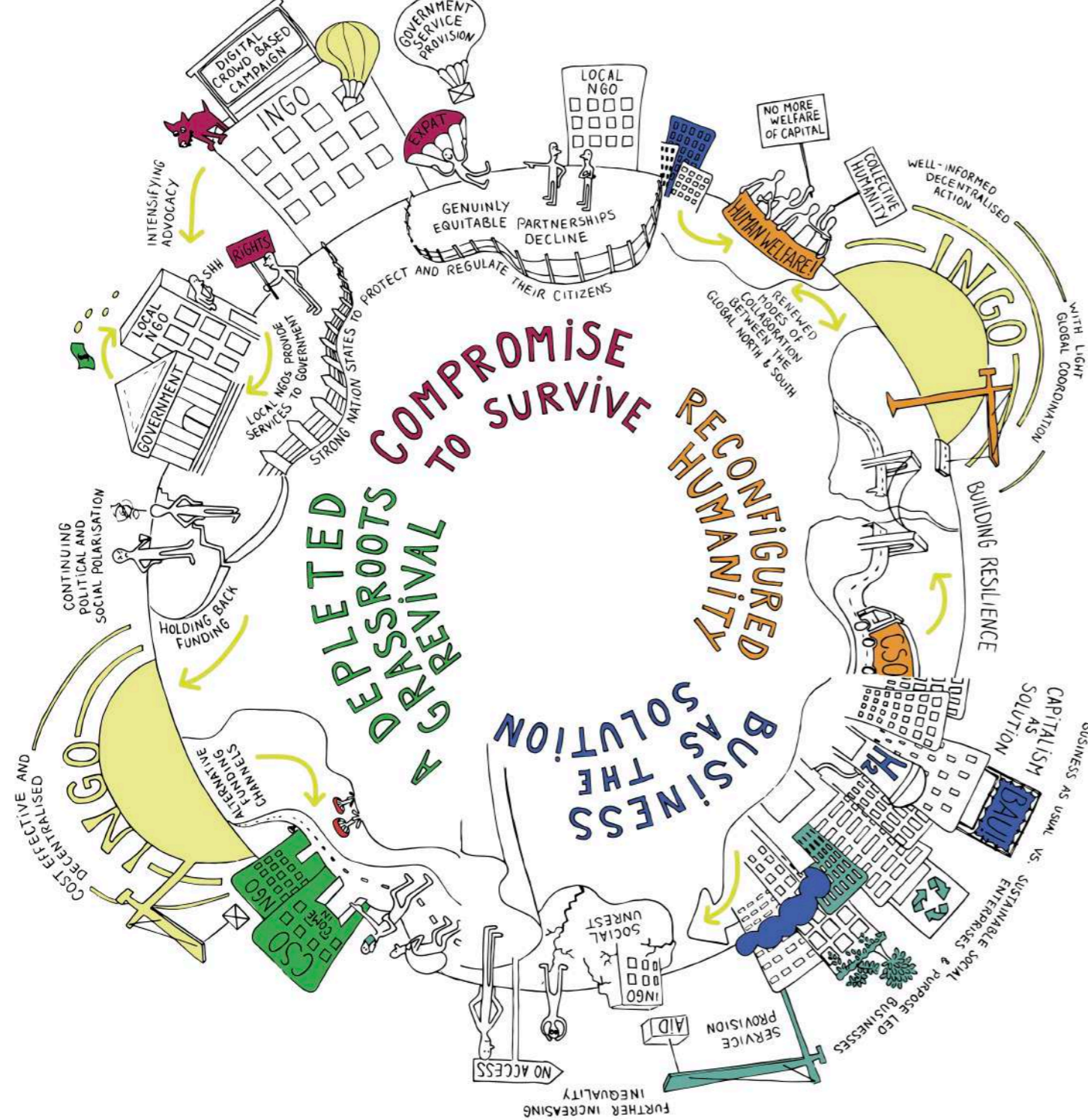


Scenarios on the Future of the iNGO system in 2030



These scenarios on the future of the international Non-Governmental Organisation (iNGO) system in 2030 are stories not about what will happen (forecasts) or what should happen (recommendations) but about what could happen over the coming years in and around the iNGO system. The stories are based on relevant current political, economic, social, cultural, and international dynamics and not least the trends emerging from the diverse responses to COVID-19.

