WORKSHOP REPORT
PARTICIPATORY GRANTMAKING

November 11th, 11.30 pm – 2.00 pm CET

CONTENTS

AGENDA

Time CET	Item
11.30 – 11.40	**Opening**, landing and introduction
11.40 - 11.50	**Presentation**: introductions PGM Focus on Analysis part (Design, Governance, Accountability, Management) and Models
11.50 – 12.10	**Interactive session** (whiteboard) For what problem that you experience today, this would be part of the solution?
12.10 – 12.30	**Panel interview** Diana Francês (Next Level Grant Facility, WWF); Vanita Suneja (Water Justice Fund, Simavi); Gopal Gaire (PIF – Oxfam in Nepal); Janice Manlutac (OUS, LL-ERF)
12.30 – 12.40	**Selection of preferred models** to discuss further today (Whiteboard)
12.40 - 1.20	**Break out groups** for pre-selected models Guiding questions provided: = What is it that you want to test/learn = What needs in existing programs = Connection to existing experience, context, what already started/existing = What resources already in place, potentially available; donors? = What steps to be taken to start
1.20 – 1.40	**Feedback** from the groups to the plenary
1.40 – 1.50	**Interactive session** (whiteboard) What is needed from who (ON, others) to take this further and start a pilot?
1.50 – 2.00	**Follow up steps**
2.00	**Closure**

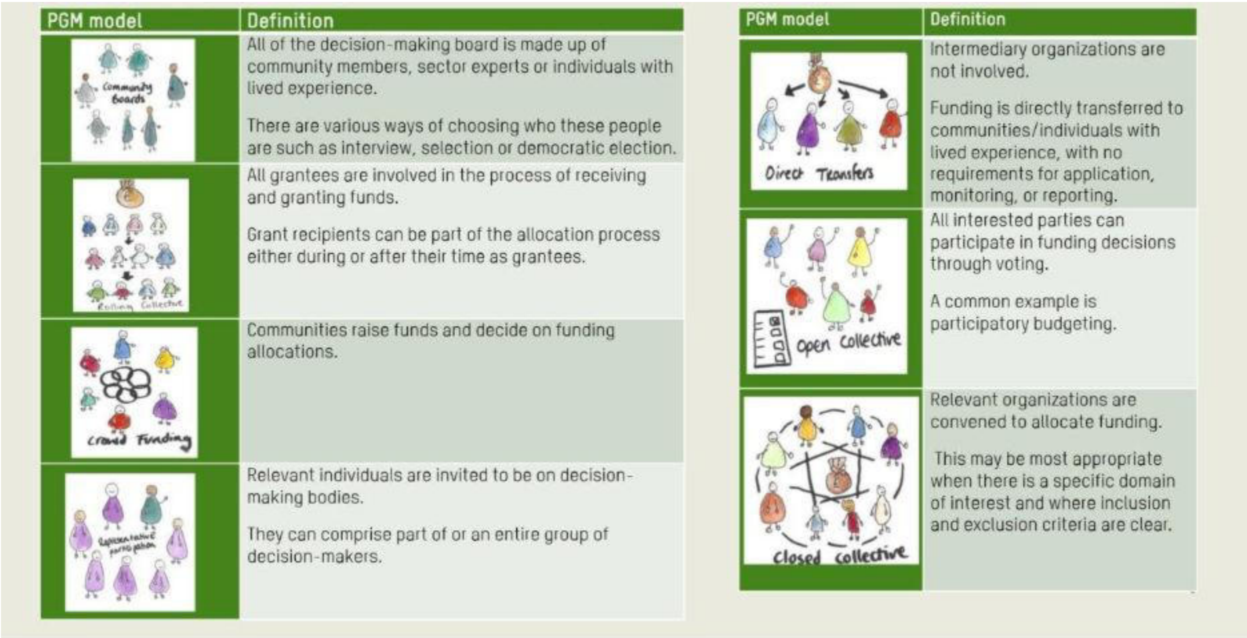
Session Recording: https://oxfam.box.com/s/eo8igl81xr12e47offjdanu7m6hrxkzc

