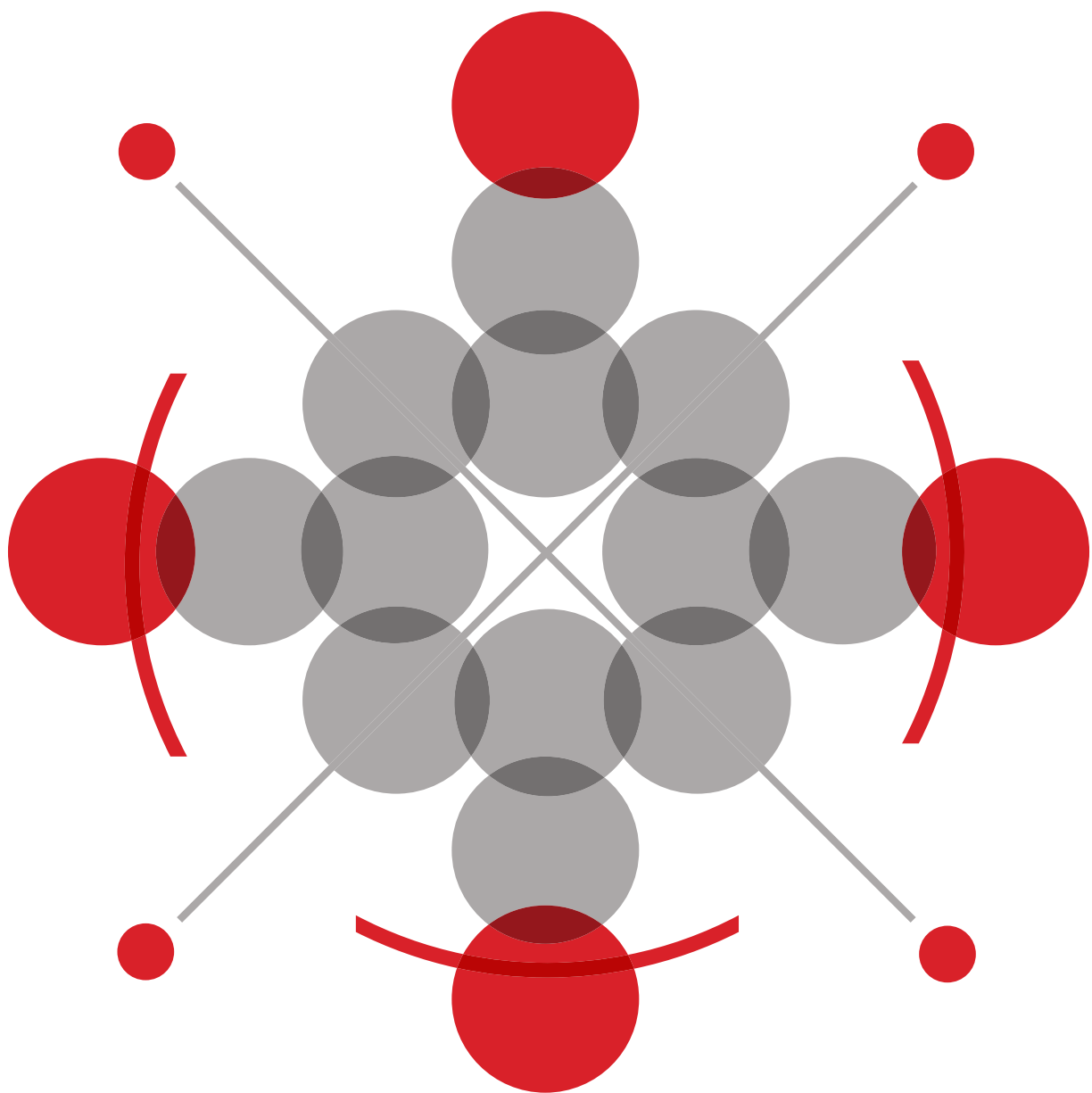


Hivos
**STRATEGIC
COMPASS**
2021-2024



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January, 2021

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STRATEGIC COMPASS: WHY AND WHAT

In a rapidly changing world which faces daunting challenges, Hivos has to make radical choices to remain meaningful and fulfil its mission. In a nutshell, this means we have to bring more focus to our programs, restructure our own organization and find solutions for eroding public trust in institutions. To achieve this we must find more financially viable pathways, without losing our *raison d'être*: strengthening, amplifying and connecting rightsholders' voices that call for just, inclusive and life-sustaining societies.

This Strategic Compass sets out a new strategic direction to realize our mission. It is aligned with the international agenda set through 2030: the SDGs, the Decade of Action, and the principle of "leaving no-one behind." However, Hivos believes that in this period of rapid change, our plans and strategies will need continuous realignment and fine-tuning. So this Compass has a time span of four years, until the end of 2024.

We intend to achieve impact in three areas that we consider of major importance:

1. Climate Justice
2. Gender Equality, Diversity and Inclusion
3. Civic Rights in a Digital Age

We will deepen our commitment to local ownership at all levels, including the Hivos organization, to achieve lasting social change.

