

Community philanthropy for change in Romania

From raising funds for community projects towards funding a community development theory of change

Previous model

PACT
Foundation

Community philanthropy

Providing grants for
community projects

Until very recently, PACT Foundation used institutional grants to support its programs and ongoing operations, including CBO development and capacity building, advocacy, youth and entrepreneurial education among others, and channeled the funds raised from community philanthropy (both individual and corporate donors) to provide grants for the community projects of CBOs.

Problems of this model:

- All of the funds raised through community philanthropy were flow-through
- Funding short-term projects with poorer sustainability
- No operational support for the organization

New model

PACT
Foundation

Community philanthropy

- Community facilitation
- Advocacy
- Entrepreneurship support
- General support

In 2016, we began asking our community donors to support our longer-term operations and community work with flexible funding that is not dedicated to a specific community project, while we continue to use institutional funds for part of our projects.

Advantages of this model:

- Flexible funding for community projects as well as other types of support for CBOs
- Funds are allocated to priority areas/underfunded communities
- Operational support allows to build organizational capacity and sustainability

Example: Fundraising for advocacy in a marginalized Roma community

Valea Corbului is an informal Roma settlement in rural Southern Romania.

One village of 1500 residents

Living illegally under high-voltage power line

No property documentation

We started an advocacy project to support this community with GFCF funding. We then presented the case to our Donors Circle in Sept. 2016 and asked for further support to develop a long term advocacy initiative to promote healthy and legal housing for the people of Valea Corbului. So far, we have raised an estimate 2000 USD allowing us to:

- Work with a group of experts (urbanists, architects, lawyers etc.)
- Empower and build the capacity of the local CBO
- Organize community visits with decision makers and influencers
- Organize meetings with relevant local authorities

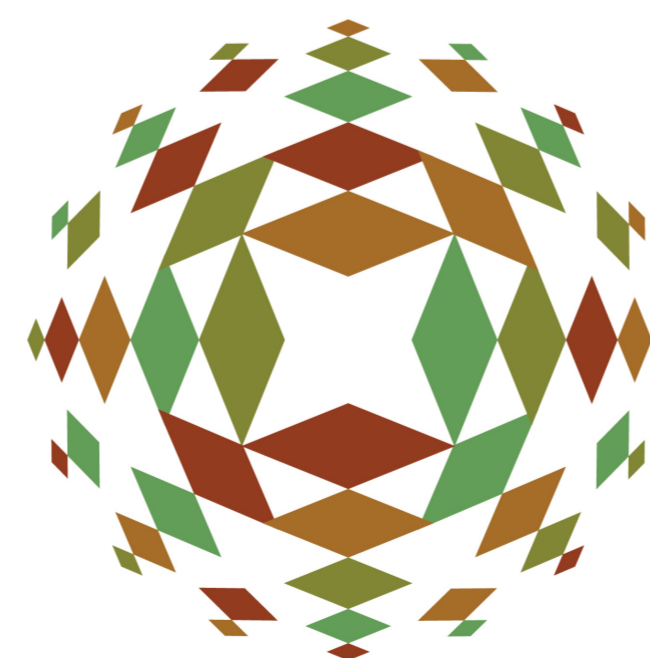


Other programs funded through this model

- Development of new community-based organizations
- Priority community projects
- Advocacy for community issues
- Financial education for the most vulnerable
- Support for social/community entrepreneurship
- Partnerships with local authorities
- Monitoring and evaluation of our impact
- Social and financial education clubs for vulnerable youth
- Ongoing operational support

Conclusions

- **Long-term process over immediate outputs:** Instead of proposing to donors short-term, specific community projects with fixed results, we explained what we do for rural communities in Romania, how we involve them in the process, and what longer term impact we aim for.
- **Trust matters:** So far, the model has worked very well with a community of donors who were already familiar with the organization's track record.
- **It can work:** so far the amounts raised have been steady or higher than in previous years (est. 24.000 USD), but it's too soon to really tell.



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