Whiteboard link: https://zoom.us/wb/doc/6X5WXq8JTu0YeNTR3x4fMQ/p/255590238519296

INTRODUCTION

This online session had the following **Objective**: identification of opportunities for and with colleagues / partners interested in piloting different ways of PGM: ideally 3 models in 3 different contexts; start of a roadmap

After an introduction outlining the goals of this session (to serve as a continuation of previous discussions, strengthen existing PGM practices, and explore new experiences), we had a [presentation](#) detailing **seven PGM models,** along with a general analysis of their main features.



PGM model	Definition
Community boards	All of the decision-making board is made up of community members, sector experts or individuals with lived experience. There are various ways of choosing who these people are such as interview, selection or democratic election.
Rotating Collective	All grantees are involved in the process of receiving and granting funds. Grant recipients can be part of the allocation process either during or after their time as grantees.
Crowd Funding	Communities raise funds and decide on funding allocations.
Representative participation	Relevant individuals are invited to be on decision-making bodies. They can comprise part of or an entire group of decision-makers.
Direct Transfers	Intermediary organizations are not involved. Funding is directly transferred to communities/individuals with lived experience, with no requirements for application, monitoring, or reporting.
Open Collective	All interested parties can participate in funding decisions through voting. A common example is participatory budgeting.
Closed collective	Relevant organizations are convened to allocate funding. This may be most appropriate when there is a specific domain of interest and where inclusion and exclusion criteria are clear.

1. INVENTORY OF UNDERLYING NEEDS

An inventory was made on the whiteboard, regarding the reasons for participants to be in the event: what were they looking for? For what challenge did they think that PGM can be an answer? This provided the following answers:

<u>At the local level</u>:

- Climate finance is not reaching the last mile communities
- We need decisions to be made at the community level
- The barrier to entry to access funds is high for local communities
- Long-term results require local leadership. PGM are critical tools for this.
- To achieve greater impact
- Allowing the actors taking action to focus on what they need to do, instead of on meeting the requirements of being a grant-holder
- To ensure that resources are shared equitably

- To include women and grassroots organzations and vulnerable communities
- To promote community need-based intervention and ownership
- To have those who are the recipients to particpate in the grant objectives
- Funding needs to be more flexible to respond to changing needs
- To change the unequal/ imbalanced power dynamics that are (re)produced by grant-making initiatives (putting the actors that hold and makes decisions about how money is spent in a position of power over the actors that need it to take action)

Internally

- To see how we can change our ways of working to make them work in complex environments
- Balance of compliance and relationship while working with small organizations
- Gives us an opportunity to experiment and try new funding models
- More effective but only if we take the inclusive process also as an outcome
- Scale remains important, smaller may be easier, but overheads are bigger
- We need to do capacity mobilization so that local organizations can have the same accoun ta-bility competence as big NGOs

In relation to fundraising:

- To be able to advocate models for donors so that in the context of reduced aid, funds will be used more effectively and shift power to local communities
- Make the case to donors
- Show donors effective models how money effectively reaches local communties increasing their resilience
- Understanding the donors mindsets and strategies. We say decolonization but we see donors making 'colonizing'models

What we need to learn about

- What are the different models of participatory grant making.
- What are effective and efficient models of participatory and inclusive grant making.
- How to make $ available to CGOs who cannot comply to all kind of donor obligations (so simple access and reporting)
- How to have local agenda's leading and not the donor priorities on climate adaptation
- What is risk sharing models we need to share with our partners? What is our capacity in this?
- How we share/shift with/to the local organizations and communities
- What is Oxfam doing in terms of influencing?
- How to make the portfolio of projects in this model more than the sum of the grants? How to create scale / collective value add?

2. PGM EXPERIENCES

Following this presentation, we had a panel discussion that brought specialists from various organizations together, looking at the **core characteristics and challenges** of the PGM models that have been tried.