The four scenarios have been developed by a group of change makers from iNGOs, NGOs, donor organisations, consultants, platforms and academics in May 2020 in two online meetings over the course of two days. These meetings were part of a longer process which aims to contribute to "Reinventing the iNGO system". Convened by Purpose+Motion and Reos Partners, the process brings together change makers with a deep desire to bring about systemic level change to solve some of the challenges they, their organisations and the system as a whole come up against time and again.

Some examples of such system-wide issues are funding structures, inefficient hierarchies, slow adaptation of large organisations, unequal power distribution or lack of accountability to target communities. With the wider perception of possible futures which these scenarios provide, the group will now be exploring what factors or leverage points may be most effective to drive for a fairer, more sustainable and more effective iNGO system and what change they individually and collectively can initiate.

In order to be useful in strategic conversations of change makers across the iNGO system, these very different stories of the possible evolution of the current situation are intended to be relevant, challenging, credible, and clear.¹ The scenarios are helicopter-view global scenarios. In reality they will likely co-exist in different ways in different places.²



Scenario 1:
Compromise to Survive



Scenario 2:
Business as the Solution



Scenario 3:
A Depleted Grassroots Revival



Scenario 4:
Reconfigured Humanity

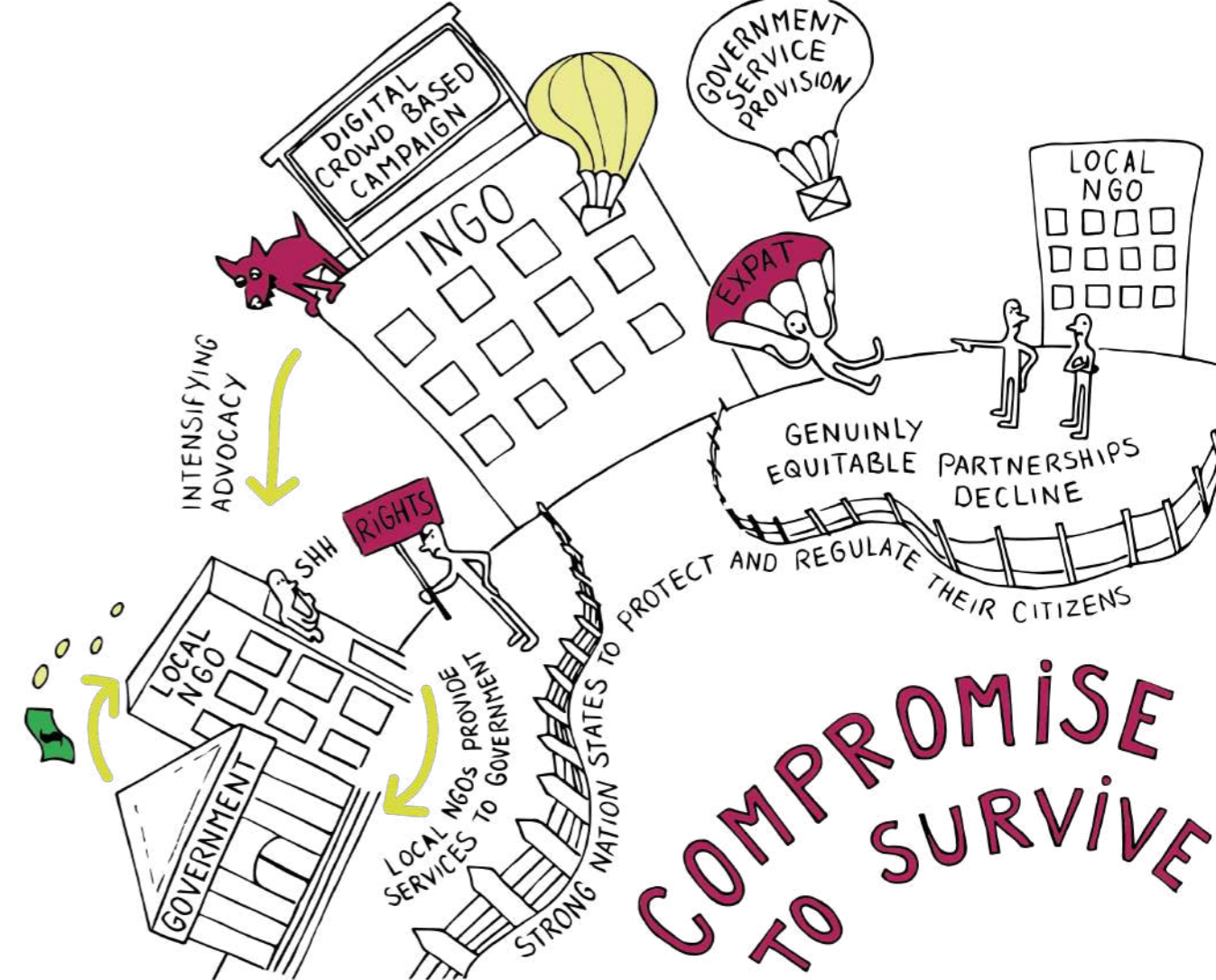
1. We used the methodology Transformative Scenario Process, developed over the last decades by Reos Partners and one of its directors, Adam Kahane. <https://reospartners.com/tools/transformative-scenarios/>; Adam Kahane: Transformative Scenario Planning. Berrett-Koehler, 2012.

