

Policy Forum – Fundraising Strategy

Background and Introduction

The Policy Forum (PF) has been in existence since July 2003. It is a network of NGOs engaging in policy advocacy and is registered as a Non-profit Company under the Companies Act. In its first 3 year of operation Policy Forum focused on engaging primarily with 3 policy processes, the Poverty Reduction Strategy (now MKUKUTA), the Public Expenditure Review Process, and the Local Government Reform Process. Now that the 3 years are over, Policy Forum has developed and new updated strategy that takes account of the lessons learnt from the last 3 years. During the next 3 years, we plan to use various advocacy strategies to achieve greater effectiveness and impact in our advocacy work. We also plan to improve the quality of our policy analysis and engagement and the secretariat has expanded to accommodate this goal.

Below is a summary of the mission, vision, and objectives that will govern PF activities over the next 3 years. These are also elaborated in more detail within the Policy Forum Strategic Plan 2014 to 2016.

Mission, Vision Strategy, Objectives, Principles

The Policy Forum (PF) is a coalition of civil society organizations that seeks to strengthen NGO involvement in critical policy processes in Tanzania. The main focus is to make policies work for people, especially for the poor, and for policy processes to be opened up and be made more transparent, democratic, participatory and accountable.

Using a participatory process involving its members and consultations with key informants, PF has developed the following key guiding statements:

Vision:

Policy Forum envisions improved quality of life for the Tanzania people.

Mission:

Policy Forum will work together to influence policy processes that improve the lives of all Tanzanians through enhanced governance and accountable use of public resources and effective protection for human rights.

Overall Objective:

Policy Forum seeks improved quality of life of the Tanzanian people through **enhanced governance and accountable use of public resources**, as well as the effective protection for human rights, by means of strengthening the capacity of CSOs to influence key policy decisions relating to poverty reduction, equity and democratization.

Specific Objectives:

Objective 1: The effectiveness of public resource management is analyzed.

Objective 2: The body of evidence produced by Policy Forum is widely disseminated.

Objective 3: The capability of civil society organizations to understand public resource management is enhanced.

Objective 4: Engagement by Policy Forum improves national policy processes.

A detailed *Strategic Plan* with an accompanying detailed budget is attached.

Strategy for Raising Funds

As mentioned above PF has already prepared a detailed costed Strategic Plan and Project Proposal. This will form the basis for any funding request submitted to potential donors. It is PF's aim that the funding modality and reporting mechanism used to fund its strategy should be simple to implement and yet robust enough to satisfy good practice in terms of accounting and reporting. The funding modality should be designed to safeguard PF's independence and yet it should be sufficiently rigorous so as not to compromise accountability. In order to retain and improve its capacity to hold itself and others to account for policy decisions and actions, it is of prime importance that PF is demonstrably able to develop and maintain its intellectual and strategic independence. For this reason, the PF strategy has been designed with the aim of minimizing dependency on any single source of funding and maximizing both the level of funding and the diversity of funding sources from among its members.

Donor Profile

PF seeks to enter into a partnership with donors who are committed to PF's mission and principles. It is the expectation of PF that any partnership will respect the right of Tanzanians to monitor, analyze, critique and contribute to all policies that may impact on their well-being whether at present or in future. A relationship based on openness, clarity and respect for PF's autonomy and independence will be a key determinant of PF's choice of partner. In turn, PF will also play its part in fostering this type of relationship.

The preferred source of funding will always be the PF members. PF will seek to gradually increase the share of its budget covered by its members. The purpose of this is to enable PF to build more autonomy over its activities and more independence in its decision-making. It is also psychologically empowering for members to feel ownership over PF and its activities and this is seen as one way to sustain the national ownership stated in PF's principles.

For the same reason, PF will strive to ensure that no more than one third of its total 3-year allocation originates from a single external source. Although it is understood that disbursement of funds to PF will be on an annual basis, PF would prefer to work with donors who are ready consider the strategic plan in its entirety and to make a 3-year commitment. This will enhance the quality of planning and budgeting resulting from greater predictability of funds.

Within PF all members are encouraged to contribute and there is no minimum contribution. The purpose of this is twofold:

This is a demonstration of commitment from PF members to its objectives and ownership of its activities. Each member, having contributed will, feel they have a stake in decisions that are made and are more likely to contribute to these decisions. This will assist in increasing the voice of members who currently do not have the confidence to be vocal and assertive in PF discussions. Even though individual contributions may be small, the number of NGOs able to make small contributions far outweighs then number of larger NGOs that can contribute bigger amounts. All PF members who make a financial contribution to PF will use the same funding modality as the external donors and will also be entitled to the same accounting and reporting information. To allow us to maintain a lean Secretariat, separate reporting that does not fall within the collectively agreed reporting requirement, will not be possible.

Funding Modality and Financial Reporting

The PF Secretariat, under the overall supervision of the Board of Directors, will manage the budget and all related accounting and reporting. The Secretariat is lean and currently made up of 10 posts hence it is essential that multiple reporting and accounting systems are avoided, if possible. Having established this, PF would prefer the independence and security that would be derived from multiple sources of funding.

Our preference is a basket-funding approach in which donors and members contribute to the Policy Forum Strategic Plan. The PF Secretariat will prepare an Annual Plan and Budget at the beginning of each financial year using the logical framework format, which would be submitted to the Board for critique and comment and the final version would then be submitted to PF members for endorsement. PF donors would be requested to make an annual disbursement into a common "basket" on the basis of the PF Annual Plan and Budget for that year. Six months into the financial year, PF would prepare one progress report, which would be submitted to all the fund's donors. This would report on progress against planned activities and would include a detailed statement of account reporting on expenditure to date, and an expenditure forecast for the next 6 months. At the end of each year, PF would prepare and submit an annual report, which reviews PF's activities for that year and provides a statement of account that has been audited by a reputable independent audit firm chosen during the Annual General Meeting for that year. At the same time PF would submit an annual plan and budget for the coming year.

All PF donors would subscribe to this funding modality and there would be no separate reporting required on an individual basis. One agreed accounting and reporting mechanism would need to satisfy the needs of all PF donors. It would therefore need to be rigorous enough to satisfy the accountability needs of the strictest of the PF donors but would not require multiple accounting and reporting procedures thus minimizing transaction costs for the PF Secretariat and Board. This would be the preferred funding modality for PF.

PF Secretariat
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