Our belief in *people unlimited*, based on our core values and the conviction that people are filled with potential, will not change. Yet we must be realistic: Hivos cannot and does not want to challenge the many complex problems of our time on our own; neither can our local partners. So, joining forces in strategic partnerships is crucial. Additionally, to optimize effectiveness in a competitive field we will simplify our organization and develop a financially sustainable business model. Part II of this Strategic Compass provides outlines of how we will do so.

1 - We call the marginalized, underrepresented people we aim to support 'rightsholders', since this term recognizes them as holders of rights.

PART I:

**A NEW
COURSE**

THE WORLD WE LIVE IN

Hivos operates in a highly volatile context. Our values and principles remain the same, but we need to change the focus of our work and update our ways of working to maximize the impact of our partners. But at the same time, we have to stay flexible in a world where changes keep overtaking each other. So how do we see the world of today, and what are our choices based on?

ON A POSITIVE NOTE

As much as 2020 was one of the most distressful years for people around the world, there is also reason for optimism. In the past decades, hundreds of millions of citizens have raised their voice and claimed their rights. More girls are enrolling in school, more women have assumed leadership positions, and an increasing number of countries have recognized same-sex relations. Extreme poverty rates have declined, and world leaders agreed on Sustainable Development Goals that intend to leave no one behind.

We witnessed the signing of the Paris Climate Agreement and the rise of a strong global climate movement. Young people, women, Indigenous peoples, and others who are most affected by a loss of biodiversity, are leading ecosystem conservation actions around the world. And last but not least, new technologies have demonstrably contributed to sustainable development, women's empowerment, and civic activism. More and more people seem to understand and agree that we need to redefine our current economic, social and political models.

THE PARADOX OF ANXIETY

Yet, 2020 is also the year that will forever be marked by Covid-19. Tens of millions of people were infected and more than a million have died (and still counting). Healthcare systems collapsed, millions of people lost their jobs and sources of income, and we witnessed a horrifying surge of gender-based violence and discrimination against LGBTQ+ communities. Moreover, some authoritarian governments have eagerly put their citizens under increased surveillance in the name of Covid-19 prevention.

The pandemic has exacerbated existing inequalities and has shown that the progress made in recent decades is undeniably unevenly distributed. Secure livelihoods, safety, equality and inclusion are still a pipedream for probably over a billion people. Democratic forces are up against political autocrats and (often multinational) companies that serve the short-term interests of shareholders, instead of the common good and longer-term societal values.

The world we live in is complex and full of anxiety about conflict and violence, and about loss of standing, income, and possessions. This leaves people vulnerable to populist, authoritarian and polarizing forces that increasingly dominate public debate with a fear-based discourse. Paradoxically, it is exactly this rhetoric that sustains violence and conflict. And it thwarts efforts to protect our planet, fight for equality and inclusion, create sustainable livelihoods, and promote substantive democracy and social cohesion.

2 - We use the term women for all persons who identify as women or feminine or have experienced sexism because of their – current or past – womanhood or femininity (whether assigned or perceived).

MULTIPLE FACES OF POWER

These realities are reinforced by that fact that power in 2020 has a multipolar face. The United States no longer dominates the world's economy or its norms and values; China, Russia and Turkey have successfully claimed their slice of the global power pie. Consequently, we see a permanent power play between authoritarian leaders who most certainly will not save the world from extinction or acknowledge people's right to be who they are and shape their own lives and societies.

While the European Union tries to assume a leadership role in fighting climate change and upholding its human rights-based values, it defeats its own efforts when it comes to migrants escaping death and desolation. When dealing with development and migration challenges, EU member states do not operate as a true union. Rather, they show a notable lack of will and power in matters of foreign policy and defense, and were clearly reluctant to fill the void left by the United States under the Trump presidency.

FAILED SYSTEMS – AND HOW TO REPLACE THEM

All the major challenges of our time have system failures and power imbalances as their common denominator. In the three impact areas we will focus on, we see how these factors cause marginalization and stifle voices of change.

Our global economic system incentivizes the exploitation of people and natural resources, resulting in an unprecedented global suicide pact that hits the poor and marginalized the hardest. In fact, global warming threatens to drive another 100 million people into poverty by 2030. While they did not profit from globalization, and are not responsible for its deadly climate-changing impacts, they *do* suffer from the pollution, land degradation and biodiversity loss that it causes. Yet the voices of the very people and communities who are key to developing locally-shaped climate solutions are mostly absent in the (inter)national debates about – yes – climate solutions.

Likewise, systemic sexism, racism, homo/bi/trans/intersex-phobia, ableism and ageism sustain longstanding practices of exclusion and discrimination. Same-sex sexual relations are still punishable by law in 70 countries, and well-funded conservative and religious groups fuel a strong "anti-gender movement." Domestic violence, sexual harassment, bullying and hate speech are the order of the day for women and LGBTQ+ people. All this despite the fact that a growing body of evidence shows that inclusive societies do better, including economically.

Other deep drivers of sustained power imbalances and systemic exploitation are public institutions that are weak, unresponsive and unaccountable. Freedoms are in decline, and so is public trust in democratic institutions that fail to be inclusive and accountable. Civil society activists face mounting legal restrictions and lethal threats. Rapid digitalization has facilitated the spread of fake news and hate speech. It has also aided data collection and surveillance by public and private parties, leading to serious safety risks for citizens and activists. Yet at the same time, digitalization also enables people and movements to connect more easily, collect vital data and evidence, and share alternative narratives and solutions.