2.1 WATER JUSTICE FUND, SIMAVI

Vanita Suneja, Program Lead of the Water Justice Fund. Based in India
(She worked with Oxfam India as Economic Justice Lead from 2007-2016)

The **Water Justice Fund (WJF)** model aligns best with the **representative participation model** because it attempts to shift decision-making to the local level. It manages two main types of grants: a) program grants, where WJF works with local communities and partners, and b) movement building grants, which function more as advocacy grants. In both instances, neither Simavi nor its partners determine where the grants should be allocated. Instead, they establish "peer panellists" at the local level who decide according to a (what they call) shared governance model.

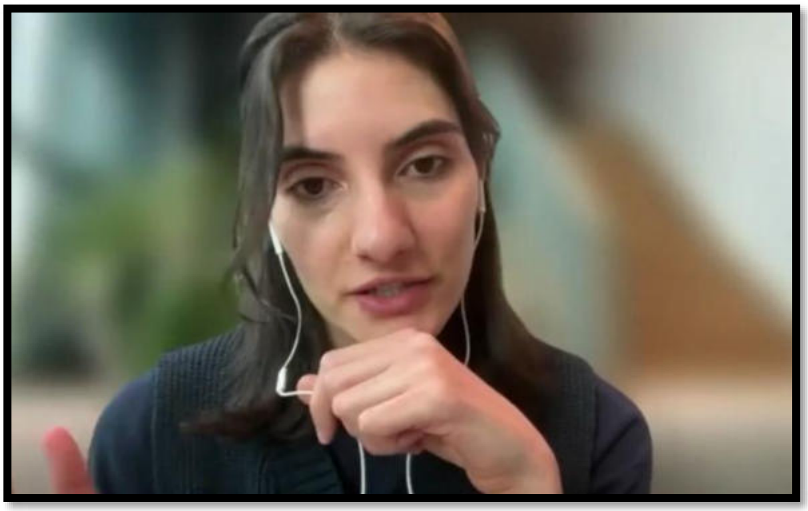
These panellists include local communities, experts, or even previous grantees, who assess proposals submitted by various community groups based on predetermined criteria. For movement building grants, which might involve subnational or national level applications, peer experts, who decide on the fund allocation, can be a journalist or someone specializing in the intersection of climate, gender, and water.

To oversee the fund overall, the WJF has an advisory board that serves as a critical friend, supporting key decisions; this board comprises highly accomplished women from the Global South and one or two from the Global North, including Simavi's executive director. Although Simavi currently implements the fund as an intermediary organization, its long-term goal is to transition the fund to the South with its own dedicated board.

2.2 THE NEXT LEVEL GRANTS FACILITY, WWF

Diana Frances, Advisor on inclusive and rights-based approaches to conservation, WWF Netherlands

The **Next Level Grants Facility (NLGF)** operates within the Voices for Just Climate Action program, a coalition program under the Dutch government's Power of Voices. This fund has a budget of 3.5 million euro, spanning seven countries (including Tunisia, Brazil, and Indonesia). Its core purpose is to ensure that climate finance is accessible to the most marginalized groups (informal groups, activists, communities, and grassroots organizations that typically cannot access larger funds, resources, or even bank accounts). It also specifically targets environmental human rights defenders and climate activists, who sometimes require discretion for security reasons.



It uses two primary funding channels in all regions. The first is dedicated to climate emergencies and functions as a rapid response mechanism for disasters like immediate drought relief or wildfire response. Because quick action is vital, this channel is highly adaptive and fast, designed to respond to applications and immediately disburse funds within a 72-hour window. The second channel covers climate opportunities, focusing on locally led climate adaptation solutions that are part of a broader conservation strategy, such as community gardens or small-scale agroforestry. This opportunities-channel has a slightly extended time window, allowing WWF to reiterate applications and provide capacity building to potential grantees, focusing on how their solutions meet longer-term climate adaptation goals.

