



# COVID-19 AND THE NIGERIAN NONPROFIT SECTOR: WHAT WE HEARD

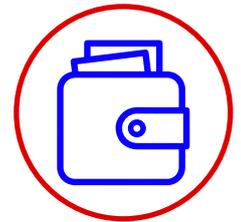
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## KEY FINDINGS

Loss of funding has hit the nonprofit sector and it is impacting negatively on its operations forcing organisations to limit needed services to its beneficiaries, close completely, owe or reduce salaries and benefits for their employees.



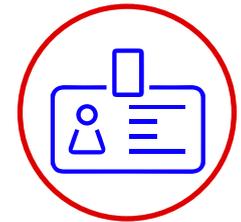
Evidence shows that the pandemic and economic shutdown have hurt nonprofits resulting in loss of revenue and jobs.



Decline in revenue stemming from the loss of revenue typically made from grants, fundraising events, conferences, workshops, family, friends and individual donations.



Expansion of loan programmes to nonprofits by Banks and the Central Bank of Nigeria modelled after terms that capture the sectors' operational realities.



Findings make it abundantly clear that the sector is facing great pressure and it is time for all critical stakeholders to step up to provide immediate relief.



Nonprofit organisations address critical needs that keep our communities functioning including; care for sickle cell disease, family planning, food distribution, agricultural incentives, shelter for the abused etc, those providing these critical services must be allowed to continue operations in ways that respect public health emergencies and protocols in a pandemic.



# INTRODUCTION

As the Covid-19 pandemic ravages our world with varying degrees of disruption, the Nigeria Network of NGOs undertook a survey to understand the impact of the pandemic on the nonprofit sector and produce findings which may prove helpful to donors, government and the private sector, in supporting the civil society sector to build back better.

This survey, conducted via the telephone, between May 11, 2020 and June 11, 2020 used both quantitative and qualitative (semi-structured interviews) methods.

Telephone calls were made to 250 organisations who were selected, using a stratified sampling method with responses generated from 115 organisations who worked on issues ranging from health, education, environment, children's rights and protection, youths' empowerment, women's rights and empowerment to faith, and community-based organisations, spread across the 36 states of the Federation. Our gratitude to these organisations for responding to our telephone calls at an exceedingly difficult time.

## RESPONDENTS



Organisations called



Responses received



States

In this report, we lay out the key findings of the research (anonymised); then summarise information from each section covered in the questionnaire:

Disruptions to the operations of nonprofits

Economic impact of Covid-19 on nonprofits

Opportunities the pandemic present to organisations

Availability and use of organisational reserves

What nonprofits want from the Network

We concluded with recommendations and commitments to take forward, where practical, the actions requested by our members.

## OPERATIONAL DISRUPTIONS

Three months from the launch of measures to address the spread of the coronavirus in Nigeria, we see strong evidence of how the operations of nonprofits have been disrupted. This can be seen from what our respondents told us (unedited):



“We have not been able to carry out any major activity; even the covid-19 awareness we worked on at the beginning of the pandemic was met with apathy and we could not continue anymore because of lack of funding”.

“Most of the impact has been economic. Initially, we did sensitization on covid-19 but after a while, we did not have money to continue, so we stopped”.



“The activities become zero except some pending jobs. We started series of zoom meetings on sharing experience”.

“Reduced operations and trying to cope with the new normal. Inability to meet up with our short, medium and long-term goals. Low productivity of staff, increased cost of data subscription because of remote working, are some of the issues we have been facing”.



“The usual events that we hold as an organisation have been suspended and our staff has had to work from home. Working from home for them basically means that the organisation is incurring a lot more costs than we would typically be expending”.

“Even though the lockdown has affected our activities, there has been an increased demand for our services because our beneficiaries have been greatly affected, suffering and calling for our help”.





“Work plans for the year have been disrupted. We have had to go virtual; we have had to redefine what we are doing towards that covid-19 and resultant issues focusing on domestic violence”.

“The organisation is not able to work from the office at this time and it is very difficult to work because it is a health-related NGO”.



“Our funding has been greatly affected but despite this, we have been able to help our special needs students with some palliatives”.

“For now, we are not working since we are into community outreach and the ban on gathering is affecting our work. But if need be, we will have to go into the community but observe social distancing”.