A shift to a just and life-sustaining global society will require major transitions in all domains of life. Hivos deeply believes that *people unlimited* is the key to challenging current system

failures, fighting power imbalances, and realizing climate justice, gender equality, diversity and inclusion. Yet we are also convinced that people must join forces in order to achieve real change. And that communities should be in charge of their own local change processes.

DONORS AND THE DEVELOPMENT SECTOR

Looking at the development sector that Hivos is part of, and the international donor community it depends on, we see much room for improvement. Although we are all convinced that people have a right to decide their own future, we have never really stopped appropriating their development processes. For example, even when the importance of local ownership is broadly acknowledged, we tend to “give” this local ownership to the marginalized, underrepresented people we chose, wrapped in our own values and conditions regarding the terms of this ownership.

Local ownership is too often a mere box to be ticked in the funding proposals designed by donors. Even worse, donors tend to shift the responsibility and risks of working with local actors to organizations like Hivos by contracting us to implement their programs. The counterproductive result is that local organizations are put in a straitjacket of strict compliance requirements, leaving little space for real local ownership. Yet local ownership means taking risks, so funding with should have fewer conditions and allow room to explore new paths. We see it as our responsibility to influence donors and increase their understanding of why change cannot be achieved by simple solutions without being willing to take those risks.

VISION, MISSION, CORE VALUES

VISION

Hivos firmly believes in every person’s right to live in freedom and dignity, to enjoy equal opportunities, and to influence decisions made regarding the changes they want to see in their lives, communities and country.

We envision a world in which individual differences and backgrounds are respected and used to strengthen communities. A world in which people join forces to challenge the power imbalances that allow environmental degradation and propel climate change; that condone exploitation, oppression and exclusion; and that perpetuate gender inequalities.

MISSION

Hivos works for a world where people can realize their full potential, unleashing their ingenuity and creativity to build fair, just and life-sustaining societies for themselves and generations to come. Our mission is to amplify and connect voices that promote social and environmental justice and challenge power imbalances. We particularly empower marginalized rightsholders to raise their voice and demand freedom of choice.

Hivos supports the development of alternative solutions to deep-seated problems so that individuals and communities can make responsible and equitable choices within political and economic systems that serve their needs and preserve the planet. We connect people

and organizations offering alternatives to those looking for solutions in their fight for social and environmental justice.

CORE VALUES

We believe that human life in its many forms is valuable; that all people deserve to achieve their full potential, while bearing responsibility for sustaining our natural environment. Living a life in freedom and dignity, with respect for each other and the planet, leads to greater individual well-being and fair, vibrant societies.

- **Freedom & dignity.** Every human being has the right to live in freedom and dignity, regardless of their sexual orientation, ethnicity, religion or socio-economic position. People should have the freedom to believe what they want and be who they are, voice their opinions, and challenge and influence the established order
- **Responsible citizenship.** People have rights as well as duties and responsibilities. We must respect and take care of other people, nearby and far away, and live life without damaging the common good, including nature.
- **Self-determination & diversity.** People and communities should be able to make choices and decisions based on their own preferences and interests. Each individual is unique, and these individual differences are something to cherish *and* protect.
- **Equality & justice.** People are not the same, but we are equal. We should be treated and treat others as such. Equality should be reflected in the way our social, economic and legal systems work.
- **Sustainable use of our planet's resources.** We only have one planet, with a rich but fragile biodiversity, and vast but finite resources. If we want current and future generations to prosper, sustainable use of the earth and living in balance with nature are paramount. We must move beyond reducing negative impacts and work actively to restore and preserve the environment, its biodiversity, and the planet's natural resources. The future of every living creature depends on this.

WHAT HIVOS STANDS FOR

Inspired by humanist values, Hivos' belief in self-determination and local ownership goes back all the way to its founding in 1968. In our first ever brochure, we wrote that "necessary changes should spring from communities themselves." And one of our most important strategy papers (1988) was titled, "Full Participation or the Access to Power." Right from the start, Hivos has promoted access to *all* forms of power for all citizens so they can actively participate in a truly democratic society. We consider local ownership not only a right – adhering to the adage "nothing about us without us" – but also the key to achieving long-lasting impact.

It is this fundamental belief in *people unlimited* that still guides Hivos. People and their organizations are at the heart of our vision, mission and our solution-driven approach. We are convinced that citizen action is vital for the advancement of democracy, human rights and sustainability. Given the primacy of local ownership, we see it as our role to support marginalized people, facilitate their change agendas and organizations, and help build social movements that strive for just, inclusive and sustainable societies.

Hivos has a unique position at the intersection of diverse stakeholders and communities. Our partnerships and networks span LGBTIQ+ communities, women's rights and youth organizations, frontrunners in environmental justice and decentralized renewable energy, human rights defenders, artists, bloggers, independent media, transparency and open government advocates, civic technologists, and organizations with specialized expertise in digital security or public procurement.

