



Sustaining Civil Society

Lessons From Five Pooled Funds in Eastern Europe

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Foreword

This report is a call to philanthropy to stay engaged, re-engage, or start engaging in building, supporting, and nurturing civil society and its institutions, wherever those institutions are under threat. The reason for this call is twofold. The first is that there is a lively discussion about the correlation between vibrant societies and open and participatory governments on the one hand, and an independent and well-resourced civil society on the other hand. The second is that philanthropy implements its program agenda primarily through the institutions of civil society. The much-discussed shrinkage of the civil society space in many places around the world means that fewer options are available to philanthropists to advance their programmatic goals.

From close comparative study of five pooled funds, a set of lessons can be gleaned about supporting civil society that should be built into grantmaking strategies whenever possible. These lessons are applicable beyond Eastern Europe and are relevant both in direct grantmaking and to working through collaborations such as pooled funds. The troubling global trends toward political regimes that are hostile to civil society must be halted and a new conversation must begin. We hope that this report and the research on which it is based represent a step in that direction.

This report consists of six sections. In Section I, we introduce the research project and the reasons for undertaking it. In Section II, we present our methodology. In Section III, we discuss the essential aspects of each of the pooled funds, compare and contrast them, and highlight a few other pooled fund models we encountered. In Section IV, we examine the legacy and impact of the pooled funds as reported to us in our interviews. In Section V, we glean from the experience of these funds a set of lessons to be considered when working in this arena. Finally, in the concluding Section VI, we return to the challenge before philanthropy.

I. Introduction: Why Civil Society?

The 1990s ushered in an era of widespread governmental support for liberal democracy and an opportunity to build civil society in countries where there had long been a dearth of public space separate from government control. During this era, US and European private foundations, sometimes working with multilateral and bilateral development agencies, established five Partnerships and Trusts to pool funding to support civil society in the Baltics, Central and Eastern Europe, the Balkans, and the Black Sea. These pooled funds aimed to build, support, and nurture the long-term sustainability of civil society and non-governmental organizations. (*For a more detailed description of the Partnerships and Trusts, see Section III.*)

The establishment of these funds—**the Environmental Partnership for Central Europe, the Baltic-American Partnership Fund, the Trust for Civil Society in Central and Eastern Europe, the Balkan Trust for Democracy, and the Black Sea Trust for Regional Cooperation**—reflected a spirit of optimism about the prospects for civil society. For a period of roughly 40 years, the global development of civil society organizations had been on an upward trajectory.¹ The associational revolution sparked in the 1960s and the globalization of philanthropy after the fall of the Berlin Wall reflected the belief that dense, diverse, and thriving civil societies were instrumental to building healthier societies. A healthy society was thought to be one in which all three sectors—public, for-profit, and not-for-profit—were active. Each sector had a set of attributes that defined its respective contribution to the health of society.

After the millennium, and particularly in the aftermath of the terrorist attacks of September 11, 2001, the political climate changed, the optimistic rhetoric for civil society and widespread support of liberal democracy declined, and an increasing number of regimes across the globe drifted toward authoritarianism.² True to form, authoritarian regimes and those governments tilting in that direction soon began to target the organizations of civil society, which were seen as obstacles to the regimes' desire to consolidate power and thwart more open, participatory political systems.

The major social problems that face many governments are complex and their solutions are not readily discernable. This can make it easier for governments to argue that a concentration of power is needed to deal with these issues. A concentration of power, however, often leads to an abuse of power. The checks and balances and the separation of powers built into democratic governance were meant to guard against this tendency to concentrate and abuse power; however, they are not always up to the task. An independent media, sometimes called the Fourth Estate, can also help guard against the concentration and abuse of power. But the media, too, are struggling to fulfill that role.



¹ Lester Salamon, "The rise of the nonprofit sector," *Foreign Affairs* 73, no. 4 (Jul-Aug 1994): 111-112.

² Douglas Rutzen, "Civil Society Under Assault," *Journal of Democracy* 26, no. 4 (October 2015): 28-29.