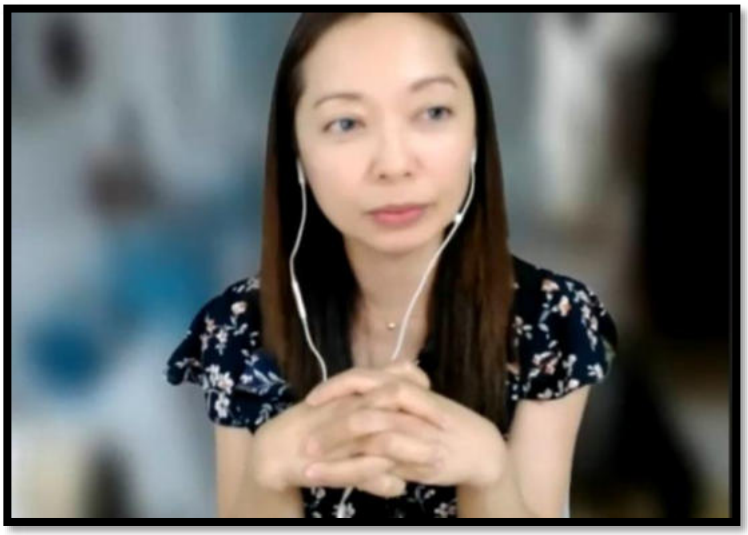
This model is highly localized, relying on regional teams that engage local fund managers, who then work with "umbrella organizations". This structure emphasizes localization, close community engagement, and strong trust building and long-term capacity building. WWF has adopted simplified due diligence and flexible reporting, making sure that accountability primarily flows toward the communities they serve. Its community reporting is kept very simple and inclusive, often accepting basic requirements such as WhatsApp messages, pictures, short videos, and voice notes.

2.3 THE LOCALLY LED EMERGENCY RESPONSE FUNDING MODEL

Janice (Ian) Manlutac, Senior LHL & DRR Advisor
Oxfam US, currently in The Philippines

The **Locally Led Emergency Response Funding model (LL-ERF)** is a participatory grant making example designed as a turnkey solution that can be activated within 72 hours. Since it addresses emergencies, the fund must be quick, nimble, adaptable, and flexible. Crucially, to be effective, this fund must be placed with the local consortium before a disaster occurs. This ensures that all decision-making happens locally. The local partners control their own grant management system and trigger protocols, and they can decide to change interventions or geographies within their area without needing to seek approval from any headquarters. Oxfam simply asks to inform them, perhaps with a quick WhatsApp message to the Oxfam country office and Oxfam US, detailing the reasons for the changes.

This fund, presented as an experiment that provides $50,000 per response, was co-designed with local actors and responders, who included women's rights organizations and local consortia, not just local humanitarian NGOs. In fact, Oxfam made the participation of women's rights organizations in the steering committee or governance board—the highest governing body—a prerequisite to ensure the leadership of women's rights organizations was elevated.



Oxfam realized that the fund works best when it is placed within a larger local consortium, allowing the inner core to leverage the expertise and equity provided by the platform's other members, for instance, consulting experts when reviewing proposals.

Regarding accountability, the local consortia themselves insisted that the system must be fully accountable, comparable to any mechanism other organizations follow, but they demanded it be commensurate with the effort involved. They requested Oxfam to avoid asking for lengthy reports, so they could concentrate on the actual response and fine-tuning their model. Reporting is therefore simplified, involving predictable, quick stand-up calls (about 30 minutes, every two months) and creative methods like video clips, WhatsApp messages, and drawings, while still maintaining a financial audit.

2.4 THE PARTNERS INVESMENT FUND

Gopal Gaire, Program Quality and Partnership Advisor, Oxfam International, based in Kathmandu

The **Partners Investment Fund (PIF)** is a flexible fund model created to help partners achieve their business strategies. Oxfam GB initiated this fund in late 2022; Nepal was one of the regions receiving the fund, totalling 300,000 GBP over three years, where Oxfam collaborated with 12 partners. The defining characteristic of this fund is that it is fully partner-owned. From the very beginning, the partners collectively took the lead: they designed the process, set their priorities, allocated the funds among themselves, and implemented the initiatives. They agreed to invest the money in strengthening their organizational capacity, leadership capacity, governance, internal systems, fundraising, and networking.