Hivos has always aspired to be a frontrunner and a pioneer. We are proud to be among the first supporters of the few courageous LGBTIQ+ activists in the 1990s. And we helped to build many – by now influential – LGBTIQ+ movements in Africa, Asia and Latin America. We initiated micro-finance before the term became popularized. Our iconic *Sumba Island* project in Indonesia demonstrated that access to reliable and 100% renewable energy for poor people in remote areas was feasible. And our *Resources of Open Minds* (R.O.O.M.) program supports artists and creative hubs around the world that diversify dialogue and debate in society and deploy the power of art to bring about structural social change.

Hivos has guts and dares to tackle sensitive issues. The way we question existing power structures and their effects on society, and on equality and inclusion, is different and innovative. We are not afraid to confront the powers that be in the quest for new solutions, nor are we afraid to critically review our own contributions to the mission and goals we have set.

BUILDING MOVEMENTS: FIVE STRATEGIES FOR CHANGE

Hivos has developed five strategies for promoting the voices and choices of marginalized people, while strengthening civil society. Which strategy we apply, and when, greatly depends on the context and the local organizations we work with. What all our strategies have in common is our expertise in grant making, enabling organizations and movements to reach their goals by distributing funds to them from larger donors and donor countries. This includes ensuring that these funds are spent effectively, transparently and accountably.

SUPPORTING FRONTRUNNERS

Hivos works with game-changing pioneers and frontrunners that inspire others. We have a keen eye for these creative, daring and unconventional innovators. Hivos offers them a platform, provides start-up funding and training, and connects them to different networks. Together, we develop ideas into programs that contribute to social change and more just,

inclusive and life-sustaining societies. We connect rightsholders, their organizations and allies to these pioneers so they can collaborate. The result is open-minded and creative alternatives to global problems; daring and undogmatic alternatives that serve the interest of all.

Frontrunners can be progressive citizens and organizations, courageous journalists or innovative artists and content producers. They operate on the frontlines of developments due to their pioneering ideas. However, not all frontrunners we support are cutting-edge creatives. They might also be brave young women who dare to claim their sexual and reproductive health and rights at local clinics in conservative communities, encouraged by their peers through our *We Lead* program.

FORGING MULTI-ACTOR INITIATIVES

As much as Hivos values the right of individuals to shape their lives, we believe that sustainable change will only happen if people undertake concerted and collective action. Think of the immense impact of the climate crisis, which calls for collaborative action like we have never seen before. We must build a shared understanding across diverse struggles to collectively advance climate justice. The same goes for tackling the increasing pressure on democracy and human rights, and for ending the deeply-rooted gender inequalities and exclusion of LGBTIQ+ people.

Hivos brings together all relevant stakeholders in effective multi-actor initiatives. We organize them around an exciting plan and facilitate the process of co-creating fair and inclusive solutions to complex problems. Ideas are best forged into viable solutions by the joined hands of rightsholders and their organizations, government and business representatives, creatives and technologists. We finance programs, ensure professional monitoring and evaluations, and incorporate lessons learned into future programming.

A good example is *All Eyes on the Amazon*, in which Hivos, Greenpeace, and 24 international and local partners support Indigenous peoples in the Amazon. We help them fight deforestation through drone-assisted monitoring, supply chain investigations, lobbying and public campaigning. Or the *Sustainable Agriculture, Food and Environment (SAFE) Platform*, a collaboration of private sector parties, donors and NGOs, managed by Hivos. In the face of climate change, SAFE has successfully made coffee and cocoa landscapes across nine Latin American countries sustainable.

INFLUENCING POLICIES AND PRACTICES

Hivos helps to create an enabling (political) environment in which the alternative solutions of frontrunners and multi-actor initiatives can flourish. We help rightsholders and local organizations make their voices heard, get a seat at the discussion table, and influence decisions that affect their lives. Moreover, we support their initiatives to challenge existing power relations at community, local and national level.

For example, in East and Southern Africa our regional *SRH-R Fund* supports organizations that advocate for people's right to love whom they choose and to decide if and when to have children. With *Free to be Me*, a new program to be implemented later in 2021, Hivos and partners will enable LGBTIQ+ communities to lobby duty bearers for access to socio-economic development programs and for an end to criminalizing laws. *ENERGIA* significantly has advanced gender mainstreaming of sustainable energy policies and practices around the world, based on the evidence of its successful women energy entrepreneurs.

Linking and learning is our core principle. We connect our local partners to each other and to existing advocacy networks of potential allies at the national and regional level. These networks are of great importance to engage with and influence duty bearers. At the global level, Hivos gets directly involved in influencing policies of governments and businesses. We also enable – and if necessary, train and coach – rightsholders and their organizations to participate in relevant international events and advocacy moments. Having their stories told and heard in the right places and at the right time can influence key figures and generate international (social) media attention for their cause.

MOVING THE MIDDLE

Shifting norms and attitudes among the wider public is crucial for any lasting change in terms of climate justice, gender equality, diversity and inclusion, or more responsible and accountable citizens, companies and governments. To achieve this, our partners and Hivos need to win over the “hearts and minds” of societal leaders and decision-makers at all levels. This takes us from the family and community to governments, (religious) institutions, companies, media and artists. Actions that change minds can start in people’s direct environment and spiral out to ever widening circles, or target public opinion and policy makers through persuasive campaigns. These campaigns also act as an essential bulwark that lets us stand up against any conservative forces aiming to dismantle or undo our work.