2. Visuals have been produced by Toa Maes, Reos Partners.

1. “Compromise to Survive”

In the world of “Compromise to survive”, strong nation states emerge out of the COVID-19 crisis. We see a division of the iNGO sector. Pressured by budgetary constraints and shrinking support for human rights and other advocacy work, national level NGOs and many major iNGOs position themselves as effective implementers of government service provision programmes. A few iNGOs resist this compromise and fill the advocacy gap at the national level, but struggle to survive.

The COVID-19 crisis in 2020 onwards creates few winners and many losers in the national and international NGO sector. The fight against the pandemic gives leeway for strong nation states to both protect and regulate their citizens. Multilateral institutions like the United Nations, World Health Organization, and World Trade Organisation are not viewed as having contributed effectively to this fight. Government policies in most countries and in many regional institutions like the European Union and African Union re-orient their funding in the years following 2020 towards inward-looking national-based economic recovery. Domestic NGOs therefore shift their operations towards service delivery, while classical advocacy work, especially human



rights advocacy, experiences increasing repression under nationalist governments in Eastern Europe, Latin America, the US and other countries. Local and national NGOs are increasing their capacity to provide services to governments, which allows them to continue functioning and keep on their employees at the cost of not speaking up about human rights violations and other problematic practices carried out by the governments they are funded by. As they adapt to provide more services to governments, local and national NGOs’ organisational culture also changes. They focus on securing continuous business and ensuring the government is satisfied. Internal, structural issues like diversity and inclusion practices are not tackled.