Governance is managed through a steering committee developed by the partners themselves—a small group representing some of the partners—whose role is to guide the entire process in close coordination with

Oxfam and the other partners. Most decisions were made either through full partner meetings and workshops, or occasionally by this steering committee.

This approach emphasizes a principal approach to partnership. Notably, the partners collectively developed the principles, processes and requirements—including setting minimum compliance standards and agreeing on planning and reporting mechanisms—through a workshop, rather than using Oxfam's own partnership principles. A system of mutual responsibility among the partners was vital, where different partners took responsibility for specific activities or common tasks. Learning was also conducted collectively. In this model, Oxfam's function was primarily one of facilitation and support, occasionally offering technical assistance.

3. PANEL INTERVIEW

3.1 WHAT ARE THE BIGGEST CHALLENGES THESE DIFFERENT MODELS FACE?

(a) Institutional and contextual challenges

The panellists mentioned a few barriers within the organization and the larger funding system. They mentioned the internal contracting arrangements in an organization like Oxfam as a major hurdle, noting that following procedures like an OPA (Oxfam Partnership Agreement) or a Letter of Agreement requires massive work and involves many persons – while a mechanism that allows funds to go directly to local partners is currently lacking. They also mentioned that there are many regulatory barriers in place in different countries preventing local partners from receiving money directly – as seen for example in in Bangladesh.

There is growing rhetoric from donors endorsing localization and demanding more flexible funding, but the reality is still very uneven in practice (as seen in Dutch policies). At the same time, the increasing domestic scrutiny on overhead costs and the role of intermediaries can serve as a real driver shaping the funding agenda. In general terms, there is more and more interest in the decolonisation debate, and the panellists feel this can also have a positive impact.

(b) Internal capacities and grant management skills

A core challenge relates to the capacity of local organizations: it is estimated that approximately 80% of the partners, that the panellists work with, are not yet skilled in nor equipped for grant making (even if they are highly capacitated in response or development programming). There is an incorrect assumption that their financial systems are adequate; in reality, most local partners lack online platforms for grant management. This limited infrastructure leads to more work and more difficulties: when local consortia issue a call for proposals, they might receive 50 to 100 applications (also for a small amount of money), all of which are difficult to process in a short time.

It is important not to follow the common assertion that participatory grant making (PGM) is "simple" and "flexible".

The panellists emphasized the idea that shifting decision-making to the local level requires the distribution of lots of micro grants. Although there may be less reporting required per grant, organizations are still responsible for gathering reports from potentially 50 different groups, which is a complex task. Setting up a truly simple and flexible system requires "unlocking or sorting out a lot of intricacies".

(c) Accountability and compliance

Making accountability simplified and trust-based for the communities served is "always simpler on paper rather than in practice," because some level of due diligence and reporting is always needed. Next to this, there's the challenge of balancing compliance with effort by relaying the demands of the local consortia. Partners insist that the accountability system must be "fully accountable, comparable to any accountability mechanisms that others may put together," but that it must be "commensurate to the effort". They all request not be asked to submit extensive documentation, such as a 40-page assessment report for a $50,000 USD grant, so they could focus on the actual response rather than report writing.

3.2 WHAT ARE THE ISSUES HAVE SURPRISED THOSE INVOLVED?

(a) The alignment between Locally Led Adaptation (LLA) and Participatory Grant Making

Vanita Suna (WJF) shared that before joining the initiative, she primarily viewed Locally Led Adaptation (LLA) through a technical lens. She was surprised and excited to realize that LLA is deeply aligned with and inseparable from a participatory grant making (PGM) mechanism, as one that helps "reach the last mile". She noted that the mechanism, flexibility, and decision-making processes inherent in PGM are key components of any LLA initiative.

(b) Local capacities and accountability

Ian Manlutak (LL-ERF) found a positive surprise in the demands of the local consortia regarding accountability. She reported that local partners insist on a system that is "fully accountable". The partners did not want reporting to be simple or relaxed; but at the same time accountability must be "commensurate to the effort". This demand shows a high level of ownership and responsibility.

