czech Republic. There, the authors say, “watchdogs and advocacy organizations have to develop their constituencies. They argue that they can’t do this without funding, and that they can’t raise funds without constituencies. The truth is, constituencies include donors, so in a way there is no reason to separate these two tasks – it means more private funding and everything that comes with it.”\footnote{Jan Kroupa, Josef Štogr: Us and Them, in: We and They” – NGOs influence on decision-making processes in the Visegrad group countries, ed. Tom Nicholson, Sasakawa Peace Foundation, 2008}

5. Overall Funding Situation of HRAW NGOs

Since early 1990s, watchdog activities of CSOs were mainly supported by foreign donors. With the Czech Republic’s entry into the EU and foreign donors’ shift of priorities to supporting civil society in the former Soviet Union (‘moving East’), some would argue that existence of these advocacy and watchdog organizations has reached a critical point. While the EU membership is expected to make the resources of the EU Structural Funds accessible to Czech CSOs, monitoring activities do not fall within the realm of these funds. Organizations that are critical of the state or the private sector can also not expect to receive much support from these sources. These organizations have up till now relied on foreign support and have yet to learn to work with a circle of supporters and sympathisers who could provide financial support to such organizations.\footnote{2008 NGO Sustainability Index, USAID}

The study of Peter Bouchal looked at 6 watchdog NGOs (Oživení, Environmental Law Service, Human Rights League, Transparency International, Counselling Center, Iuridicum Remedium) and their financing during 2005-2008.

\textbf{Funding watchdog organizations in 2007: breakdown of individual sources.}\footnote{“Happy Watchdog (without the Muzzle): The Work and Funding of Watchdog and Advocacy NGOs in the Czech Republic by Petr Bouchal, Open Society Fund, Prague, 2009}

\begin{center}
\begin{tabular}{|c|c|c|c|c|c|c|}
\hline
Source & EU & Foundations & Local public budget & Foreign public budget & Own revenues & Private Donations & Others \\
\hline
Average & 35.7\% & 25.9\% & 25.3\% & 2.71\% & 4.4\% & 3.0\% & 0.4\% \\
\hline
\end{tabular}
\end{center}
Another important finding was that the organizations “differ considerably in whether they depend on a single or more sources”, assuming that those depending on a single source are at a higher risk than those with a more diversified portfolio of funding.

6. Funding Sources for HRAW NGOs

Foundations and foundation funds - foundations handling foreign funds – play a crucial supporting role for watchdog and advocacy organizations although the amount they now contribute is considerably smaller than a few years ago. After Mott foundation and recently also CEE Trust left the country, the OSF Prague is the biggest donor according to the volume of funds. The important thing, however, is that they understand the specific characteristics of work in the public interest, and this helps the organizations to (1) cover those costs that do not fall into usual projects presented to other donors, (2) fund projects where other funding is not available or need long-term support, (3) receive funds to co-fund some of their projects (especially European projects). Another advantage of such funding is that in case of funding from the public sector there may be political pressure and potential conflicts of interests. Moreover, funds coming from foundations allow the organizations to tackle the most burning issues, which would be impossible with funding from public or corporate sources.

As has been noted above, the European Union funds had played a major role in funding local organizations even before the country joined the EU. The share of EU funding in an organizations’ budget primarily depends on EU priorities.

EU funds are crucial in the following areas:

- environmental issues (DG Environment);
- activities related to labor markets (labor law, discrimination in the labor market, i.e. funds from the DG Employment);
- equal opportunities (EQUAL, ESF – the European Social Fund);
- legislative lobbying (DG Justice);
- corruption, to a smaller extent (OLAF – the European Anti-Fraud Office, Transition Facility);
- geographically specific projects can also draw funds from the Common Regional Operational Program.

In some of the organizations, EU funds only have a minor share in the funding, in others more than 50%. The positive thing about EU funding is that it is politically independent although this is only true with money that does not go through the Czech structural funds. Programs where implementation is dependent on ministries may face political pressure or conflicts of interests with the administrative bodies – in fact, the organizations say, it is impossible to draw funds for projects with some specific missions or those involving certain persons non grata; also, in some cases, funds are allocated based not on quality of the projects, but on personal contacts.