“Even though we have been trying to reach out to our beneficiaries, the lockdown has made it difficult, the police are making it more difficult by turning us back from going to deliver aid to our beneficiaries. The projects that should have been executed have had to be put on hold”.

“Our organisation has always worked from home since the pre-covid19 period till now; we are a family based organisation working with drug abuse victims and their families. We have now resorted to communicating with our beneficiaries on phone since we cannot have a face to face community interaction with them”.



The disruptions to the activities of nonprofits especially those providing health related services represents a missed opportunity in how nonprofit resources could be used to address the spread of the pandemic.

## ECONOMIC IMPACT OF COVID-19

We asked respondents about the economic impact of covid-19 on their organisations. Here is a representative summary of what we heard ([unedited](#)):

“Our finances have not been as robust as it typically would be”



“Funds are frequently gotten from friends and government but now it has stopped. Everyone for himself now. I used to source for funds for the members from abroad because I used to visit abroad twice in a year, but now it is stopped and so no funding for now”.

“Our funders have been unable to give us anything because of the situation. Many of them are salary earners who have been affected by all these and the uncertainty about when their next salary will come in”.



“We have not paid salaries since the beginning of all these. We have lost a lot of funding as a result because we had to hold off on doing projects”.

“We were unable to fundraise, so we had to fall back on our reserves”.



“Since we are into micro-financing, we cannot retrieve re-payment of loans and as such experiencing difficulty in paying staff salary”.

“We have not only lost funding but also lost opportunities to fundraise as our annual events organised for fundraising purposes could not hold due to the restriction on events”.



“The business we used to fund the organisation has had to be shut down and so right now, we do not even have a funding source”.

“The crisis has taken a toll on our finances as the family and friends that have supported our organisation before now are not able to do so”.



“Our funding before the pandemic was insufficient and unstable but the pandemic has made that situation even worse”.

“The crisis has reduced the workforce of our organisation because we are unable to pay staff salaries”.



“We cannot go out to distribute cassava and potatoes stem which will result to low yield”.

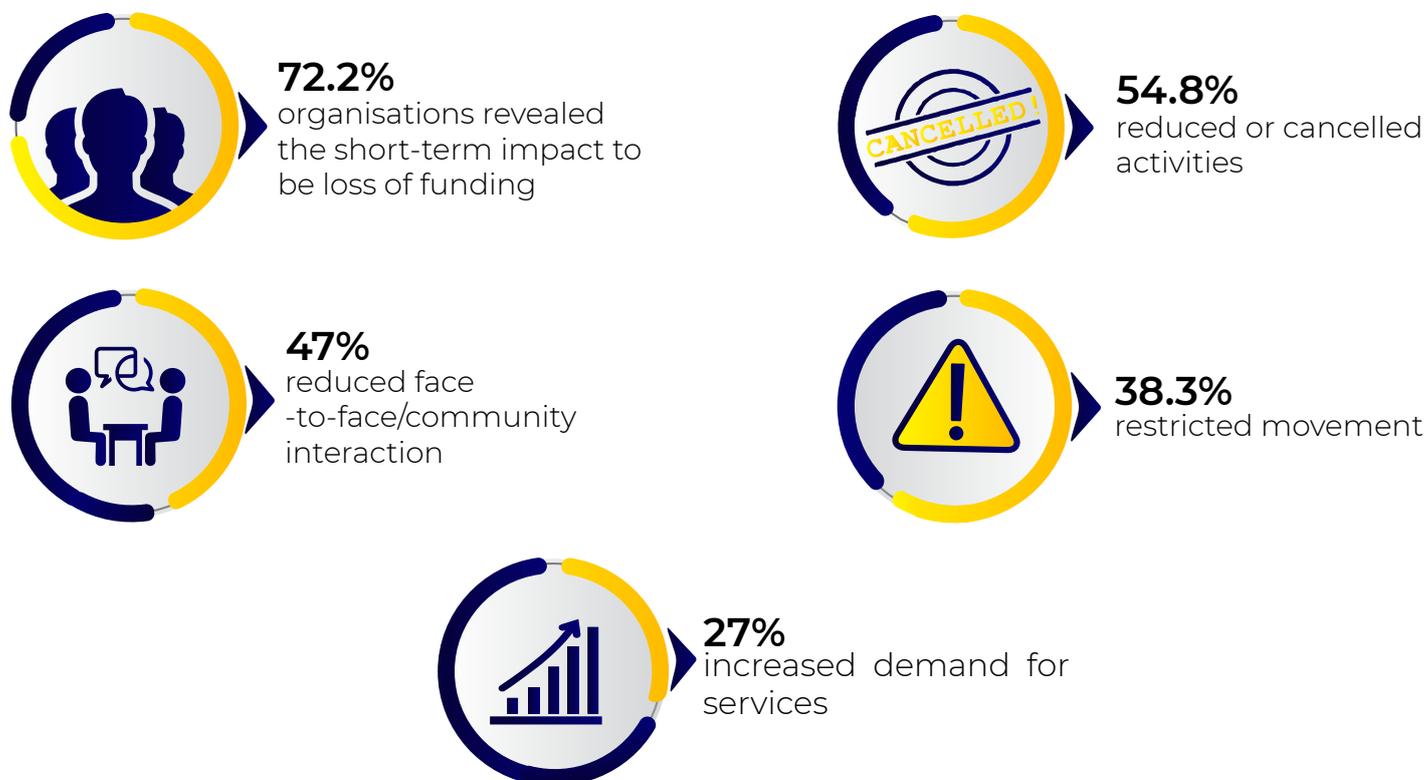
“Well, before now there had been difficulty in accessing funds, but now more difficult. Just that the organisation has for a long time been supported by friends and family”.