Our strategy, based on (formative) research and Hivos’ experience in programs such as *KP REACH and Strong in Diversity*, focuses on the so-called “movable middle.” This is the silent majority of people who don’t have a (fixed) opinion about controversial societal issues, but tend to follow socially accepted norms. We learned that both personal stories and influential persons, presenting new and convincing narratives, can be the decisive factor in changing their minds. In *KP REACH*, the heartwarming stories of LGBTIQ+ people and their relatives, neighbors, and friends (“people like you and me”) describing their struggle for acceptance measurably improved public sentiment across eight Southern African countries.

Likewise, the narratives and actions of societal leaders play a key role in shaping opinions, both in our direct environment and among the wider public. We will support our partners in engaging and entering into dialogue with moderate and progressive leaders, and we will connect them with like-minded allies to help turn them into a force for positive change. Hivos offers a broad range of expertise, tools, methodologies and training to support rightsholders and organizations in changing the minds of a critical mass of the population.

BOOSTING LOCAL OWNERSHIP

Local ownership is both in our DNA *and* a vital strategy to achieve real and lasting change. Hivos will boost local ownership at all levels: in our programs, within our organization, and among donors and the development sector.

Hivos designs, implements and evaluates its programs jointly with rightsholders and local organizations. They are included in the highest program governance structures, while we ensure equal decision-making and mutually address power imbalances. Hivos shares its knowledge, skills, and networks, and facilitates direct engagement of local partners with decision-makers. When advocating at international forums, our messaging will be “joined up.”

We prefer to provide long-term, strategic, core funding to organizations instead of short-term, earmarked project funding. Grant making will be participatory to shift decision-making about grants to rightsholders and local organizations. We will experiment with alternative financing mechanisms that promote local ownership. Overall, Hivos strives to allocate 80 percent of funding obtained to the development of local partners.

Within our own organization, we will further redistribute power and decentralize even more of our work to our regional hubs (see Part II). We will have decentralized budgets and decision-making power by 2025, adhering to upward and downward transparency and accountability principles. Together with (regional) staff and partners, we will explore and design inclusive and participatory governance structures, including all leadership positions. All Hivos programs will have a built-in exit strategy.

To increase (support for) local ownership within the donor community and the development sector, Hivos will actively lobby to promote its vision, use concrete examples as evidence, and share lessons on how to best adapt organizations, processes and programs. We will support donor efforts to directly fund local entities.

THREE IMPACT AREAS

Hivos will focus on three impact areas we consider of major importance. It is in these areas where major social and political transitions take place. And based on our 50-year track record, it is here where we can achieve real impact.

- Gender Equality, Diversity and Inclusion
- Climate Justice
- Civic Rights in a Digital Age

The transitions required by these impact areas are closely interlinked, as are our ambitions and strategies to connect the voices and improve the choices of people affected by the climate crisis, inequality and lack of accountability.

We adopt a feminist and intersectional approach throughout our work, in which the perspectives of local rightsholders are leading. We support collaboration and learning across our impact areas, amongst our partners, and in the regions where we operate.

GENDER EQUALITY, DIVERSITY AND INCLUSION

OUR AMBITION

Gender Equality, Diversity and Inclusion (GEDI) are at the heart of Hivos' vision and mission; they are prerequisites for the more just, fair, dignified and prosperous societies we aim for.

Gender equality refers to the equal rights, responsibilities and opportunities of all people, regardless of gender or sex, SOGIESC, ethnicity, age, ability, religion, and culture. It is our ambition that people and institutions acknowledge and respect the rights of currently marginalized, discriminated and excluded groups, at all levels. In particular, (young) women and LGBTIQ+ people are at the center of, and inspire, Hivos' programming and partnerships.

OUR APPROACH

Hivos acknowledges the power of people. We support individuals in strengthening their personal and collective powers, claiming their rights and holding duty bearers to account. Local communities are at the basis of what we do and how we do this. We actively involve rightsholders in all aspects of our work, paying specific attention to intersectionality, and we ensure that resources reach those left furthest behind. Finding allies and moving the middle are crucial elements in our intervention strategies to change mindsets and scale solutions.

Hivos focuses its standalone GEDI programs on three values:

- **Human rights.** We will support (young) women and LGBTIQ+ people in lobbying for legal and policy changes that protect their rights, end impunity and criminalization, and promote inclusion and diversity. This specifically includes helping them lead inclusive movements that successfully advocate for their SRH-R among duty bearers and the public.
- **Gender equality.** We will support (young) women in claiming their right to decide in all spheres of life and about their own body, and in changing power relations.
- **Economic justice.** We will strengthen the capacities of women and LGBTIQ+ communities to demand equal access to and control over productive resources. We are convinced that increased socio-economic inclusion and visibility, combined with increased public support for diversity, will lead to greater well-being and freedom, and less poverty and violence.

MAINSTREAMING GEDI

Hivos will apply a GEDI lens to all its programs, including those developed and implemented under the two other impact areas (Climate Justice and Civic Rights in a Digital Age). Through our lobby and advocacy work, we will also ask other stakeholders and those in power to apply that same lens. Current examples are *ENERGIA's* work with women entrepreneurs in the renewable energy sector, and the support to LGBTIQ+ defenders by our *Digital Defenders Partnership*. We will set minimum GEDI objectives, targets and strategies for all programs, and include at least one GEDI outcome focused on observable changes in behavior, practice and performance.