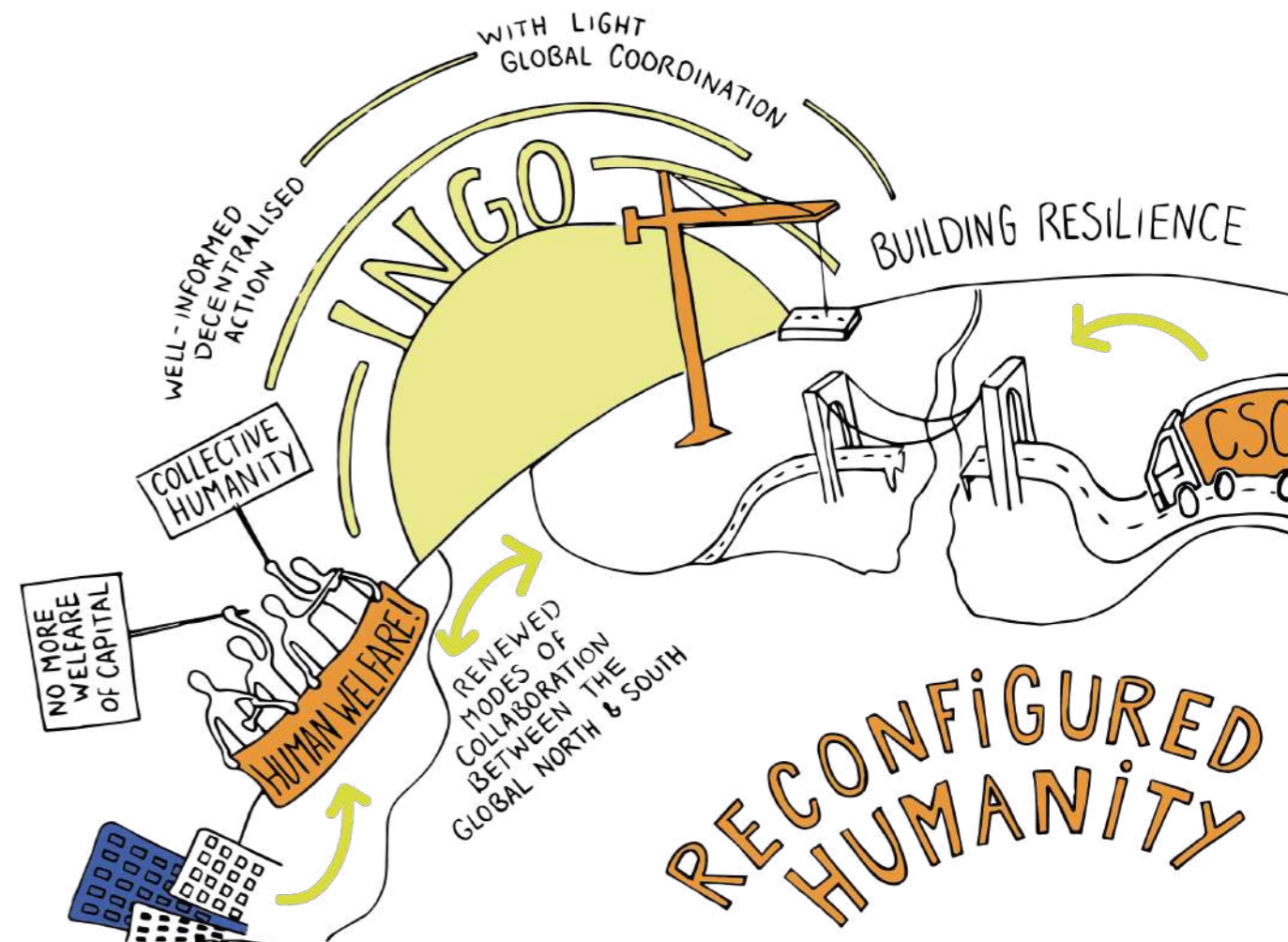
INGOs experience high competition for remaining funds. Due to the silencing of national NGOs, some iNGOs attempt to fill the gap by intensifying their advocacy and stepping into a watchdog role at the national level. They are able to achieve this by attracting activists and social entrepreneurs who support them to utilize the potentials of digital crowd-based campaigns. These iNGOs however struggle to survive and are increasingly dependent on a few global philanthropic foundations. As of the COVID-19 crisis, some iNGOs also take on the role of implementing government service provision programmes. These iNGOs are able to increase their funding and operations significantly over the coming years, while deprioritizing their human rights agenda and avoiding advocacy towards those states funding them. As they prioritise project delivery over internal, organisational improvements and resourcing, the organisational culture of these INGOs fails to address many key issues, from racism and sexual harassment to the high workloads and stress leading to burnouts. The trend of sending in 'expats' (international staff) into local contexts to implement these service deliveries grows, continuing to fuel tensions and feelings of unfair treatment from national staff, and prospects for genuinely equitable partnerships between national and international NGOs decline.

Seeds of this future visible in 2020: the logic of multilateral institutions being challenged; the 'beneficiary' orientation of major iNGOs being questioned; funds for human rights work of national NGOs being reduced by increasingly nationalistic governments; the slow pace of efforts to address equity (Gender and racial balance, sexual harassment, national vs international staff) within major iNGOs; and government service contracts for NGOs becoming wide-spread at the national level.

2. “Reconfigured Humanity”

In the world of “Reconfigured humanity”, the focus is shifting from the “welfare of capital” to “human welfare”. The response to COVID-19 is demonstrating the benefits of collaboration across sectors (science, politics, business, social sector) and the power of political will and international cooperation. The consequences of the previous inequitable distribution of resources and opportunities and investment-starved public services like health and education are exposed by the virus as having weakened readiness and resilience of societies. There is a realization that resilience is key to financial returns in a volatile environment and in the long-term. In the years following the pandemic the policies of many relevant actors (UN, EU, Canada, Germany, South Africa, ...) are guided by this realization. The ability of specific regions (i.e. Central America, Sub-Saharan Africa) and countries to bounce back is hindered by their lack of infrastructure and the distribution of resources in those regions becomes even more precarious.

