

# Civil Society Organisations and Indirect Costs in Myanmar

A township-level survey



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### **Disclaimer**

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# 1.0 The Backstory in Brief

The first detailed study of civil society organisations (CSOs) in Myanmar was conducted in 2003. It suggested there were some 270 local non-governmental organisations (NGOs)<sup>1</sup> in the country. The first Local NGO Directory was published the following year and identified 60 local NGOs based in Yangon alone.<sup>2</sup>

Many of these CSOs had re-surfaced following the daunting restraints of the isolationist regime and State Peace and Development Council (SLORC) periods of 1962-1997. Others emerged with funding support from international agencies who decided to re-engage. Most of this initial support was through embassy funds, off-shore churches, INGOs and foundations, though, embassies provided grants only for specific activities. Almost all off-shore supporters restricted their support to project-grants.

In the early 2000s, costs and expectations were relatively low. Most support came from the unrestricted funds<sup>3</sup> of international agencies. Monitoring was generous and occasional. Organisational support was rarely on the agenda of either party.

In 2008, the civic response to Cyclone Nargis resulted in an exponential increase in the number of non-governmental groups and organisations with relief and service missions, scaling-up by many of the already established organisations, and much more interaction between local and international agencies. Each of these factors raised questions about how local organisations might sustain themselves beyond occasional one-off project grants.

With rare exceptions,<sup>4</sup> this increased interaction was based on sub-contractual relationships with funders increasingly engaged with CSOs through international intermediaries. Civil society actors learned that through this system, intermediaries (INGOs and others) were able to partially sustain their own organisations through indirect costs recovered from funders.

Might local organisations also recover some of their indirect costs as one way to sustain their programmes and teams beyond project grants? The first meeting of CSO leaders on this question was in July 2011. They proposed to their funders and INGO grant-makers that recovered costs be shared between all partners in any project or programme. Progress has been slow<sup>5</sup> but in 2014, the first local organisation in Myanmar adopted an Indirect Costs Policy, and others have followed. They set their own IC rate for funders and grant-makers wishing to partner with them.

As CSOs have become more established, with medium-term programme visions and institutional missions, the challenge of recovering indirect costs has hovered continuously over their managers. At times it has re-shaped CSO relationships with funders and grant-makers.

In 2015, LIFT<sup>6</sup> revised its Operational Guidelines to read: “In partnerships and consortiums, the six per cent indirect costs should normally be shared among implementing partner organisations, including local civil society organisations, proportionate to their implementation budget (six per cent of their total budget).”

In 2016-17, three small-grant funds were launched at township level with LIFT funding support and NGO facilitation.

<sup>1</sup>This study uses the term CSO for all the participating local organisations independently of their size, reach or status.

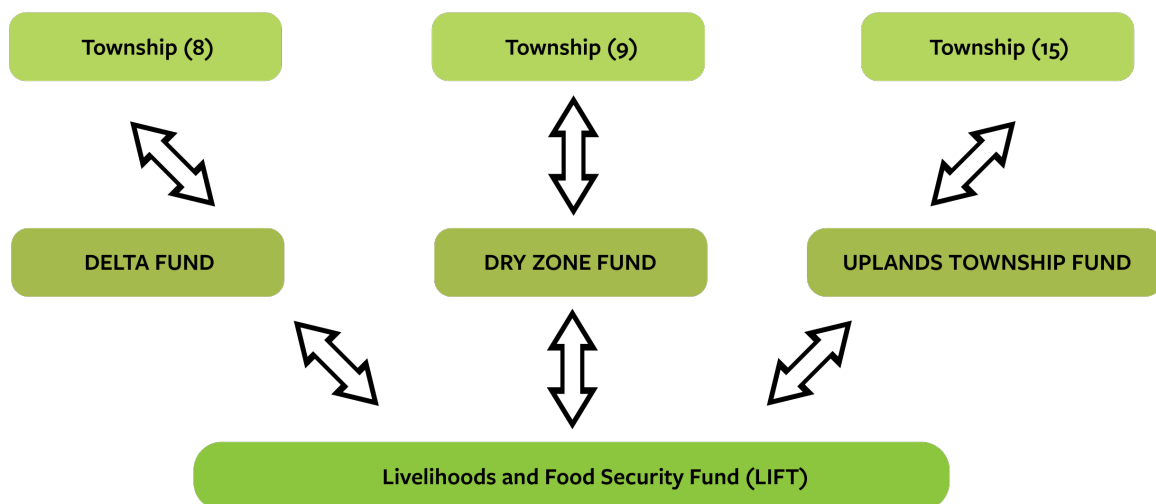
<sup>2</sup>Others chose not to be listed or to publicise their existence.