TRACK RECORD

Hivos has a longstanding track record on supporting rightsholders, activists and organizations that advance LGBTIQ+ rights and inclusion, SRH-R, and women's empowerment. This has earned us global recognition as a pioneer in the field of LGBTIQ+ advocacy. Inspiring examples amongst our programs are:

- *Voice* connects and amplifies the voices of the most marginalized and discriminated people in 10 countries through innovative grant making and inclusive linking and learning. Within *Voice*, Hivos leads on LGBTIQ+ programming and the linking and learning agenda. *Voice* uses very context-specific influencing tools, methods and approaches, leading to impressive results: almost all rightsholder (groups) have increased their ability to influence social actors.
- *Our partner ICW Latina* helped stigmatized, vulnerable groups of women living with HIV build alliances with the experienced feminist movement in eleven Latin American countries. Together, they empowered many other women living with HIV, monitored SRH-R services, and successfully advocated for improved SRH-R.

We now look forward to implementing three new programs: *We Lead*, *Free to be Me*, and *Syrian Women Empowered for Peace & Security*. Here, Hivos will build on its track record of strengthening rightsholders' advocacy capacities, connecting them in strong movements, and increasing public and political support for their rights. *We Lead* focuses on young women living with a disability, with HIV, affected by displacement, or identifying as LBTI. *Free to be Me* will support LGBTIQ+ communities. *Syrian Women Empowered for Peace & Security* aims to ensure Syrian women's organizations and women leaders have an equal position in the Syrian peace process.

CLIMATE JUSTICE

OUR AMBITION

The urgency of tackling the climate crisis is evident and largely undisputed. We have to speed up our efforts, together with all people and organizations willing to effectively combat climate change. Hivos believes that locally-shaped climate solutions can bring about the transformational change necessary to turn the tide. Our ambition is that, by 2025, empowered civil society groups will lead climate action by mobilizing citizens and by cooperating with and holding duty bearers to account at all levels.

OUR APPROACH

Local, regional and international climate policies start with integrating groups that are disproportionately affected by climate change. Although they often lead change in their climate-stricken communities, they are rarely heard in climate decision-making. These women, Indigenous peoples, youth, urban poor, and small farmers must own, participate in and benefit from climate action. Therefore, we focus on building a strong movement of civil society organizations that represent a wide range of constituencies and are willing to unite behind a common climate agenda. We will use an inclusive and rights-based approach and recognize the importance of care and respect for all forms of life.

Hivos specifically focuses its Climate Justice programs on three areas:

- **Building political power and influence.** We need to increase the political power and influence of progressive CSOs and marginalized actors that pressure governments and multilateral institutions to support and finance locally-shaped climate solutions and progressive policies.
- **Inspiring and mobilizing citizen action.** By working with media and creative actors, crafting new narratives, and amplifying citizen and civil society voices, we will support underrepresented groups and climate justice CSOs in shaping the public debate and voicing a regenerative narrative. As the impacts of climate change are often worse for women, particularly those working in vulnerable sectors, gender must therefore be at the heart of effective climate responses.
- **Responsibility and accountability** of those responsible for the climate crisis and ensuring equitable distribution of the burden, which has a disproportionate impact on certain groups. We will work with CSOs to develop policies, plans and strong and inclusive mechanisms for transparency, accountability, and participation.
- **Ensuring a just distribution.** We aim to ensure that climate finance timely, adequately and fairly supports those citizens and communities that are most affected by climate change. Simultaneously, we will work for direct financial flows to rebuild regenerative societies.

TRACK RECORD

Hivos can build on many years of developing and implementing programs to fight climate change and promote renewable energy solutions that benefit the poor and marginalized, such as:

- *Green and Inclusive Energy*, a five-year program that built multi-actor initiatives to increase funding for and the adoption of renewable energy solutions and inclusive energy policies that promote access to energy for poor and marginalized people.
- *ENERGIA* has trained and supported more than 4,150 women entrepreneurs who have sold renewable energy products that provide almost 3 million people with access to affordable energy. Their advocacy efforts contributed to a UN flagship program on women's entrepreneurship for sustainable energy.
- *All Eyes on the Amazon*, in which Hivos, Greenpeace, and 24 international and local partners support Indigenous peoples in the Amazon in fighting deforestation using drone-assisted monitoring, supply chain investigations, advocacy, and public campaigning.

Our new program, *Amplifying Voices for Just Climate Action*, implemented by a consortium which includes Hivos, will continue to unite civil society with particularly underrepresented groups - such as Indigenous peoples, women, youth, and the urban poor - in a strong movement for climate justice.

CIVIC RIGHTS IN A DIGITAL AGE

OUR AMBITION

Across the world, we see profound challenges: shrinking civic space and freedoms; multiplying divisive narratives; increasing exclusion of the most marginalized; collapsing trust in democratic institutions. These challenges are magnified by the rapid, unequal digitalization of our societies. Yet, we also see critical opportunities to bolster the people, initiatives and organizations that confront these challenges with powerful alternatives. These are the opportunities we want to seize to create the civic futures we need.