(c) Government engagement

In Ian Manlutak's (ERF) experience, the role of the local government was surprisingly significant and beneficial. She noted that the government provided essential "equity" by contributing resources such as transportation, machines, and community centers needed to convene people, and they even assisted with the local consortiums' assessments.

(d) The effectiveness of simplified, creative reporting

Diana Frances (NLGF) highlighted the huge benefits of simplified, flexible reporting methods. The MLGF adopted very simple community reporting requirements to make accountability inclusive, often accepting WhatsApp messages, pictures, short videos, and voice notes. Ian Manlutak confirmed that this approach works, mentioning that their ERF accepts video clips, WhatsApp messages, and drawings as creative methods for reporting, alongside quick, predictable stand-up calls and maintaining a financial audit.

(e) Mutual responsibilities

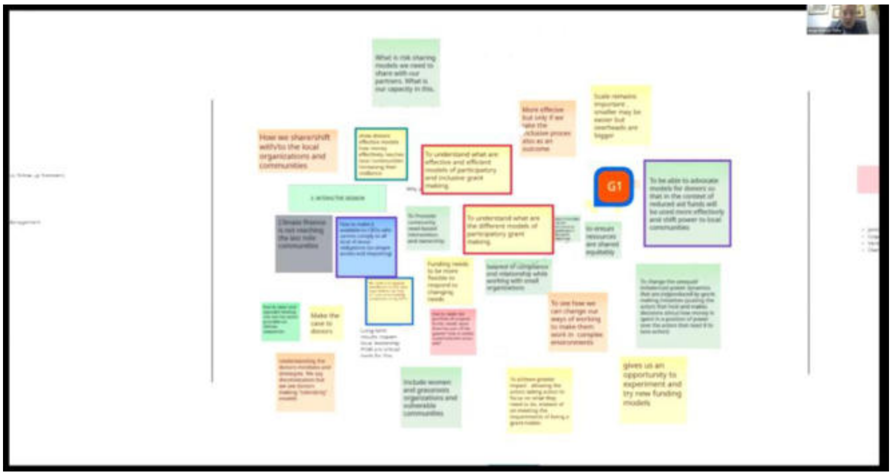
Gopal Gay (PIF) highlighted that a system of mutual responsibility among the partners was a very important and successful characteristic. In this partner-owned model, different partners volunteered to take responsibility for specific activities or common tasks, and learning was also conducted collectively. The enthusiasm for these outcomes suggests that shifting power and embracing flexible, trust-based mechanisms are not only possible but can lead to stronger ownership and accountability at the local level, even in high-stakes situations like emergency response.

3.3 WHAT DO THEY ALL RECOMMEND?

The panellists mentioned the need for fundamental shifts in the approaches commonly followed, promoting trust-based relationships, adopting flexible financial mechanisms, and integrating power literacy into all processes.

(a) Strategic and institutional transformation

- Organizations like Oxfam must try to institutionalize trust and commit to a learning-oriented approach. This involves starting small, learning fast, and piloting different hybrid grant making models before attempting to scale up these initiatives.
- It is essential to recognize that shifting power requires time and a long-term engagement, as changing the prevailing top-down working culture does not happen overnight.
- Oxfam should invest in power literacy initiatives and provide internal staff training on feminist and decolonial approaches to funding.
- The organization needs to advocate upstream and use its donor engagement efforts to challenge risk perceptions, encouraging flexible and participatory grant making mechanisms globally.
- One specific action suggested is for all Oxfam affiliates (estimated at 22) to set aside $50,000 a year for this type of PGM experimentation, helping teams try things out, look for better funding models. This funding would not only benefit local partners but also provide an opportunity for Oxfam staff to see what works better in every context.