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40 The whole section is taken from „Happy Watchdog (without the Muzzle): The Work and Funding of Watchdog and Advocacy NGOs in the Czech Republic by Petr Bouchal, Open Society Fund, Prague, 2009
41 For more about how foreign funding affects the organizations’ selection of issues, see Čísař (2008).
42 For example, the Garde program run by the Environmental Law Service and a related project called “Foreign investment and CzechInvest as factors destabilizing the democratic rule of law”, or a joint research by the ELS and Oživení called “The Price of Motorways”, or most activities of Transparency International.
As far as disadvantages of EU funds are concerned, (a) the application process is rather complicated, (b) it imposes huge administrative burdens, (c) co-funding is necessary. And the key fact is that there are this type of funding is limited in timing. For instance, the Transition Facility programs for the Czech Republic have been finished; the 2007-2013 program period of the European Social Fund provided less funding in some areas; even less money is expected to flow from the structural funds after 2013 as new countries will join the EU. Similar changes are under way for funds from Iceland, Norway, and Lichtenstein (European Economic Area Grants, Norway Grants) administered by the Foundation for the Civil Society Development (NROS). On the whole, EU and North-European funds are a huge support for local watchdog activities, and will remain so in the following three to four years; from the long-term perspective, however, activities covered from these sources are at threat.

Apart from EU funds, Czech watchdog activities are supported by national states from their public budgets, mostly through their embassies in the Czech Republic. Examples include the MATRA program administered by the Dutch embassy (environmental issues), and programs run by embassies of the United Kingdom, United States, Canada, and Switzerland (support of anti-corruption activities).

Whereas in the early 1990s these countries considered their support to civil society to be without any controversy or conflict, later, as the Czech Republic transformed to a democratic country and became an integral part of the international communities, watchdog activities became much more professional and their support became something of a political matter where interference into the national interests may be alleged. As a result, the support is weakening. Support channeled through embassies mostly concerns international development cooperation, and most of these funds are directed at less developed regions of the world. Like in case of the European Union funds, these sources are expected to diminish in future, although this is a less serious issue since this type of support has only had a minor share in the overall funding of the organizations.

In the past years the share of domestic public funding in the total financial sources of the organizations rose considerably, most noticeably in organizations providing legal aid to people who normally cannot afford standard legal services. The sources primarily come from ministries (the Ministry of the Interior, the Ministry of the Environment, the Ministry of Labour and Social Affairs), and – to a lesser extent – from regional and community budgets. In addition to programs dealing with discrimination and promoting access to law funded by the Ministry of the Interior, and the Ministry of Labour and Social Affairs, public-budget sources are used to fund anti-corruption campaigns or an anti-corruption telephone lines, e.g. Transparency International, Oživení with subsidies from the Ministry of the Interior.

There are two basic problems with public-budget funding: state subsidies depend on political pressures and there is a risk of conflicts of interests.

Although it may seem that organizations’ own activities and earned income can help them become more independent, numerous risks are involved. For one thing, where organizations can provide services to the commercial or state sector, there is usually a risk of conflict of interests. In conducting anti-corruption audits or training workshops, watchdog organizations might have to face a dilemma, for instance, when they identify a company or institution involved in corruption which they previously audited or trained against corruption.

Apart from conflict of interests situations, organizations suffer from their potential clients’ financial limits. In general law services, commercial counseling is normally out of question simply because potential clients cannot afford to pay. Environmental law allows more opportunities although the institutions that use the service in the public interest and on a commercial basis, e.g. local governments in administrative proceedings, are not ready and nor willing to pay fees to make the service profitable.
Financial reports presented by organizations often fail to distinguish between independent commercial activities and private - individual or corporate donors; in general, the share of donations in the total income is normally a few percent. Exceptions are the Environmental Law Service with up to 10 percent and Hnutí Duha with up to 30 per cent. In effect, organizations that by definition deal with systemic issues or issues of neglected people find it very difficult to build a group of regular supporters (those who were lucky in the past include Greenpeace or the Hnutí Duha). Most organizations would agree that environmental issues have the highest potential appeal to private donors. The reasons are obvious: these issues are more “visible”, and the affairs might affect anyone in any situation. Unlike the “neverending” work in legal aid to people suffering from poverty or discrimination, environmental affairs are easily identifiable, and have clear impacts and conclusions (for example, a case of the car manufacturer Hyundai addressed by the Environmental Law Service).

Nevertheless, further development of this type of funding may well be an opportunity to expand watchdog organizations’ revenues without conflicts of interests or other obstacles typical of other sources of funding.