Our ambition is that, by 2024, underrepresented voices expressing these alternatives have greater reach and influence. We want to see institutions become more open and inclusive, and enable meaningful and diverse civic participation and oversight in public decision-making, especially at local levels.

OUR APPROACH

Hivos aims to ensure that digital transformations both increase and safeguard the participation of underrepresented voices and stimulate greater accountability of duty bearers. Key to our approach is that rightsholders understand and are able to influence how public and private actors use digital technologies. We will encourage and support greater engagement of groups that are often underrepresented in governance processes. In particular, we will help CSOs make good use of new national and sub-national policy instruments that expand transparency and accountability mechanisms. Furthermore, we will capitalize on decentralization processes that increase government openness and responsiveness to citizen's actual needs.

We will devote our expertise and experience to four specific areas.

- **Digital rights and responsibility.** We believe many more diverse civic actors should propel a rights-based digital transformation that ensures technology is used to increase human freedom and well-being and preserve the health of our planet.
- **Creativity and expression.** We will work with rightsholders and CSOs to broaden the reach and influence of underrepresented voices in the digital sphere. The aim will be to express and widely share alternatives to social, economic and environmental injustices. If these voices can freely express themselves online, and if everyone has access to pluralist media, we can better hold power to account and challenge exclusionary beliefs and narratives.
- **Participation and accountability.** Institutions should be open and inclusive. They should enable meaningful and diverse civic participation in public decision-making and oversight (especially at local levels). We believe this is crucial for restoring and expanding the public's trust in democratic institutions to uphold human rights and effectively use investments and public resources to improve human welfare and protect the planet.
- **Security and protection.** People need security and protection to be confident about gathering data and using information technology. Increasing the safety and resilience of human rights defenders, activists, journalists, and other vulnerable individuals and groups gives them the freedom to express themselves and collaborate online and offline.

TRACK RECORD

Hivos has built up extensive experience and networks in the field of accountability and freedom of expression through a wide range of programs, including:

- *Open Up Contracting*, which promotes the adoption of open data standards for public spending, provides technical advice to governments, connects and supports CSOs, and works with 20 multi-actor initiatives across the world.
- In the *Open Government Partnership* (OGP) governments and civil society create action plans to make governments more inclusive, responsive and accountable. Hivos is a long-time supporter of the OGP.
- *Through Resources of Open Minds* (R.O.O.M.) we support artists and creative hubs around the world in diversifying dialogue and using the power of art to spark debates and bring about structural social change.
- *Digital Defenders Partnership*, hosted by Hivos, protects rights activists under (digital) attack and helps them navigate the digital highway safely, while strengthening rapid-response networks.

RESPONSIBLE HANDOVERS

Hivos has decided to focus on three impact areas. This means that we will phase out or responsibly hand over current programs that fall outside the scope of GEDI, Climate Justice or Civic Rights in a Digital Age. Examples include Hivos' successful African Biogas Partnership Program, and standalone programs on seeds and sustainable diets.

PART II:

**HIVOS
ORGANIZATION**

If we want to realize the objectives formulated in this compass, fulfill Hivos' purpose, and create new solutions for the challenges in our three impact areas, Hivos itself will have to change in order to lead and embody that change.

Not only do we want to set the example organizationally when it comes to equality and inclusion of staff, we also want to stimulate our partner organizations, donors and other stakeholders do so, too. We want to "open up" our governance and management methods to change how we are organized and how we represent and allow ourselves to be influenced by the voices and choices of those we serve. Not only when it comes to diversity and inclusion, but also in terms of local leadership and local ownership.

These ambitions will be fully detailed in a transition plan and in subsequent annual plans. However, this part of the Strategic Compass provides an outline of the changes we foresee.

BACKGROUND

Hivos has been an independent organization since its creation in 1968. We were a founding member of the Alliance2015 and are a partner in diverse consortia and coalitions. We remain connected to many networks. Faced with changes in the funding landscape, which have had a fundamental impact on our business model, Hivos has adapted itself to changing external contexts, the limitations of its business model, and increased competition in the sector. This Strategic Compass is the next step in our adaptation process. The direction set out in this document is therefore an important driver of what we do in the coming years.

Hivos wants to have impact beyond the project level and we want to reduce the limitations of our business model. That is why we first explored the option of partnering or merging with other INGOs a couple of years ago. We will continue to keep this option on the table, and possibly act on it if a suitable opportunity arises.

BUSINESS MODEL

To deliver on our mission and strategic ambitions, we must be willing to take risks. Hivos remains a Not-Profit, leaning heavily on bilateral donor funding, currently with a small amount of unrestricted funding (<5 percent of annual budget). The efforts we are undertaking to update our business model are four-fold:

1. We aim for what we call "bigger, bolder, better" business. This means changing the composition of our project portfolio, in which currently 69 percent of projects are worth less than 500,000 euros. The consequence of having so many small projects is that we now need much more focus, applying the 80/20 rule. Therefore, we have to extend the bilateral (country) donor base and re-invest in opportunities with large foundations. We want to specifically focus on those donors that align with our compass ambitions, but also offer flexibility and allow Hivos to take risks.
2. At the same time, we're working to maintain and grow the current unrestricted income from the Postcode Lottery, individual donors, and the Hivos-Triodos Fund to 3 million euros net annually, reserving this income to explore innovative solutions that donors are reluctant to fund.
3. Although expected to be of limited benefit, we will also examine options to earn income by delivering services (e.g. technical assistance, innovation or advice).