<sup>3</sup>Notes on terminology are attached as Annex A.

<sup>4</sup>In 2008, the first CSO attracted substantial core funding from their international partner “to be allocated by the CSO leadership” for a period of five years.

<sup>5</sup>In May 2018 funders went on record for the first time “addressing the disparity between INGOs and CSOs and ensuring the latter’s core funding is key for sustainability requiring that a portion of overhead allowances be passed from INGOs to local CSOs”. CPG 18 May 2018.

<sup>6</sup>[Livelihoods and Food Security Fund](#)



Thanks to the small grant funds, for the first time in Myanmar a significant number of smaller CSOs are recovering some of their indirect costs. The opportunity now arises to learn how CSOs allocate this income, what their priorities might be for allocating unrestricted income, and the possible implications for institutional donors.

## 2.0 The Survey

The survey addresses three main questions.<sup>7</sup>

- Where do CSOs allocate indirect costs (and other non-project funds)?  
*Do CSOs have (feel a need for) their own unrestricted funds (or core costs) policy?*
- What processes do they use to make these allocation decisions?  
*Do indirect costs have an added value in strengthening CSO governance, decision-making, accountability or financial planning?*
- Are there potential co-relationships between these allocation decisions/processes, and CSO capacity?  
*Are capacity gains resulting directly from receiving and managing indirect costs?*

Five supplementary questions are also included in the survey.

This paper reports the results of 122 consultations with CSOs holding grants from these three funds.

These CSOs are spread across 32 townships in the Delta, Dry Zone and the Uplands. Consultations were facilitated by the funds' township-based field-teams. A pilot sample (36) was consulted in March 2018 and the remaining CSOs were consulted in January 2019.

The survey authors designed and tested the survey template and convened a half-day familiarisation workshop with the field teams prior to the consultations.

<sup>7</sup>Terms of Reference "Civil society consultant" LIFT Sept. 2017

## 3.0 Survey findings, comparisons and analysis

### 3.1 Do CSOs recover some of their Indirect Costs (ICs)?

All of the consulted CSOs report that they are recovering indirect costs (ICs) at the rate of six per cent as stipulated by the fund donor.

This could not be assumed as some grant-makers in Myanmar have organisational policies that over-ride donor requirements to share recovered costs. Others will only recognise these costs if they are claimed by the CSO grant-holder.

The survey did find differences in when indirect costs are being recovered. This is due to the different policies and practices of the fund facilitating NGOs. To ensure that CSO grant-holders take full responsibility for the eligibility of their project costs, various percentages of grant instalments are withheld until expenditure is verified.

### 3.2 Who do the CSOs recover ICs from?

For almost all of the CSOs in the survey, the LIFT small grant are the only source of ICs. Six CSOs also receive other grant funding, but only one of these grants provides for the recovery of ICs (at a rate of ten per cent).

### 3.3 How much of their ICs do CSOs recover?

The average amount of ICs received (or forecast) for the 2018 calendar year was slightly over MMK 1,200,000.<sup>8</sup> The range is from MMK 140,000 to MMK 3,800,000, with two “outlying” CSOs recovering over MMK 5,000,000.

This wide variation has been cross-checked against grants information held by the fund facilitators. It is an accurate reflection of township contexts, differences in the targeting of the three funds, and grant size.

A detailed calculation of other sources of non-project funding was beyond the scope of this survey. However, all of the CSOs reported little unrestricted income other than the recovered ICs.

Note: When CSOs start receiving grants it is not possible, nor desirable, to try and formulate their total indirect costs. Most often, their indirect costs are being met by lean budgeting, voluntary contributions or periods of inactivity. These CSOs see formulation as a non-productive exercise given the uncertainty of future funding. Both the overheads and the investment portions of IC allocation tend to be supply-driven. This can be summed up by the statement: “If we have the resources, we’ll do it, if not, we won’t.”

### 3.4 How do CSOs hold their IC income?

Do you keep these IC's separate from your project (grant) funding?			
	Separately		
Together with project (grant) funds <sup>9</sup>	Separate bank account	Separate cashbook	Separate safe/cashbox
52	24	37	16

<sup>8</sup>MMK 1,223,636

<sup>9</sup>Responses were deemed invalid if the CSO also identified one of the separate options.

Even though this is often their first experience of cost recovery, over half of these CSO grant-holders have immediately tried to ring-fence this income. Twelve of them are using two mechanisms of separation, e.g. separate cashbooks and separate accounts.