“The organisation was just about to receive funding from a major donor but the pandemic caused the donors to suspend that process”.

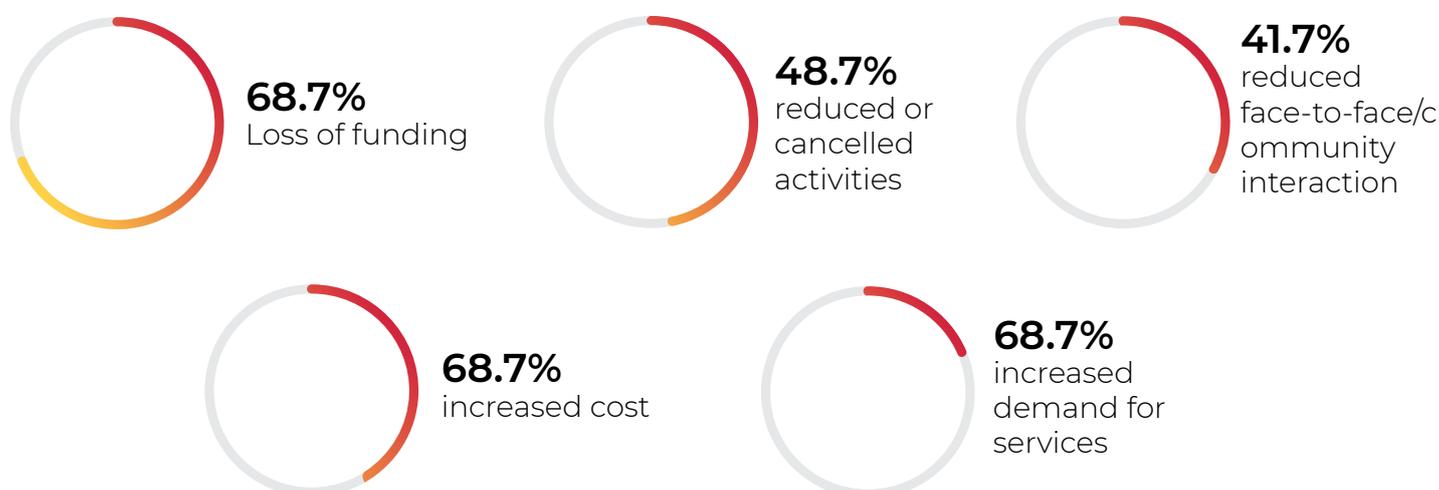
## What has been the overall impact (short term) of Covid-19 on nonprofits since March 2020?