There are three clear issues involved in the funding of watchdog and advocacy organizations:

- potential trouble and uncertainty related to the conflict of interests;
- some sources of funding are at risk;
- there is a weak link to the society at large which could support these organizations through private giving.

These two major threats – and one opportunity – refer to the possibilities and limits that have to be born in mind in any future initiatives towards developed funding that would allow watchdog organizations to carry on. The overlapping of the first two issues – the need to seek new financial sources at a time of potential clashes of interests from several sides – suggests that there is a link between the funding and the mission of watchdog organizations. In other words, not all activities can be funded from any type of source, and organizations are limited by their missions in where they look for potential funds.

There are several reasons why Czech watchdog organizations like to pursue international cooperation and to join international networks. For one thing, some issues are international: for instance, anti-discrimination legislation relates to entire Europe, and global warming or corporate social responsibility are worldwide topics. Another reason is membership in international organizations such as the Federation Internationale des droits de l’Homme (FIDH), the Transparency International Headquarters, the Justice and Environment and the European Coalition for Corporate Justice. Thirdly, the Czech Republic is a country that can pass its transition experience to countries where the transition to democracy is still under way. Fourthly, the funding conditions encourage cooperation, e.g. grants from the European Commission Directorates-General are designed to support organizations with Europe-wide missions. Such trends expand the scope and impact of activities, although at the same time they divert organizations from specific cases and domestic issues: international projects tend to be focused on publishing and expertise-sharing rather than on long-term involvement and solutions of specific cases.

5. Conclusions and Recommendations

There are three main alternative funding sources for HRAW NGOs plus the „zero“ alternative which is the current situation and funding:

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43 Happy Watchdog (without the Muzzle): The Work and Funding of Watchdog and Advocacy NGOs in the Czech Republic by Petr Bouchal, Open Society Fund, Prague, 2009
Development of corporate giving – i.e. formation of „watchdog fund“ which would be funded primarily from the corporate sources

Lobbying for establishment of public fund that would allow stable support of watchdog NGOs

Activities oriented towards the general public aimed for strengthening of individual contributions and through developing a broad base of supporters to strengthen the role and position of watchdogs within the civic sector.

None of them is the only „right“ solution. The idea is to draw attention to strengths and weaknesses of each of these three alternatives and to the risks that accompany them. These alternatives are not excluding each other, but are complementary. Implementation of any of them, however, would require significantly different strategies.

The basic criteria have to meet conditions of advocacy and watchdog activities – i.e. their relative independence and disconnection between the funding source and the activity which is supported by this source.

- Non-corrupt nature of the funding source (the funding has to be „clean“).
- Transparency: it must be clear where the funding comes from.
- CSR – there shall be no „greenwashing“ or „human-rights washing“. The CSR definition and the boundaries of acceptable use of donor publicity by corporations is unclear. The uncertainty opens a possibility of tensions and disagreement between donors and recipients and among recipients themselves.

The specific criteria include:

- HRAWs need to agree on rules on receiving and distributing funding from these sources, in case they will be a result of a joint initiative.
- HRAWs shall be in agreement about the general concept of such initiative (what, how, why).
- HRAWs shall be in agreement with principles and standards (definition of CSR, etc.).
- Inclusiveness: In case of joint activity it has to be ensured that disagreements will not lead towards exclusion from cooperation to from the access to funding.

Zero Alternative: Development of Current Funding Sources

The current funding – zero alternative – is based on the idea that the current sources of funding can help the situation. In comparison to other alternatives, the zero alternative is the least complicated and with most chances for success.

The problem of this alternative is that it will not address the most pressing issues such as monitoring of public policies or lobbying activities will not secure long-term funding which is critical to them. The main argument why the zero alternative is not a viable one is that the problems will not be solved by themselves. Another important factor is that most of the other alternatives have not been experimented with.

Alternative 1: Corporate Watchdog Fund

The basic concept of the „corporate watchdog fund“ has been recently developed by Pavel Franc from EPS. The concept is based on an initiative towards selected corporations to join a „club of enlightened
philanthropists” that would operate with high reputation and would also provide a forum for evaluating the level of social responsibility of corporate members.” One of the challenges of this approach is that the requirements to be used for funding of HRAWs are too strict which may limit the donors’ participation in such funding scheme. The scheme would exclude several industries, and application of human rights, environmental and fair-job conditions criteria narrow possible options to minimum.