At the same time, many (forty-two per cent) of these CSOs are making no accounting distinction between project and non-project funds.<sup>10</sup> Follow-up consultations with the fund teams suggest a number of possible reasons:

- Many CSOs have never previously received or managed non-project funds.
- The CSOs (or the fund-teams themselves) are not always sure of the difference.
- When funds withhold a percentage of the grant instalment as a hedge against ineligible costs, CSOs find it necessary to make up the project short-fall from their indirect costs.

This is a recommended area for follow-up by the fund teams (Para 3.6e also refers).

### 3.5 Do these CSOs have other sources of non-project funds?

What other non-project income did your CSO generate in 2017/18? <sup>11</sup>	
no other non-project income	75
bank interest	14
staff contributions ( <i>including members, beneficiaries</i> )	20
donations	16
training/consultancy services	3
product sales ( <i>sewing, soap etc.</i> )	13
equipment hire	5
rent out room	5
Interest from small scale loan to communities, revolving funds ... ( <i>finances</i> )	6

Over sixty per cent of the CSOs report that the ICs recovered from the LIFT small grant fund is their only source of non-project funds. Three are also receiving indirect costs through other grants.

For the remaining forty per cent, the above table shows other sources of non-project income. The amounts are often very small. All these CSOs report that ICs are “by far” their main source.

A striking result of this Township-level survey is the low number (sixteen per cent) which are using staff contributions to sustain their organisation and programme. A 2017 study of state/regional CSOs suggested that up to two thirds of non-project income comes from staff contributions. There are a range of factors at work.

- Township-level CSOs tend to have a culture of volunteerism. Their fixed costs are significantly lower.
- Lower costs of project staff leave little room for voluntary deductions.
- The LIFT small grant funds have been relatively more flexible in awarding full costs of the project.

### 3.6 How do CSOs allocate their ICs?

How does your CSO spend its indirect costs? Priorities (may be more than one)? <sup>11</sup>		
a	Reserve fund	35
b	Exec committee costs	24
c	Salaries/honoraria for non-project staff or members	29

<sup>10</sup>Non-project' funds is used here to describe what many international organisations call 'unrestricted income'.

<sup>11</sup>Italics used where the CSO informants provided additional information/categories beyond the survey format.



d	Building/property fund (e.g. furniture, IT equipment, vehicle payments)	43
e	Unbudgeted project costs (mainly transportation, fuel)	63
f	Donations (gov't programmes, public appeals, youth, community etc.)	25
g	Spend on whatever is most urgent (mainly rent, electricity, emergency travel)	39
h	The donor tells us how to spend ICs sometimes	29
i	Pass share of ICs on to CBO partners	5
j	Have not decided yet	11
k	Staff training in PCM or finance	2
l	Staff training (other)	3
m	Visibility (publications, T-shirts, calendar, etc.)	4

### Headlines from the CSO allocations of non-project income

3.6a/d. For Myanmar CSOs, establishment of reserve funds tends to happen once the annual budget approaches USD 200,000. Reserves are often first conceived as a buffer to retain staff (and the CSO's costs for recruitment and training) during gaps in grant funding. Later they become genuine cost-saving investments to eventually reduce expenditure in the organisational budgets (office accommodation, equipment, vehicles etc.). The 35 CSOs in this survey that report a reserve fund are in a far lower budget range.<sup>12</sup> Many of them are "Thar Yay Nar Yay" (community volunteer) groups.

While it is likely that their reserve funds are for day-to-day expenses, follow-up is needed to establish whether some or many of these township groups have longer-term intentions.

3.6b. Only 24 CSOs report that some ICs have been allocated to executive committee costs. On this point, the fund teams must have provided sound budget advice to the grant-holders. Executive committee costs (mainly travel) are the most commonly unbudgeted item in first grants as CSOs commonly underestimate the number of meetings involved in holding a grant.

3.6e. The most frequent (fifty per cent) allocation of ICs in this survey is to unbudgeted project costs. The explanations that came from the fund-teams and/or data comparisons include:

- For many of these CSOs, this is their first project grant. It is the first time they have prepared a project budget. Omissions and under-budgeting of some activities can be expected.
- CSOs are identifying new opportunities in the communities where they work. They are deciding to fund these project enhancements with some of their ICs.
- For the fund-teams, these are the first grants under this type of fund. There may be gaps or restrictions in the budget templates provided to CSOs.
- CSOs are being advised by fund teams to spend ICs on unexpected or unbudgeted project costs (3.6h refers)
- Fund-facilitator (INGO) practice is often to withhold a percentage of grant instalments as "insurance" against ineligible CSO expenditure. This can create budget shortfalls and put pressure on indirect costs. It is the right time for the funds, together with likely second-round grant-holders, to review the budget template, particularly on how transport, fuel costs, rent and electricity are covered and costed within the template.

