

EXECUTIVE SUMMARY

This report investigates how Small and Medium Organisations (SMOs) in Canada's international cooperation sector have experienced the COVID-19 pandemic. While SMOs undoubtedly experience unique vulnerabilities, they also have unique adaptation strategies and forms of resilience. As such, the primary objective of this report is to examine the extent to which SMOs have exhibited flexibility in their pandemic response, and whether and how this enhances their resilience in the face of the global crisis. The report analyzes the experiences of SMOs across five thematic areas: 1) resource mobilization and fundraising; 2) program development and adaptation; 3) gender-based pandemic response; 4) localization and partnerships with local organizations; and 5) variations in pandemic response across the Canadian international cooperation sector.

Once a year, Spur Change publishes a report which provides information about the state of SMOs in Canada. This year's SMO report is the result of a community-engaged research collaboration between a University of Guelph research team and the Spur Change Program. It builds on a previous survey conducted by the University of Guelph research team about the impacts of the pandemic on Canada's foreign aid sector. This report combines quantitative analysis of 128 survey responses and qualitative analysis of 22 semi-structured interviews with participants from Canadian SMOs.

The report highlights five key findings:

1 Despite ongoing financial uncertainty, SMOs have demonstrated their resilience and some are even thriving.

Although SMOs have experienced funding losses and uncertainty about the future remains, SMOs are surviving – and in select cases even thriving – despite facing significant financial challenges during the pandemic. Many SMOs have loyal and generous donors who have continued to support them through the crisis. Some SMOs have pivoted their fundraising activities online, diversified their funding sources, or made more fundamental long-term transformations to their business models.

2 SMOs have found creative ways to adapt and innovate in their program delivery.

This report identifies multiple examples of adaptation that represent high levels of creativity, problem-solving capacity, and resilience. Prevalent strategies related to program adaptation include online pivots, focusing on core competencies, and forming new collaborations. Despite the prevalence of online pivots, however, there are still important concerns about the limitations or challenges of working online, which are related to the digital gap, inclusion and wellness.

3 SMOs with prior expertise in gender equality have greater capacity to respond to the pandemic's gendered impacts.

Despite the well-documented negative impacts of the pandemic on gender equality, the University of Guelph survey found that a significant number of SMOs working in gender equality and maternal health had to suspend their programs as a result of the pandemic. The pandemic has had a “double impact” on gender equality: it has both damaged historical progress that has been made in these areas as well as negatively impacted the ability of SMOs to address these issues. This report finds that SMOs have tended to adapt pre-existing gender equality programs to the pandemic context rather than implement new programs.

4 Local partners have contributed to SMO resilience and the pandemic has accelerated the localization process.

Before the pandemic, many SMOs exclusively implemented their programs through local staff or partners. The prior existence of these strong relationships has contributed to the resilience of SMOs, as well as their ability to adapt programs quickly to the pandemic context. Furthermore, the process of localisation has been accelerated in a number of ways by the pandemic. Because of the global shift to a remote working environment, local staff and partners are able to participate more regularly in staff meetings. Other indicators of localisation include the repatriation of international staff, new locally-led programs, and new local partnerships. Nevertheless, limited international mobility remain a source of concern and uncertainty for the future (particularly in relation to monitoring and evaluation activities), and significant barriers to localization continue to persist.

5 The most salient variations across Canadians' SMOs' sector relate to organizational size, regional location, and geographic areas of work.

The report provides evidence that SMOs of all sizes across the sector are flexible and nimble. However, there are important differences related to capacity between small and medium organisations. Prior to the pandemic, medium organizations had greater capacity compared with small organizations in terms of their ability to submit funding applications and were also more likely to receive federal funding through GAC or FIT. The financial challenges posed by the pandemic have widened this gap even further. Interview participants from small organizations were nearly unanimous in their desire for future funding opportunities that are more accessible to small NGOs in particular. The most important regional variations were associated with access to provincial funding opportunities as well as access to national professional networks. A positive outcome of the pandemic is that SMOs outside of central Canada feel more connected and involved within national professional networks as a result of working online. Finally, there was significant variation in the extent of program suspensions based on the geographic location of programs and partners, which in turn impacted SMOs' adaptation strategies.