**Alternative 2: Public Support of HRAW NGOs**

There are two levels: European and domestic. On the domestic level, there are two options: a) existing sources of funding and b) establishing a new source of funding. Another option is the establishing tax assignation. The main public funding for watchdog activities currently comes from the Ministry’s of Interior program „Corruption Prevention“ and „Fight Against Corruption – Operation of Anti-Corruption Hot-Line 199“. Funds from these programs are used by Oziveni NGO and Transparency International – Czech Republic, Ecological Law Service, Open Society, Respekt Institut and Čmelák. Is possible to assume that these programs will continue in future. However, it would be desirable if the government would commit to continue fund these programs in future budgetary cycles as well. In this respect it is important that the issue of anti-corruption becomes a public theme, a matter of public and core part of last government’s discourse – but this fact brings also lot of problems connected to populist rhetoric of “anti-corruption washing”.

Another option is to use the typical „ritual“ in the parliament when it decides on the public budget proposal, when various lobby groups push deputies to propose new initiatives and item-lines. Similarly an idea of the „watchdog fund“ could be promoted and possibly pushed through the budgetary cycle in the parliament. However, the lobby pressures on deputies could be in contradiction to the overall idea of the watchdog activities. Also, by strengthening the role of the government in funding of the watchdog NGOs will increase chances of conflict of interests between NGOs and the government (in case when the watchdog fund would be funded by the Ministry of Interior). NGOs may then self-censor their work in order not to lose the funding support. Similarly to anti-corruption programs, other programs can be designed, e.g. for protection of privacy, for protection of rights violated by state organs, etc. Similar system operates on the level of European Commission that provides thematic and institutional grants earmarked for organizations operating on the EU level. But that is also one of the main arguments – it should be the interest of the Czech government to support NGOs in improving the functioning of the public administration and not the interest of the EU.

Another option in the public funding is advocating with the European institutions to create a fund for support of watchdog activities in order to improve the quality of performance of public administration. Such initiative would be real in areas in which the Commission has strong competencies that also match the preferences of individual states or in which the Commission or the Parliament have an interest and motivation to act and increase their influence. More successful might be initiatives targeted towards particular sectors that influencing concrete institutions and operating as coalitions towards for example protection of human rights, environment, etc.

Final option for the public funding is tax assignation. The mechanism brings new funds and strengthens the contact between the citizens and NGOs. On the other hand, the mechanism does not change the distributive logic of giving which means that NGOs that deal with more attractive themes also attract more donors. These inequalities are strengthened by this mechanism.

**Alternative 3: Cooperation with the Public.**
This alternative is based in the development of relationship with the public. The success of such approach requires the use of several strategies – including cooperation with media and fundraising of small contributions from individuals – all in a longer-term horizon.

Practically, this would mean expanding the circle of supporters that would help a particular NGO to cover some of its costs for activities, which cannot be funded from elsewhere. The inspiration comes from NGOs that in recent years were active in different areas, e.g. development aid, environment, and became quite effective, e.g. Greenpeace, Hnutí Duha, People in Need. Similarly new issues could be coined into public campaigns – corruption, public administration, discrimination, lack of access to legal aid, etc. The secondary goal would be to persuade the public that a) NGOs that defend public interest are not annoying elements that hinder the public interest and b) activities in these areas can bring results and have a broader meaning, i.e. fight against passive attitude, non-participation and apatia.

### 2.2 Czech Republic: Sources

**A. List of HRAWs**

- The Environmental Law Service (ELS), [http://www.eps.cz](http://www.eps.cz)
- Iuridicum Remedium, [http://www.iure.org](http://www.iure.org)
- Oživení, [http://www.oziveni.cz](http://www.oziveni.cz)
- Agora Central Europe (Agora CE), [http://www.agora-ce.cz](http://www.agora-ce.cz)
- Public Interest Lawyers Association (PILA), [http://www.pilaw.cz](http://www.pilaw.cz)

**B. Literature and Resources**

1) „For a Happy Watchdog (Free of a Muzzle)“, Petr Bouchal, Open Society Fund Prague, 2009
2) Nations in Transit 2009, Freedom House
3) 2009 Human Rights Report: Czech Republic; US Department of State
5) 2008 NGO Sustainability Index, USAID
6) 2009 NGO Sustainability Index, USAID