3.6g. One-third of the CSOs reported that some of their ICs are allocated to "what is most urgent at the time". This makes sense given new ambitions, precarious project funding and limited non-project income. Short-term project or group survival is the priority.

<sup>12</sup>Averaging USD 11,000

Nevertheless, there is real potential for even small amounts of ICs to support these Township CSOs to develop their own capacity in planning, decision-making and financial management. A worthwhile goal for any second-round grants is to move from an ad-hoc allocation of ICs to a more considered and planned approach.

Project funding has a limited potential for building these capacities. Budgets and plans are drawn up in close consultation with grant-makers before a contract is signed. The implementation is largely driven by the contract, meaning that few decisions are required by the CSOs. Project funds can support CSOs to build their administrative capacities, while non-project funds support the development of management capacities.

3.6h. A quarter (24.2 per cent) of the CSOs told us that “the fund facilitator (grant-maker) tells us how to spend ICs sometimes.” We observed in our meetings with fund teams that:

- Some field staff and supervisors do not understand their own organisation’s indirect costs practice – and are unable to provide clarity to CSOs.
- Some understand ICs as additional CSO income for the project. A few understand ICs as a reserve for plugging gaps in their own planning, contracting and payment systems.<sup>13</sup>
- Some of the field staff report that they are reluctant to say this to CSOs and only do so after repeated requests.

If grant-makers do not appreciate the potential added value of ICs they will miss opportunities to support CSO capacity and autonomy. They will also undermine one of their own capacity-building tools.

3.6i. Five of these CSOs report that they share ICs with their community-level partners. It would be very valuable for the funds to learn more about why and how they do this. Only now is this question arising for much larger CSOs with much larger unrestricted budgets.

3.6k/l. Very few of these CSOs are allocating ICs to staff training. There are three possible explanations.

- Demand driven<sup>14</sup> capacity-building is being fully met by the funds from a central budget.
- Staff training is very expensive when the total non-project income is MMK 1,200,000 per year.
- There is low demand for training as a way of meeting the capacity needs of the CSO teams.

### 3.7 How do CSOs decide how to spend ICs? Who decides?

The Director	According to an approved annual “core-fund” budget	According to an approved “core-fund” policy	Case-by-case by a decision-making group
<b>15</b>	<b>10</b>	<b>17</b>	<b>101</b>

For a high number (eighty-three per cent) of these CSOs, spending IC income is decided by a collective process. Common examples of decision-making groups were executive committees or memberships and staff groups. For two of them, decisions are made by a multi-stakeholder group, not including beneficiaries while for another two of them, decisions are made by the beneficiaries.

Even where the director is responsible for spending decisions, two thirds of these directors are making decisions based on a pre-approved budget or guidelines. It is very unlikely<sup>15</sup> that any of these CSOs has a written core fund<sup>16</sup> policy.

<sup>13</sup>CSOs interviewed in 2017 provided examples of being directed to use ICs for: unplanned donor (grant-maker) meetings, additional costs of donor visits, salaries, bridging funds to cover the late payment of grant instalments, and translation of their Burmese-language reports.

<sup>14</sup>One of the principles of these small-grants’ funds is that any capacity support will come from CSO-defined requirements.

<sup>15</sup>Possibly a question of translation, or our insufficient briefing to field-teams.

<sup>16</sup>To our knowledge, there are four CSOs in Myanmar with a policy for unrestricted income and its expenditure. The term they use is “core fund”. Another five CSOs are in the process of developing such a policy.

Even allowing for some misleading responses,<sup>17</sup> this suggests a high frequency of collective decision-making. It may not always be an efficient approach, but it is possible that non-project expenditure is more closely scrutinised than project budgets. The pilot consultations we carried out and our meeting with CSOs provided additional evidence that non-project funds are jealously guarded.

### 3.8 Can ICs help develop the capacity of CSOs?

The decision-making reported above is quite different from how decisions are usually made for project expenditure. This points to the potential of ICs for developing new organisational capacities. The survey attempts to explore this point in its final question.

	Do you (the Fund Facilitator) observe any added CSO capacity as a result of the ICs?	
a	Management of funding gaps (bridging funds)	70
b	Development of Indirect costs (or core funds) procedures	36
c	Development of indirect costs (or core funds) policy	48
d	Designing project budgets	28
e	CSO decision-making systems and processes	79
f	Becoming a more “democratic” CSO	0
g	Research & comms capacity (as this is where some ICs are allocated)	1
h	Fundraising capacity	3

This question was directed at the fund teams. Some of the data looked rather unlikely to us, although the patterns are interesting.