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It is relatively straightforward to mark the transition to an authoritarian regime when it comes about through the precipitous act of a military or similar coup. But Levitsky and Ziblatt have demonstrated how the erosion of democracy today can occur much more subtly and at least initially through the ballot box.³ The changes are slower and not immediately visible. Independent media, going through its own struggles in adjusting to the consequences of new technology, is a prime target in this evolutionary change.⁴ By censorship, intimidation, and at times the outright purchase and takeover of key media outlets by those friendly to the government, the independent voice of the media is silenced or turned into a whisper.

What does this kind of evolution toward authoritarianism look like in the regions covered by our report? Hungary is perhaps the most extreme and often cited example. Once considered to be at the forefront of post-Communist democratization, Hungary had created a model enabling environment for the civil society sector. But when an election in 2010 brought a new government to power, this enabling environment began to be dismantled, piece by piece. Political rhetoric and the government-controlled mainstream media stigmatize civil society organizations, especially advocacy and watchdog organizations that criticize the government. Organizations receiving more than a threshold amount of funding from outside the country have been required to register as foreign-funded, and individuals who work in the sector face personal attacks and smears in the media. Even still, a core group of human rights and transparency civil society organizations work to hold the government accountable to democratic norms. Aspects of Hungary's evolution toward authoritarianism can be observed in countries across the region.

In difficult times like this, the role of civil society becomes even more crucial. We are used to thinking about the organizations of civil society in their instrumental function, the important things these organizations do and the valuable services they provide.⁵ However, in its generic function, the collective of civil society institutions—and in particular, those organizations that focus on advocacy, social justice work, independent policy analysis, and related missions—can be considered a Fifth Estate guarding against the concentration and abuse of power. That function is all the more important given the attack on the independent media, the Fourth Estate.⁶

We do not mean to imply that a strong civil society is sufficient to stymie authoritarian regimes; but this layer of civil society organizations acting as a Fifth Estate makes it more difficult to successfully pursue an authoritarian agenda. To those who would argue that civil society is a

³ Steven Levitsky and Daniel Ziblatt, *How Democracies Die* (New York: Crown, 2018).

⁴ As it happens, investigative reporting is increasingly performed by not-for-profit organizations around the world.

⁵ We recognize the ongoing debate on the various theoretical and most culturally appropriate definitions of civil society, and here we employ the structural-operational definition developed by Lester Salamon and his co-authors, which has been tested in many varied contexts. This definition sees “the civil society sector as composed of entities that are organizations. . . private. . . non-profit distributing. . . self-governing. . . and non-compulsory” in *Explaining Civil Society Development: A Social Origins Approach* (Baltimore: Johns Hopkins Press, 2017), 23-24. In this report, we use the terms non-governmental organization (NGO), civil society organization and nonprofit organization interchangeably.

⁶ The First, Second, and Third Estates is terminology used in various European countries in the medieval to early modern period, and it was later used to refer to the separation of powers into the legislative, executive, and judicial branches. The Fourth Estate was coined as referring to the press as early as 1787 by Thomas Carlyle quoting Edmund Burke. While we refer to the Fifth Estate as civil society, the term has been used elsewhere to describe the counterculture, pundits, or bloggers, which could be understood as part of civil society.

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minor side show in society writ large, we would ask, why then does it seem that so many new autocrats, as one of their first orders of business, seek to control, defund, or demean civil society organizations? While it may not be a sufficient bulwark against authoritarianism, civil society is assuredly an essential one.

There is a second reason, however, for philanthropic practitioners to be concerned about the health of civil society. There is a symbiotic relationship between the operating organizations of civil society and funders. The reality is that, for the most part, funders accomplish their programmatic objectives through supporting the activities of civil society organizations. **The effectiveness of the grantmaking of funders cannot be divorced from the health of civil society.** At the heart of this report is our intention to pull out the lessons learned from these five Partnerships and Trusts and to present them to philanthropic practitioners, whether they pursue their objectives through a collaborative model or make grants directly.