4. Over the past years more attention has been paid to reducing overhead costs (i.e. all costs not directly funded as part of a project). This will be an ongoing effort. Part of it will involve adjusting and improving our pricing and fee model to ensure project implementation breaks even, with sufficient income to pay for our overhead from donor funding.

HIVOS' INTERNAL ORGANIZATION

Hivos' mission and the ambitions reflected in this Compass can only be achieved when important sectors of society change behavior globally. We need to be a frontrunner and incorporate the following principles in Hivos' organization:

- *GEDI*: Hivos' staff, management, policies and procedures will represent the societies that we serve and reflect the principles that we stand for. From the highest governance body to project level, from our board to our partners, we will further develop gender equality, diversity and inclusion in our own organization and in the way we involve communities and other stakeholders. Our GEDI Strategy leads this process, and we hold ourselves accountable and report on our progress.
- *Climate Justice* demands more than compensation of our carbon footprint, which has admittedly proved difficult over the past years. Unfortunately, it took the Covid-19 crisis to show we can still implement our programs, albeit at a slower rate, without face-to-face meetings and air travel. We will not return to the levels of air travel of 2019 and will cut our flights by 40 percent in 2021, followed by a further reduction later on. Decentralizing the implementation of our programs to Hivos' regional hubs and partner organizations will also help us achieve this goal.
- *Civic Rights in a Digital Age*: Hivos will remain accountable and transparent. We will ensure our partners have a greater say in setting priorities for and managing programs, and increasingly, Hivos too. Governance and decision-making will be done more jointly with these partners. In the (digital) safety and security realm, we will put more emphasis on setting an example ourselves, while at the same time continuing to offer services and tools to activists and civil society.

The above-mentioned agenda is a translation of our own ambitions with regards to the three impact areas. In all three, the integration of local leadership and local ownership into the structure, governance and ways of working of Hivos is essential. Looking beyond ourselves, this means we will also stand up to donors that continue to impose strict compliance requirements on local organizations. We will do our best to convince them and other stakeholders that it is possible to take some risks and fund innovative solutions while at the same time safeguarding local ownership.

Hivos will carefully assess its added value in consortia, partnerships, and most certainly will not compete with local organizations in mobilizing funds. On the contrary, we will continue to support our partners' capacities to manage larger programs, meet donor requirements and be successful in local fundraising. If necessary, we will confront our peers and global INGO brands and convince them to stop unfair competition in the countries where our partners work.

Implementing all these changes has consequences for Hivos' organizational culture, which for decades has embraced creativity, innovation and risk-taking. Now we need to balance that with discipline. Discipline in reaching our program goals and delivering on time and

within budget. This will also drive our Human Resources processes, procedures and staff composition during the next four years. Our new global HR strategy will specifically focus on local ownership and the need to attract talent and new generations to help Hivos realize its renewed mission and vision.

ORGANIZATIONAL MODEL

A separate change plan will deal with the transition to a new organizational model, which will be characterized by the changes envisioned for Hivos' internal organization, including:

1. a simplified organizational structure with a smaller, restructured Global Office and fewer regional hubs
2. central management of vital business processes such as business development and finance
3. decentralization of program management and implementation across regional hubs
4. an increase of overall billability and a reduction of overhead costs to achieve a break-even budget
5. increased local ownership and implementation by partner organizations, which will involve: greater technical capacity for transferring responsibilities and skills; bringing systems, processes and the expertise of partner organizations up to the compliance standards of donors; adapting Hivos and its services to this changed role

REDUCED REGIONAL PRESENCE

Hivos currently works in 40 countries and has regional hubs in Latin America, East Africa, Southern Africa, North Africa and the Middle East (MENA) and Southeast Asia. Hivos' regional hubs, working alongside our many partner organizations, will take the lead in defining regionally and nationally specific programs. In the next several years, Hivos will particularly seek to expand collaborations and partnerships in the MENA region and increase its advocacy efforts in the Netherlands. We will continue our presence in Latin America and merge our hubs in East Africa and Southern Africa. Hivos will hand over its Southeast Asia activities to the recently formed local NGO Yayasan Hivos in Indonesia.

Although we do not exclude venturing into new countries, we first and foremost want to concentrate our efforts on scaling up impact in three regions: East and Southern Africa, Latin America, and MENA. This will also help us take on "bigger, bolder, better" programs and collaborations.

TRANSITION PROCESS AND PARTNERING

The transition process starts with restructuring Hivos in such a way that it can continue to break even with an annual budget of 70 million euros while it implements this Strategic Compass. Then, we can choose to enter into a strategic partnership with a suitable candidate and increase our scale and impact as set out in the Strategic Compass. But we want to avoid needing to partner or merge just because of questions about the mid-term viability of the organization.

The transition process cannot be achieved overnight and will demand dedicated efforts from all Hivos staff. As stated at the beginning, this Strategic Compass covers a time span of four years. We will also publish in-depth position papers on the three impact areas, as well as a local ownership agenda and the transition plan with detailed organizational changes.