Five follow-up conversations (eight field staff) suggested that we had phrased the question poorly, and some terms were still unfamiliar to the fund teams. All eight reported one or more of the following:

- It was difficult for them to make capacity assessments.
- They had not previously considered ICs as having potential for capacity-building.
- It was difficult to separate out the impact of ICs on capacity.

Further questions for accompaniment meetings with CSO grant-holders have been proposed for end-of-grant meetings.

- What costs/gaps are you planning to bridge?
- Could you describe your core-costs policy and procedures? Is anything in writing?
- How can we ensure that your improved budgeting capacity is reflected in future grant applications?

Interestingly, the concept of a “democratic” organisation found no takers at all. The follow-up responses suggested that the fund teams understand “democracy” as a strictly political (and still sometimes risky) term.

<sup>17</sup>Survey teams were asked to consult with at least two members/staff of each grant-holder.

## 4.0 What happens with indirect costs when CSOs scale up?

The surveyed organisations are township-based and often holding their first grant. Are the patterns that are starting to emerge in this survey applicable to larger CSOs that have a state-wide or national mandate?

We also surveyed four large CSOs<sup>18</sup> and four medium-sized<sup>19</sup> CSOs. Collectively, these organisations have contractual and partnership relationships with more than 50 international funders and/or grant-makers. While the sample is very small, these consultations suggest areas of enquiry for further understanding of CSO organisational growth in Myanmar.

- Large CSOs, like the township CSOs, rely heavily on ICs as their main source of non-project income.
- The search for alternative sources of non-project income has stalled, although large CSOs are genuinely concerned about their reliance on ICs as another form of “donor dependency.”
- Six of these organisations have already considered whether ICs are linked to their increasing cost structures over recent years. All have identified project-grant funding as the more likely culprit.
- Exchange rate concerns<sup>20</sup> mean bank interest as a source of income is not considered until other non-project income approaches the higher end of the scale.
- Project staff of some medium-sized CSOs is subsidising the ICs that are not being recovered from grant-makers and funders. As IC recovery increases, organisations will reduce or eliminate staff contributions.
- Both medium and large CSOs allocate much more of their ICs than township CSOs to fixed costs (rent, electricity, transport etc.).
- For the large CSOs, a building fund gets established and a target date for moving into their own premises is set. Other common priorities once non-project income approaches USD 40,000 are: investing in organisational planning and development; building research and communications capacity; project pre-financing and study;<sup>21</sup> and leadership and management development.
- Management development is seen as a major need not met through the project-focused capacity-building which is often provided by grant-makers. Larger CSOs spend on financial management capacity (decision-making policies and structures) rather than financial administration capacity, and on strategy development and programme management.
- As income from ICs increases, there is a growing internal push to quantify actual organisation/programme costs and to develop core costs policies.
- The four large CSOs were very clear on two areas of capacity that IC recovery has enabled them to build: strategic planning & budgeting, and development of decision-making structures and policies (for core costs and more broadly).
- Two of the large CSOs also highlighted the capacity or “strength to stand up for what we believe” which they attributed to their non-project income (ninety-five per cent of which is ICs). Two pointed to their growth in research and advocacy capacity which has been enabled by their IC recovery.
- The medium-sized CSOs were silent on the question of capacity-growth as a result of IC recovery.
- The four large CSOs all reported the emerging challenge of how to ensure that their own grant-holders (usually community-based organisations) can recover some of their indirect costs.
- Large or small, CSOs value the opportunity to discuss their indirect and core costs. On the contrary, grant-makers generally anticipate that CSOs will be anxious (even resistant) about such discussions. This is a fruitful, but frequently neglected, discussion topic for civil society partnerships and accompaniment.

<sup>18</sup>Annual ICs recovered between USD 45,000-200,000.

<sup>19</sup>Annual ICs recovered between USD6,000-30,000.

<sup>20</sup>In the medium-sized CSOs non-interest-earning USD accounts are preferred to interest-earning accounts in Kyat. In one instance the grant-maker does not allow CSOs to earn interest on the grant balance.

<sup>21</sup>assessments, baselines, community consultation, start-up

# Annexes

## Annex A. Notes on indirect costs

From a CSO perspective, the array of mechanisms for accessing international funds is increasingly complex. Even for indirect costs there is a range of definitions:

- Costs of a project which are not covered by the project grant.
- Costs of an organisation during a project which are not covered by the project grant(s).
- Costs of an organisation or programme in progressing its goals and mission which are not covered by project grants or by other income.