With participants having the opportunity to choose all options that apply to their realities, a clear majority of 72.2% organisations revealed the short-term impact to be loss of funding, 54.8% reduced or cancelled activities, 47% reduced face -to -face/community interaction, 38.3% restricted movement and 27% increased demand for services.



## What do you expect will be the impact of covid-19 on your organisation in the next 3-6 months?

Loss of funding coming first, (68.7%), reduced or cancelled activities second (48.7%) and reduced face-to-face/community interaction third (41.7%). Standing at the fourth position is increased cost (32.2%) and increased demand for services at fifth (20%).



# What opportunities does the covid-19 crisis present for your organisation specifically?

Beyond challenges, a crisis can also create opportunities, respondents highlighted some of the opportunities they are seeing:

“We now think more of coming up with solutions that can fly with the current situation such as what we can do differently to remain relevant in the environment sector. For example, we came up with the idea of asking people to bring empty bottles and they are paid double the amount they use to get before. This means more bottles and more money for the people. This approach is done in addition with palliatives provided for those coming to sell those bottles”.



“One thing this pandemic has done is and to see the need to collaborate with other organisations. For example, we have into house feeding program for children and we had to work in collaboration with other organisation since this is what we also do. So, we are still working and reaching out to our beneficiaries although observing social distance”.

“It has expanded our activities, influence and acceptance in the community.”



“It has increased our partnerships and collaboration with international organisation because we are a health based organisation”.



“We have had to introduce new ways of working from home; remote working.”



“The crisis has given us the opportunity to be more proactive making use of the internet to communicate with our beneficiaries”.





“Need to expand horizon of sponsors because we realised that even the pool of sponsors we have is not enough and also sponsor should be diverse. I mean with different interest that fits into my organisation strategy”.

“The crisis has given us the opportunity to be more proactive making use of the internet to communicate with our beneficiaries”.



“We are able to engage more with youths who are being forced to be at home. This makes it possible to reach them unlike before when you can hardly find them at home to talk to”.

“The crisis has created an opportunity for us to use the internet to reach out to our beneficiaries since the face to face community interaction has been reduced at this time”.



“We understand that Nigeria needs to have more health facilities with proximity to each other. For us, we see the need to work with partners that have such opportunities ready”

**01**

“It has created the opportunity of a sense of belonging that agriculture is key.”



**02**

“It made us to also realise that we need to be more creative on our own and resilient”



**03**

“We have also realized that technology is what makes the new way of operation easy”.





“We have seen the need to more technology driven in terms of reaching out. Seen the need to be abreast with technology that will promote the organisation. Also, the importance of collaboration as always stressed by NNNGO. Need to add skill development, I mean vocational skill in addition to portfolio”.

“Working online. Online meeting, I see seems to be more advantageous because I see that we are able to save cost in terms of booking for venue, feeding and other stuff. The area of thinking that you have to be everywhere to gain knowledge is passed rather you can sit down, plan properly and join online meetings that will aid your organisation”.



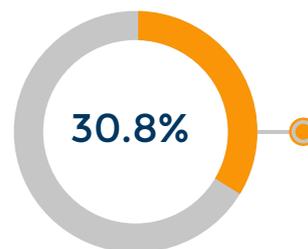
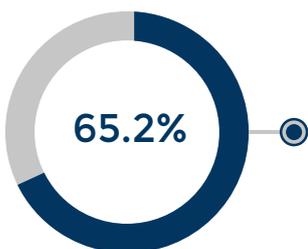
“Quite a lot. For instance, more of our beneficiaries can be empowered and work at home. Collaboration even among peasant farmers for example fisher men can work together as they have seen that no one can work alone. More opportunities to see another twist to gender violence and how best to deal with it”.

“The possibility of growth in the organisation. We see that we can also launch fully into advocacy and awareness creation program. We can leverage on technology to reach out to more people and we can now rekindle our crowd funding plans”.



## RESERVES

Majority (65.2%) of nonprofits claimed not to have reserved funds when asked if their organisations had any reserves. 30.8% told us they planned to use these funds (reserves) over the next 3-6 months to negate the impact of covid.