Eastern Europe provides an ideal context for this study, we believe. The large amounts of financial and technical resources that were poured into the region after the end of the Communist regimes—including through the five pooled funds studied here—were investments in building civil society as an intrinsic part of democracy. In the period after the transitions to democracy, there was broad consensus on the importance of civil society organizations, and the pooled funds were able to help establish the policies and institutions of an enabling environment for civil society, in addition to funding the organizations themselves. Considerable progress was made, as is shown through a chart on the following page, and through the legacies and impacts explained later in this report. But 30 years later, consensus can no longer be taken for granted. Understanding the legacy of those past investments in civil society now that the political climate has become more hostile can provide valuable insights for philanthropy going forward.

This research effort is for an audience of individual and institutional philanthropic practitioners. The project and the report are designed to provoke a conversation on how grantmakers can more effectively help build, support, and nurture civil society and its organizations, particularly civil society organizations that can withstand political pressure from authoritarian regimes.

Our objective is to contribute to progress toward the ultimate goal of building vibrant civil societies that can endure over the long run, are embedded in the culture of their countries, and are sustained from within.

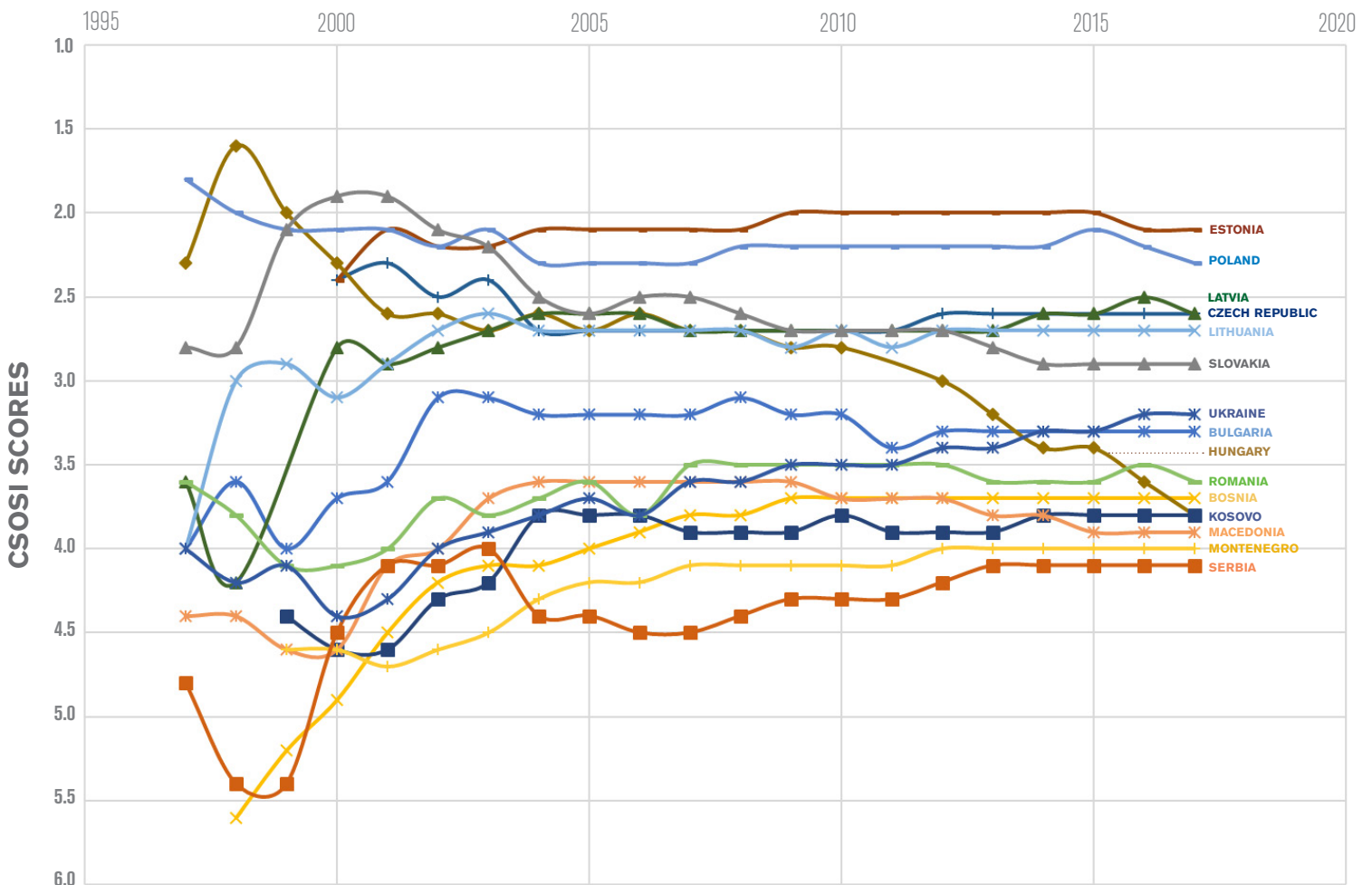
The lessons gleaned from our research are captured under the following categories in Section V: The Power of the Pooled Fund Model; Building Trust in Civil Society; Enhancing Sustainability and Capacity; and, Four Special Cases. The following sections of this paper will explain how we went about the research that informed those lessons (*Section II on Methodology*), examine the five pooled funds we studied and other pooled funding mechanisms we encountered (*Section III on the*