(b) Partnerships and local engagement

- The panelists mentioned the importance of trusting partners and the community. Oxfam must push itself to recognize that local actors already possess ideas and the capacity to set their own rules and compliance standards.
- It is important to build on previous partnerships and existing systems: Oxfam should avoid developing parallel systems and instead focus on working deeply with existing community groups and understanding how the partner's role changes in a PGM model.
- When evaluating local programs, Oxfam should recognize participation as a result or impact in itself, focusing on measuring ideas like empowerment and autonomy rather than solely measuring the disbursement of funds.
- All organizations must remain sceptical and always maintaining a critical perspective, constantly question words like "shifting the power" to ensure that the decision-making power is truly being transferred.
- Last, and as part of these efforts, it is crucial to define "local" more broadly and contextually, recognizing that it might mean a self-help group in one country or a whole village council in another.

(c) Financial flexibility and accountability

- Oxfam needs to streamline its financial processes while maintaining accountability. This would mean adopting simplified, flexible, and accessible grant-making processes, and considering flexible reporting mechanisms. Its is necessary to agree on the minimum standards of compliance in advance with partners, setting up clear rules regarding reporting, planning, budgeting, and governance compliance.
- Oxfam should adopt internal contracting mechanisms that allow funds to go directly to local partners
- When possible, Oxfam should promote multi-year core support that is predictable and patient, which is essential for institutional resilience among partners.
- There must be a budget assigned for participation, facilitation, accessibility, and capacity building as these are essential costs that must be factored into funding models.
- Oxfam can also consider providing smaller grants (e.g., $2,000 to $5,000) written off as core money to empower communities and enable them to establish institutional arrangements and long-term conversations, especially in times of crisis.
- If using intermediaries, Oxfam must use physical hosting strategically, aligning with credible intermediaries while keeping the decision-making at the local level.

(d) Programmatic and operational advice

The advice given by the panellists also covered some technical and operational aspects, like

- the need to be conscious of the language and words used. For example, the term "community resilience" should be carefully used to avoid placing the burden of responding and mitigating climate impacts solely on rural women.
- When issuing calls for funding, Oxfam should avoid being too narrow. An overly narrow focus might cause the holistic needs of women (which are interlinked across water, climate, and security issues) to be overlooked. Oxfam could consider leaving funding calls open and first asking the community what is urgent to them.
- It is vital to focus on "rescaling deeper"—emphasizing local ownership and capacity for long-term results, rather than solely focusing on large-scale replication.
- It is also crucial to document and share failures transparently, not just successes, to enhance organizational learning. This goes hand in hand with the need to implement a monitoring and evaluation (M&E) mechanism that values learning and the voices of all those involved, such as outcome harvesting, persuasive storytelling, and reflection workshops.

4. GROUP DISCUSSIONS ON 3 PREFERRED MODELS

4.1 ROLLING COLLECTIVE

Resolving what problem/need?

No answers

What to test

- How and who decides who enters the rolling collective and who leaves?
- How gradually shape criteria - how fund management evolves over the years

- How do we avoid regression; some people fear graduating
- How do we avoid elite capture. While identifying local champions
- How to keep eye on bias
- How can we involve the government in the processes?
- How do we ensure capacity is maintained and developed

Connection to existing experiences, opportunities, context, allies

- (Youth Action Lab): Different cohorts only getting one grant, remain part of the program and part of the online space, and contribute to the learning and improving in the context of the program, from past grantees
- (Oxfam US): We worked with the government and it was link 'show' them an example and we asked for equity. We both realized the government has more resources than us which they contributed, which was great. We just needed to show them how aligned it was to their own programs e.g. we were repairing a water system.
- (NLGF): Involvement of government: capacity building to apply for grants involving local authorities
- Closed collective model link: How much of a burden it can be for people who graduate. Is it possible to generate enough people who can participate at the respective levels, taking into account potential fatigue.
- In the above, expectation management is important. NLGF has relied on umbrella organizations (grass root orgs) to help with grantmaking and decision-making process in an inclusive manner.

What resources / capacities already in place, potentially available

- Donors want to shift but lack the mechanisms to do so! Due diligence requirements are an obstacle

What steps to be taken to start

- Need more sessions to better understand the models
- We can also connect with others. I think Oxfam Novib already started doing this. I was in another external webinar about PGM and it will also be good to learn with others who maybe more ahead of us in this.