## WHAT ORGANISATIONS WANT FROM US

To ensure that we can tailor our services to the needs of our members and the nonprofit community post-pandemic, we asked our respondents. "How can NNNGO support your organisation in this period?" We captured the following representative voices:

"We would like opportunities to collaborate more".



"Share information on NGOs that are doing well despite the crisis. Help NGOs think about areas of diversification. Share information on funding earlier that you would normally do to give us time to apply before the deadline".

"Connection to get funding and organise webinars on grant writing and capacity building".



"Grant opportunity, and loan with less % interest rate or single digit with repayment of at least 3 years such as the one government is doing for SME".

"Provide us with advice resources on how to survive the crisis".



"We would like NNNGO to help us in renewing our website that has expired, it would be appreciated if the network has someone who can help with that for free".

"NNNGO Should get us project. NNNGO should not only focus on big NGOs but look for ways to support small NGOs too".



"We need support to clear the shipment of our drugs so we can supply our beneficiaries because we have exhausted all that we have".

“We would like NNNGO to liaise with the government and private organisations e.g. banks to give out soft loans to nonprofits with low interest rate”.



“NNNGO has been doing a lot just that they are not blowing their trumpet. NNNGO should continue to engage with law makers, working with them to make them understand how CSOs works or operate. This will make it easier for us to work with them”.

“NNNGO should publicize our work on their social media platforms. They should also encourage more NGOs working on same thematic focus to synergize as there is no beauty in working alone”.

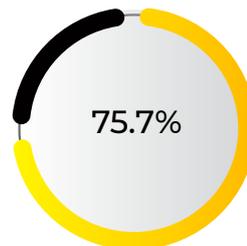


“We would like NNNGO to organise virtual/online meetings to learn about grant writing and how to get funding in this period of crisis. NNNGO can also help train NGOs on how to collaborate as a group to get group funding in times like this”.



“More visibility of our organisation by NNNGO to other organisations, international and local. Also, NNNGO should continue to provide the technical support such as introducing new donors to us and also training us on how to write proposal for a project”.

**Would you prefer NNNGO waves its annual dues for your organisation this year?**



respondents said YES

Given the results and impact of the pandemic on this important sector of the nation's democracy, society and economy, government and the donor community must prioritise assistance to help nonprofit organisations continue to provide essential services across our communities and restore their operations and employment levels, through grant, loan, or additional tax relief programs.

The Central Bank can help reverse the loss of revenue and jobs by including and expanding its loan programmes to nonprofits with favourable terms including possibility of loan forgiveness.

## RECOMMENDATIONS

Donors can help keep the doors of many nonprofits open by funding their overhead costs 100% or allowing grant repurposing to cover salary costs thereby saving jobs and maintaining operational level pre-covid.

If and when restrictions on assemblies or movements will affect the operations of nonprofits delivering essential services, government should create a framework for considering this on a case by case basis while working with organisations to facilitate their operations in a manner that respects the interests of public health. In some cases, this may mean total shutdown of operations, but in other cases limits on the number of participants, social-distancing measures or other approaches may be appropriate and permit activities to go ahead.

## CONCLUSION

Findings from this research work will no doubt aid our programming and how as a Network we respond to helping our members and the entire nonprofit sector to build back better. We will pay attention to the actions requested of us by our members and ensure we address them for the benefit of the sector as a whole. Where practical, we will bring the sector together to advocate for a swift and effective national response to the issues identified by this research and continue making the case for financial support for the sector so that nonprofits can continue to deliver their life changing work across Nigerian communities. We will continue gathering insights and information on the nonprofit sector including how we are; a) supporting the fight against the coronavirus and b) navigating the crisis.

## About us

The Nigeria Network of NGOs (NNGO) is the first generic membership body for civil society organizations in Nigeria that facilitates effective advocacy on issues of poverty and other developmental issues. Established in 1992, NNGO represents over 2,754 organizations ranging from small groups working at the local level, to larger networks working at the national level.

Our membership includes over 20 national organizations and over 250 membership organizations focusing on different thematic areas of development, all of whom work to support a diverse range of membership communities across the nation. In total our outreach to the third sector in Nigeria is estimated to be in the excess of 5000 which includes both members and affiliates at national and global levels.

NNGO champions a sector that is accountable, independent and truly representative of giving a voice to the common man.

## Contact us

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