Some INGOs prove their ability to respond quickly to the needs of marginalized populations where funding is made available. Others, including some of the largest and oldest organisations, fail to adapt their programming and are severely hit by the crisis leading to massive layoffs and some



closures. The INGOs which were successful, managed to do so, among other things, due to adaptive and trustful management, as well as their long-standing experience and presence in many countries and their experience in working with communities and coordinating across countries and regions. Decentralised response systems that work to build public trust and rapid response, show their impact – as seen in South Korea, Denmark, the state of Kerala in India, among others.

Due to the COVID-19 crisis, many states have become more fragile and unable to carry out many of their basic responsibilities. This has led to the high visibility of Civil

Society Organisations (CSOs) who stepped in, sometimes where government institutions were inadequate or missing, highlighting in the eyes of many the relevance and role of CSOs. Their role in contributing innovatively, leveraging their experience and alliances, to stem the COVID-19 virus and alleviate the consequences of the crisis is increasingly acknowledged. Although their financial resources, especially state funding, have been constrained by the impact of COVID-19, philanthropic entities and progressive corporations show more openness to funding and following a CSO-led agenda. These INGOs have also been largely successful in addressing many of the long-standing internal issues that hindered the sector's effectiveness and coherent implementation of core values promoted (gender and racial equity, equal treatment of international and national staff, strong action on sexual harassment, and equitable partnerships).

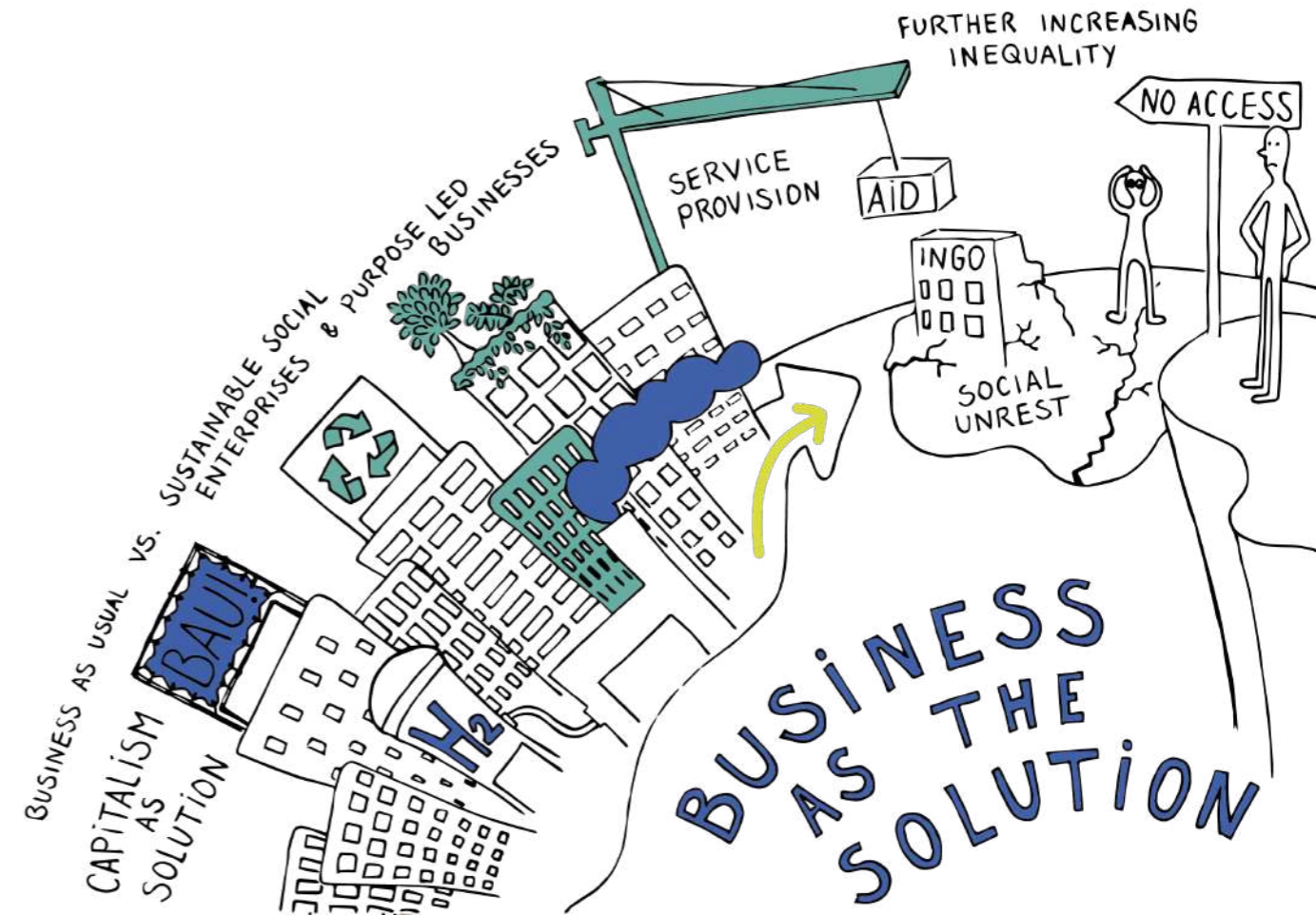
Well-informed decentralised action as a means to addressing crisis and building resilience becomes the norm. There is a call for a broader engagement of civil society organisations, including funding for advocacy and value-based work, with renewed modes of collaboration emerging between the Global North and South. Despite outbreak of new conflicts and instability in some of the states destabilised by the crisis, a new phase of global realignment and partnership begins with decentralized, local action seen as key to building resilience along with light global coordination ensuring that all actors contribute to the realisation of a 'collective humanity'.