In Myanmar, CSOs commonly use the third definition. The spending of recovered costs is not confined to the project, nor to the project period. For this reason, CSOs recover and manage indirect costs as part of their unrestricted funding, or non-project income.

LIFT's definition of indirect costs aligns with this CSO understanding:

“Indirect costs are incurred costs that:  
May be overhead costs,  
do not require verifiable vouchers and  
are calculated as a percentage against the total of incurred direct costs.”

**LIFT Operational Guidelines (2017) Section 3.4**

While the use of indirect costs is usually not restricted by the funders, they are still subject to other restrictions. CSOs have their own missions and values which direct how all their funds are spent. The legal partner of the CSO places restrictions on organisational expenditure and unrestricted funding is subject to organisational (but not project) audit.

Indirect costs are recovered, not awarded or granted. This acknowledges that they are real costs incurred by an organisation to sustain the minimal operation needed to deliver on its medium-term mission.

Almost always, funders calculate indirect costs on expenditure and not on budget. Many CSOs do not recover these costs until the end of the grant or grant instalment. Even when they do, some are reluctant to allocate them until final financial reports are signed off. In the absence of other income, planning and management of recovered ICs are constrained by these factors.

Allocation of recovered ICs in Myanmar is rarely limited to overheads or administration. While some of the expenditure will be on general operating costs, many Myanmar CSOs place a high priority on organisation development, design of strategy and programmes, consultation and planning with communities, developing their own leaders, civil society networking, and building their funding reserves.

Many Myanmar CSOs are using the concept of core costs to cover this range of priorities. A core costs policy becomes critical for larger CSOs developing their own integrated planning and budgeting systems. It raises their capacity to engage proactively in contract-setting and contract-management.

In Myanmar, few CSO grant-contracts are signed with a bilateral or multi-lateral funder. Most CSO contracts are signed with an intermediary (INGO, fund-manager, facility etc.). While intermediaries almost always recover a share of their indirect costs from the funder, few put similar provisions in their contracts with CSO.

In recent years, funders rather than intermediaries have taken the lead in ensuring that some CSOs recover a share of their indirect costs. They have done this by requiring intermediaries to include indirect costs in their CSO contracts. The implications of funders “restricting” the “unrestricted income” of intermediaries have yet to be tested.

# Annex B

		Indirect cost recovery – policy/practice for in-country grants <sup>23</sup>			
Donors					
		The Co-operation Partners Group (work stream on liaison with CSOs) will circulate the table amongst Co-operation Partners and ask them to complete it.			
Grant managers					
	Do you have a policy allowing for ICR <sup>24</sup> in your direct contracts with CSOs?	If yes, do you have a set rate of ICR?	Do you determine the rate, or does your donor/back-donor?	Policy for ICR when your CSO partners on-grant (sub-contract)?	Must indirect costs be expended during the grant-project period <sup>25</sup> ?
<b>3MDG</b>	Yes	6%	We do, it is approved by our donors.	Yes, 6%	No. 3MDG audits do not include partners' use of indirect costs. There is no time limit on the utilization of these funds.
<b>Global Fund</b>	Yes	0%	Donors	No	N/A
<b>HARP</b> <i>To be confirmed</i>	Yes	7%	<i>We do, it is approved by our donors.</i>	Yes, 7%	No
<b>LIFT</b>	Yes	6%	We do, it is approved by our donors.	Yes, 6%	No
<b>Joint Peace Fund</b>	Yes	5% up to 100k 5.5% over 100k	The rate was negotiated with the donors when the Fund was created.	No. The negotiation of ICR is between our grant-holders and their partners.	No. The only restriction is that the funds must be used for the organisation.
<b>British Council</b>	No	Depending on project design, donor conditions & structure.	We do.	No	Yes
<b>UNDP</b> <i>To be consulted</i>					
<b>UNOCHA</b> <i>To be consulted</i>					
<b>FHI360</b>	Indirect costs are awarded according to our (different) donor policies.	It will vary depending on what is permitted by each donor.	Our donors	N/A	Yes
<b>NPA</b>	Practice rather than policy. Case by case.	"Admin/management fees" for some CSO partners at 7%.	We do.	No	Yes. Admin/management costs are pre-allocated in the grant-budget.