4.2 CROWD FUNDING

Resolving what problem/need?

- Little experience in model
- Prevent mayhem

What to test

- Decision making processes
- How to make it go hand in hand with PG mechanism
- Discover how to support local initiatives
- Accounting ways?
- Measuring / showing progress

Connection to existing experiences, opportunities, context, allies

- Oxfam GB engagement team??
- youth partners

What resources / capacities already in place, potentially available

- Funds
- Basic requierements for communities?
- A functional (bank)account
- Record keeping

What steps to be taken to start

- what do those with the money will want to know
- clarify expectations
- minimum reporting requirements given from the start
- need to report back, prepare this from the start
- start with capacity building of communities
- come to written agreements
- see who's there, what companies, groups are around
- document, share lessons

4.3 COMMUNITY BOARD MODEL

Resolving what problem/need?

- Not enough finance going to locally led adaptation
- We need to strengthen a whole ecosystem around LLA in order to adapt, and its bigger than funding
- Just giving more money is not shifting power but it is about creating the infrastructure and listening to what they need
- Short-term solutions are not solving the long-term, structural projects

What to test

- Question: what is our role> There are many stakeholders and they should be part of the board; with community needs first
- How to build other models, not only on the short term but also on the long-term?
- We mostly discussed short-term response this morning but not necessarily the long-term result

Connection to existing experiences, opportunities, context, allies

- Example from Vainola:
  - Capacity alongside community board (conduit model)
  - Centralised at the beginning, and training them as you go so they can become more indep endent
  - Win-win with capacity

- Example from Michael when working in Nigeria:
  - Not necessarily a representative board, and then the decisions that were being made wer e not necessarily representative
  - So main beneficiaries of the money were not the decision-makers
  - So they had to create a new board where it was truly representative (and this was a huge difference) much more successful because it was built on the actual community member s
  - People would recommend who should be on the 'board' and the reasons why; then they would have a consensus, collective decision making for who should be on the board
- Example in water diversity:
  - union of local farmers
    - through the union they established a communal community
    - In Niger they worked through a climate activist club, working on agriculture, etc
    - they received financial support
    - but they did not have flexible funds
    - Oxfam Niver had a project to support the climate action club with financial support as part of an action plan
    - They became active in the NDC process
  - The government was positive about the approach
  - Local communities managed the fundings
  - Rotating funds

What resources / capacities already in place, potentially available

No answers

What steps to be taken to start

No answers

5. FOLLOW-UP SUGGESTIONS

The audience provided the following suggestions:

- If we are going to design new funding mechanisms or proposals for PGM within Oxfam, I want to access the learnings of others, especially where they managed to succeed within the confederation (administratively)
- Make a repository with relevant links and documents
- Have more of these panels
- We have started some within Novib but nice if we can share across affiliates and countries
- We need to find out where is the climate hot spots and crisis that are not getting adequate funding and close the gap
- We should meet to share examples. For me I am keen to share further examples with donors through BOND the UK INGO umbrella agency as part of my work to persuade them to adopt models that shifts power
- Sharing of case studies in detail to learn more
- I would like to get more learning or experience on larger, longer term climate finance through PGM (not only short term climate impact response)

- I'd be interested in learning from success stories on local adaptation funding integrated within national strategies/ governemnts (not just NGO and donors)
- Coming up with a Learning Agenda and possibly doing a Action Research.
- I am also interested in success stories including for lobby and media work on climate finance for communities.
- Because we can make the perfect design learning from one another, but actually learning on the job, and by doing it, it was voiced earlier today, it's not of being perfect, but getting started is still very important.
- Developing the learning, but while working on participatory grant management.
- Oxfam Nepal will be sharing learning from the PIF as it closes in March 26.
- Engaging with donors - I feel like the sector is going in the opposite direction sometimes and if we can't convince donors to align that could be a real barrier
- Affiliates to provide seed funding for PGM