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Pooled Funds), and then what we learned during our research about the impact of the pooled funds (*Section IV on Legacy and Impact*). After sharing the Lessons (*Section V*), we conclude with broader thoughts on the implications of our analysis for philanthropy (*Section VI*).

The US Agency for International Development (USAID)'s Civil Society Organization Sustainability Index (CSOSI) scores the level of civil society sustainability in the region from 1997 to the present. It measures sustainability through the legal environment, organizational capacity, financial viability, advocacy, service provision, sectoral infrastructure and public image of civil society organizations. This chart graphs the scores for the 15 countries visited as part of this research. It shows a continuum, with Estonia at the top right and Serbia at the bottom in 2017. For the most part, the chart shows a picture of sustainability increasing quickly in the early 2000s and then holding relatively constant in recent years. Notable upswings coincide with the end of authoritarian periods in 1998 in Slovakia and 2000 in Serbia. This chart also makes clear the trajectory of Hungary from the top left in 1997 to fourth from the bottom in 2017, and a smaller downturn by Poland.

USAID CSOSI SCORES OVER TIME



II. Methodology

While each of the five Partnerships and Trusts has been assessed individually, there has never been an attempt at comparative analysis across all five. In addition, the existing assessments were done either during the life of these initiatives or shortly after the end of their life cycles. The research leading to this report has had the luxury of assessing all five initiatives comparatively and after some time has elapsed. It has also been shaped by our specific focus on gleaning lessons that would be of most interest and use to philanthropic practitioners engaged, or thinking about engaging, in building and supporting civil society.

This should come as no surprise since all three of us have spent a considerable amount of time as foundation program professionals.⁷ We do not feel, however, that our background, which some may see as a bias, is a flaw. First, the credibility of the lessons offered here is enhanced to the extent they are informed by insights and self-reflections from individuals who helped to conduct the pooled grantmaking in the first place. Second, given our intent to reach out to foundation program professionals we consider colleagues in grantmaking, our backgrounds enable us to speak to the right audience in terms that are meaningful to them.

We drew on three types of raw material for this research. First, there was the written record, including published reports, grantee lists, key strategic documents, evaluations, and other information on the five Partnerships and Trusts under study. A number of public reports and grantee lists are available on the websites of the Trust for Civil Society in Central and Eastern Europe, Environmental Partnership for Central Europe (and its members), and the German Marshall Fund of the United States, the host institution of the Balkan Trust for Democracy and Black Sea Trust for Regional Cooperation. Former foundation staff and pooled fund board members shared key memos from their files. Additional information was provided by staff of the Partnerships and Trusts from their personal files. Finally, strategic memos, board meeting minutes, and grant reports from the Baltic-American Partnership Fund and the Trust for Civil Society in Central and Eastern Europe were obtained at the Blinken Open Society Archives in Budapest, Hungary.

Second, we met with individuals with knowledge of the Partnerships and Trusts at four different levels: 1) the original donor representatives; 2) the staff and board members of the Partnerships and Trusts; 3) representatives of the grantee organizations; and 4) independent experts on civil society from academia, think tanks, and other civil society and donor organizations in each country.⁸ This triangulation (or quadrilateral, in this case) of interviews from different groups

⁷ Barry Gaberman spent 35 years at the Ford Foundation, retiring as Senior Vice President. Merrill Sovner worked for the Open Society Foundations close to 12 years, departing as Deputy Director of the East East Beyond Borders Program. William Moody spent 40 years at the Rockefeller Brothers Fund, retiring as Program Director.