Seeds of this future visible in 2020: in 2020 governments join forces with other actors in managing the spread of the COVID-19 pandemic and its social and economic consequences; businesses and philanthropic entities quickly mobilize essential resources to address key challenges; movements within countries like the U.S. and the UK to 'decolonise' development and improve racial and gender equity at the organisational level.

3. “Business as the Solution”

In the world of “Business as the solution”, the narrative that characterised global development in the decades preceding 2020 of seeing capitalism as the solution to world’s issues is rising at an ever faster pace. We see greater influence of key players in the government and private sector who are supporters of this paradigm and are able to drive forward their agenda with the interplay of business interests and politics becoming more embedded. Most of public opinion in the Global North are supportive of the political and economic systems as they are, seeing them as the best option to the global issues we face. This public support is not as widespread in other regions with historic struggles against colonialism and capitalism (such as Latin America and the Middle East). In specific regions, these market-led solutions are met by resistance, spurring the appearance of subversive groups and terrorist attacks.

The economic crisis that started in 2020, precipitated by COVID-19, is a key driver as governments seek to stabilize their economies and re-establish the GDP growth trajectory of the previous decades. The global financial systems (markets, International Monetary Fund (IMF), World Bank, etc) are implementing a renewed agenda towards economic recovery which is focussing on a finance driven recovery. Corporations, especially the very large multinationals, are



given additional government support (for example through favourable policies, tax breaks, etc) and are encouraged to expand further, with the intention of letting the market recover its strength and provide economic stability. This further perpetuates the status quo, leading to the rise of popular protest movements and social unrest in certain regions.

In this climate, resources are scarce and funding for iNGOs and players with social aims is particularly squeezed. Individuals, communities and nations struggle for survival and this leaves little space or capacity for traditional grants to fund “socially-oriented” aims and initiatives. INGOs find

they have diminishing influence and their relevance is in question as they are poorly equipped (poor management, not coherent with values they promote, inability to attract talent) and insufficiently funded to tackle many of the humanitarian and development challenges of the 2030 world.

However, the trend of financially, socially and environmentally sustainable social enterprises and purpose-led businesses, which has been emerging since the turn of the 21st century, increasingly takes over the work done by many iNGOs, in particular the service provision and building of resilience in communities. Advocacy and values-based lobbying is increasingly done by board-members, CEOs and activist shareholders who see the economic sense of sustainability. The business sector is polarised between these new purpose-driven actors which are working to shift existing power dynamics, and the traditional, “business as usual” actors that are working to reinforce the existing system.