<sup>23</sup>This table is reprinted from "CSO Sustainability in Myanmar's States and Regions" PIN, Sept. 2017

<sup>24</sup>Indirect Cost Recovery

<sup>25</sup>This is a proxy question for "Must the expenditure of indirect costs be related to the funded project-grant?"

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	Do you have a policy allowing for ICR <sup>24</sup> in your direct contracts with CSOs?	If yes, do you have a set rate of ICR?	Do you determine the rate, or does your donor/back-donor?	Policy for ICR when your CSO partners on-grant (sub-contract)?	Must indirect costs be expended during the grant-project period <sup>25</sup> ?
Oxfam	a) When we (in country) receive full ICR we share with our partners. b) When we (in country) do not receive ICR we aim to award ICR from other sources.	As per donor contract.  5%	Donor  We do.	No	No
NPA	Practice rather than policy. Case by case.	“Admin/management fees” for some CSO partners at 7%.	We do.	No	Yes. Indirect costs are pre-allocated within the grant-budget.
PIN	No	N/A	We do.	N/A	N/A
Paung Ku	We will pay a % “management costs” where justified and where CSO has a clear core-costs policy	No	We do.	N/A	Yes
SWISSAID	No. Indirect Costs are usually held centrally for partner forums, trainings etc.	N/A	We do. However, where our donor policy is to include ICR in on-grants, we follow donor policy.	No	No, as per donor policy
Christian Aid	Depends on donor. We generally pass on to CSOs the rate of ICR that our donors provide.	As per our donor contract.	Donor.	No	No
Action Aid	No	N/A	We do.	N/A	N/A



# Annex C. Survey Template

## 1. Does your CSO receive indirect costs?

၁။ သင်တို့ အဖွဲ့အစည်းသည် သွယ်ဝိုက်ကုန်ကျစရိတ် (စီမံကိန်းအတွက် တိုက်ရိုက်မဟုတ်သော အသုံးစရိတ်များအတွက် ရန်ပုံငွေ) ရရှိပါသလား။

Yes ရရှိပါသည်။	Don't know မသိပါ။	No မရရှိပါ။

## 2. Who from?

၂။ မည်သူ့ဆီက ရရှိပါသလဲ။

1 ဝ	2 ၂	3 ၃	4 ၄

## 3. How much total IC's do you expect in 2018 (funder and %)?

၃။ ၂၀၁၈ ခုနှစ်တွင် စုစုပေါင်း သွယ်ဝိုက်ကုန်ကျစရိတ် မည်မျှ ရရှိမည်နည်း။ (ရန်ပုံငွေပေးသူ နှင့် ရာခိုင်နှုန်း)

1 ဝ	2 ၂	3 ၃	4 ၄

## 4. How much ICs did you receive in 2017?

၄။ ၂၀၁၇ တွင် သွယ်ဝိုက်ကုန်ကျစရိတ် မည်မျှ ရရှိခဲ့ပါသလဲ။

1 ဝ	2 ၂	3 ၃	4 ၄

## 5. Do you keep these IC's separate from your project (grant) funding?

၅။ သွယ်ဝိုက်ကုန်ကျစရိတ်ကို စီမံကိန်းအတွက် ထောက်ပံ့ရန်ပုံငွေနှင့် သီးခြား သိမ်းဆည်းပါသလား။

Together with project funding စီမံကိန်း ရန်ပုံငွေနှင့် အတူ သိမ်းဆည်းပါသည်။	Separate bank a/c သီးခြား ဘဏ်စာရင်းစာအုပ်ဖြင့် ထားပါသည်။	Separate cashbook စာရင်း သီးခြား ခွဲထားပါသည်။	Safe/cash/ cashbox ရုံးတွင် ငွေသားဖြင့် သိမ်းဆည်းပါသည်။

## Other CSO income?

အခြား ဝင်ငွေများ

Training services သင်တန်း ဝန်ဆောင်မှုများ	Product sales ကုန်ပစ္စည်း ရောင်းချခြင်း	Equipment hire ရုံးသုံးပစ္စည်း ငှားရမ်းခြင်း	Rent out room အခန်းနေရာ ငှားရမ်းခြင်း

# Annex C. Survey Template

## 6. How does your CSO allocate its indirect costs? Priorities (may be more than one)?

၆။ သင်တို့၏ အရပ်ဘက်အဖွဲ့အစည်းသည် သွယ်ဝိုက်ကုန်ကျစရိတ်ကို မည်သို့ စီမံ သုံးစွဲပါသနည်း။