⁸ We met with many of these individuals in person, each meeting usually lasting about 90 minutes. We travelled to Warsaw, Prague, Brno, Bratislava, Budapest, Bucharest, Cluj, Belgrade, Sofia, Tallinn, Riga, Vilnius, Skopje, Pristina, Podgorica, Sarajevo, and Kyiv. Those we missed in our travels we connected with via videoconference. In total, we met with 12 donor representatives, 37 board and staff of the Partnerships and Trusts, 151 grantee organizations, and 61 independent observers.

allowed us to view the field from different vantage points. In particular, the information provided by the independent experts and observers helped to provide a wider perspective and context from outside of the pooled funds.

Third, from the written record and the direct conversations, we were able to build a wide ranging analytical picture. We coded all of our interview notes to identify the topics that emerged most often in our conversations, and we compiled these into the impact findings presented in Section IV. These findings, together with other notes from our desk research and internal discussions, were further distilled into the lessons offered in Section V.

The analysis in this report is based on the 15 countries we visited, rather than the full geographic coverage of the Partnerships and Trusts. **The countries are Bosnia and Herzegovina, Bulgaria, Czech Republic, Estonia, Hungary, Kosovo, Latvia, Lithuania, Montenegro, North Macedonia, Poland, Romania, Serbia, Slovakia, and Ukraine.** The countries that were not part of our study are Albania, Croatia, Moldova, Russia, Slovenia, Turkey, and the countries of the Caucasus (Armenia, Azerbaijan, Georgia). A few of these countries presented additional security challenges that would have been difficult to manage; circumstances in other countries added a degree of complexity that was beyond the intent of the research or its time frame and resources. For these reasons, the Balkan Trust for Democracy and the Black Sea Trust for Regional Cooperation may have received less coverage in the report than the other pooled funds. That said, we are confident our research scope was sufficiently broad that the addition of other countries would not have had an impact on our conclusions.

One of our Advisory Group members asked us what would we do if we wrote a great report and no one cared? We are painfully aware that publishing a report is at best a somewhat passive activity. Therefore, we see the report as only one product of this project. To increase impact, we have designed a dissemination strategy that will share project outcomes on the internet and in other media outlets that are of particular interest to philanthropic practitioners. We will also work to present the findings at practitioner and academic conferences, through webinars and smaller briefings as well as direct conversations.

III. The Pooled Funds

The five pooled funds in this study had a broad mission to build, support, and nurture civil society and its organizations. Each pooled fund pursued that broad mission in different ways, reflecting different governance structures, strategic priorities, and grant portfolios as well as the different contexts, opportunities, and challenges with which each was presented at the time of its startup. A chart comparing the dates, geographic mandates, donors, funding amounts, and legacies of the funds is presented on the following page. In total, these five funds expended over \$140 million and included 9,000 grants.

A short history of each pooled fund is presented below, followed by a discussion of key differences among them and a comparison with other pooled funds we encountered.

The Environmental Partnership for Central Europe (EPCE)

The communist governments of Central Europe left behind environmental problems, from air and water pollution to a range of destructive factories and dangerous work practices, that were damaging the health and well-being of those living in or near these countries. In the 1980s, the Rockefeller Brothers Fund (RBF), the German Marshall Fund of the United States (GMF), and the Charles Stewart Mott Foundation (Mott) made grants to help local organizations and groups in Poland, Czechoslovakia, and Hungary address environmental and related community challenges. Those initial grants led foundation staff to realize how broad the challenges were and that a larger response and investment would be needed to address them. RBF, GMF, and Mott began to think about how they might work together to best address these problems and support local people to work on them.