Some of the work previously done by iNGOs is also done by corporations and governments who see a strategic opportunity in meeting the infrastructure and development needs of countries in order to build future markets and secure resources. This type of aid is generally highly transactional and hierarchical, meaning that social welfare, human rights, aspects of organisational development including diversity, inclusion and equity and other “soft” development issues are out of focus.

In some countries, recovery programs are tied to environmental and sustainability criteria, forcing or encouraging businesses to take actions which align with the SDGs. Elsewhere, the practice of keeping ecological resources as externalities remains. In these countries, during COVID-19, and afterwards, climate change fell out of the spotlight along with efforts to mitigate it. Climate related disruptions as well as racism and gender inequality lead to greater economic, social, environmental and health crises in certain parts of the globe, further increasing inequality, social and political polarisation and protest movements.

Seeds of this future visible in 2020: As the economic crisis escalates (contracting GDP, extremely high rates of unemployment, market uncertainty, etc), responses from government and global bodies focus on bailing out large corporations whilst cutting traditional funding streams for humanitarian and development activities. The mainstream narrative that GDP contraction is the enemy is strong and drives many recovery plans. Civil protest movements (Fridays4Future, Extinction Rebellion, Black Lives Matter, #MeToo) are addressing issues iNGOs have focused on for decades. The nascent purpose-driven business world is energised by the possibilities for new thinking offered by the crisis. A weakening of multilateral space and a rise in autocratic tendencies provides fertile ground for the unilateral exchanges of aid for resources to increase.

4. “A Depleted Grassroots Revival”

In the world of “a depleted grassroots revival”, the aftermath of COVID-19 leaves a deep impact on national populations, especially in the Global South. Unemployment and destitution are at their highest, with large sections of the labour force displaced and shunted out, and a long and treacherous road to recovery ahead for large, medium and small enterprises. This coupled with an already weak health and education sector further weakened by the pandemic leaves even larger segments of the populations vulnerable. Those who were already socially marginalised and struggling - whether because of their location, age, gender, ethnicity, or health status - are further disenfranchised.

However, the high visibility of Civil Society Organisations (CSO) during the COVID-19 response, combined with a deficient government response (including inadequate and misguided economic packages), created a renewed reliance and confidence in Civil Society - both community-based organisations (CBOs) and NGOs. Further, the need for decentralised approaches is one of the key learnings coming out of the COVID-19 response.

Meanwhile, emerging from the pandemic, many in the Global North recognise the need to build overall resilience across



the global economy. However, political and social polarisation in the Global North, which was increasing in the decade before 2020, continues to grow and holds back funding for the work of iNGOs. With limited resources allocated, iNGOs are given ambitious region- and country-wide mandates, with a significantly smaller pot of money.

With a focus on key countries in the Global South, iNGOs begin reorganising their work in a more cost-effective, decentralised manner, with a stronger focus on shifting power and funding and valuing the voices of those closest to their own contexts. They also focus more on improving their own organisational cultures, including through tackling

racism and sexism stemming from inherent power imbalances. They build national programmes based on equitable alliances with national and local level NGOs and CBOs. Their combined programmes of work (CBOs, NGOs, iNGOs) focuses on ‘movement building’, envisaged as public campaigns to raise funds for programmes in key ‘basic needs’ sectors – health, education, food security. The momentum is slow, but with a gradually widening public base.

Alongside this, there is a mushrooming of alternative funding channels – a government, business and philanthropy partnership – of floating development impact bonds to fund projects in key vulnerable sectors, that increasingly funds CSO work on the ground. Mirroring the proliferation of funding alternatives, there is a mushrooming of the number of local and national NGOs and grassroots organizations who compete for these resources. Many iNGOs, now often delocalised or based in the Global South, play the role of coordinating and movement building. There is a continued rise of community philanthropy foundations and organisations in the global South that also play a coordination role.

Seeds of the future visible in 2020: a deeper entrenching of iNGOs into regional offices, starting with ActionAid’s move in 2004, followed by Greenpeace, Oxfam, Amnesty International and many others; political and social polarisation throughout the Global North (and parts of the South); Learnings from the COVID-19 crisis including delocalised responses and resilience as key; the Shift The Power movement is driven by community philanthropy organisations globally, but predominantly in the Global South.

Get in touch to know more:

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... about the process:

<http://purposeandmotion.com/reinventing-the-ingo-system/>

... about Transformative Scenario Planning:

<https://reospartners.com/tools/transformative-scenarios/>