- a) Reserve fund (with a target)  
က) စုဆောင်းထားငွေ (သတ်မှတ် ပမာဏ ထားရှိပါသည်။)
- b) EC costs  
ခ) EC အသုံးစရိတ်များ
- c) Salaries/honoraria for non-project staff or members  
ဂ) စီမံကိန်း ဝန်ထမ်း မဟုတ်သူ ဝန်ထမ်းများ၊ အဖွဲ့ဝင်များအတွက် လစာနှင့် ဂုဏ်ပြုအသုံးစရိတ်များ
- d) Building fund  
ဃ) အဆောက်အဦးအတွက် ကုန်ကျစရိတ်
- e) Project plus  
င) စီမံကိန်းအတွက် ဖြည့်စွက်သုံးငွေ
- f) Donations (govt programmes,  
စ) အလှူငွေ (အစိုးရသို့ စသည်ဖြင့်)
- g) Spend on whatever is most urgent (e.g. rent, electricity)  
ဆ) မည်သည့် အရေးပေါ် အသုံးစရိတ် အတွက် မဆို (ငှားရမ်းခ၊ လျှပ်စစ်ဓာတ်စသည်ဖြင့်)
- h) The donor tells us how to spend ICs sometimes.  
ဇ) ရန်ပုံငွေပေးသူသည် တစ်ခါတစ်ရံတွင် သွယ်ဝိုက်ကုန်ကျစရိတ် ကိုမည်သို့သုံးနိုင်ကြောင်း ပြောပါသည်။
- i) Pass share of IC's on to CBO partners.  
ဈ) မိတ်ဖက် CBO အဖွဲ့များသို့ ပြန်လည် ဝေမျှပေးခြင်း
- j) Haven't decided yet  
ည) ယခုထိ မဆုံးဖြတ်ရသေးပါ။

## 7. How are these spending decisions made?

၇။ အသုံးပြုရန် မည်သို့ဆုံးဖြတ်ကြသနည်း။

By Director ဒါရိုက်တာမှ ဆုံးဖြတ်သည်။	According to an annual "core fund" budget. နှစ်စဉ် "core fund" အဖွဲ့အစည်းပိုင် ရန်ပုံငွေဘဏ်ဂျာနယ် အစီအစဉ်အတိုင်း	According to a written "core fund" policy အဖွဲ့အစည်းပိုင် ရန်ပုံငွေမူဝါဒအတိုင်း	By a decision-making group (e.g. EC, stakeholder meeting) ဆုံးဖြတ်ချက်ချမှတ်သော အုပ်စုများမှ ဆုံးဖြတ်သည်။ (ဥပမာအားဖြင့်- EC,ရပ်ရွာတွင်း သက်ဆိုင်သူအုပ်စုများ အားလုံးပါဝင်ဆုံးဖြတ်သည်။)

# Annex C. Survey Template

## 8. Do you (the fund facilitator) observe any examples of how ICs have resulted in new capacities for this CSO?

၈။(ရန်ပုံငွေကို စေ့စပ်ညှိနှိုင်းပေးသူအနေဖြင့်) သွယ်ဝိုက်ကုန်ကျစရိတ်သည် အရပ်ဘက်အဖွဲ့အစည်းများ၏စွမ်းရည် မြှင့်တင်ရေးကို ဖြစ်ပေါ်စေသော ဥပမာများကိုလေ့လာတွေ့ရှိမိပါသလား။

ICs contributing to strengthened CSO capacities.

အရပ်ဘက်အဖွဲ့အစည်းများ၏ စွမ်းရည်မြှင့်တင်ရေးတွင် သွယ်ဝိုက်ကုန်ကျစရိတ် ၏အထောက်အကူပြုပုံ

Management of bridging funds

စီမံကိန်းများ ကြားကာလ ရန်ပုံငွေ စီမံနိုင်စွမ်း

Development of Indirect costs (or core costs) procedures

သွယ်ဝိုက်ကုန်ကျစရိတ် သို့မဟုတ် အဖွဲ့ပိုင်ရန်ပုံငွေဆိုင်ရာ လုပ်ငန်းစဉ်များ ဖြစ်ပေါ်လာခြင်း

Development of indirect costs policy

သွယ်ဝိုက်ကုန်ကျစရိတ် မူဝါဒ ဖြစ်ပေါ်လာခြင်း

Designing project budgets

စီမံကိန်း ရန်ပုံငွေများ ပြင်ဆင် ရေးဆွဲတတ်လာခြင်း

CSO decision-making systems and processes

အရပ်ဘက်အဖွဲ့အစည်း၏ဆုံးဖြတ်ချက် ချမှတ်ခြင်း စနစ်များနှင့် လုပ်ငန်းစဉ်များ တိုးတက်လာခြင်း