A first step was to support fresh, independent analyses of the challenges in addressing environmental and related issues in Poland, Czechoslovakia, and Hungary. These analyses provided a clear rationale and solid factual basis for setting up charitable programs (potentially future independent civil society organizations) in all three countries. Recognizing the scale of the environmental disasters, RBF, Mott, and GMF decided to pool their funding to leverage the limited resources of each foundation. This process led to the establishment of the Environmental Partnership for Central Europe in the early 1990s. The first country office opened in Prague, in then-Czechoslovakia, in 1991, followed by offices in Budapest, Hungary, and Wroclaw, Poland. The GMF headquarters in Washington, DC, and a Regional Coordinator based in the region provided oversight and start-up services to all of the new EPCE offices.

The Environmental Partnership focused particularly on making small grants to grassroots environmental organizations in smaller cities and rural areas. At the beginning of its work, this often meant introducing the concept of a grant and how to manage it. An early EPCE grantee in Poland told us that the first grant “was like really money and someone trusted us, and we had to think about how we spent it, prepare reports, build something like an office ... The Partnership was something like a gift from heaven for this movement.”⁹

⁹ In-person interview on June 14, 2018.

The Five Pooled Funds: Comparing Donors, Geographic Mandates, Funding Distributions, and Footprints

Pooled Fund	Years Funded	Donors	Countries	Money Flows	Funding & Grants	Footprint
Environmental Partnership for Central Europe	1991–2004	German Marshall Fund (GMF), Rockefeller Brothers Fund (RBF), C.S. Mott Foundation (Mott), Sasakawa Peace Foundation	Bulgaria, Czech Republic, Hungary, Poland, Romania, Slovakia	3-year grants to GMF at first, then directly to Environmental Partnership Foundations	As of end of 2003, nearly \$17 million awarded for more than 5,000 community-based projects and initiatives	6 independent legal entities. (4 are large national grantmakers, 2 are smaller.)
Baltic-American Partnership Fund	1998–2008	US Agency for International Development (USAID), Open Society Foundations (OSF)	Estonia, Latvia, Lithuania	BAPF receives funds and disburses to Open Society national foundations to make grants	\$11,313,671 awarded for 1,634 grants (\$15 million total charitable expenditures)	Completely closed
Trust for Civil Society in Central and Eastern Europe	2001–2012	GMF, RBF, Mott, OSF, Ford Foundation, Atlantic Philanthropies	Bulgaria, Czech Republic, Hungary, Poland, Romania, Slovakia, Slovenia	CEE Trust receives funds and makes multi-year grants	\$65,777,506 total charitable expenditures and 770 grants	Completely closed
Balkan Trust for Democracy	2003–2013; 2013–2020	USAID, GMF, Mott, RBF, Robert Bosch Stiftung GmbH (RBSG), Tipping Point, Compagnia di San Paolo, Swedish International Development Agency, Ministries of Foreign Affairs (MFAs) of Denmark and Greece	Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Kosovo, Montenegro, Moldova, North Macedonia, Romania, Serbia	GMF holds all funds and makes grants directly to grantees.	As of 2013, \$30 million awarded for 1,101 grants to over 614 organizations	Funded for a second mandate, narrowing geography to Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia
Black Sea Trust for Regional Cooperation	2007–2017; 2017–2022	USAID, Mott, RBSG, Bradley Foundation, Calouste Gulbekian Foundation, MFAs Romania and Latvia	Armenia, Azerbaijan, Bulgaria, Georgia, Moldova, Romania, Turkey, Ukraine	GMF holds all funds and makes grants directly to grantees.	As of 2013, over \$12.5 million awarded for 424 grants to 349 organizations.	Funded for a second mandate, including exchanges with CEE countries. (Russia was included in the mandate until 2012.)

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Over time, it was clear that the environmental problems faced in the early 1990s could take decades to address, and other related issues might emerge along the way. In 1994-95, after considerable analysis, the four country offices (Slovakia was added after the split of Czechoslovakia in 1993) transitioned from short-term operation as vehicles for delivery of support to grassroots groups to a longer-term outlook.

From the beginning, GMF, RBF, and Mott had sought to support the Environmental Partnership Foundations beyond just funding. They invested in transatlantic and European study tours and fellowships as well as training in strategic planning, fundraising, partnership development, and management to help foundation leadership and grantees develop their capacity and skill sets. With the encouragement of the original donors and the Regional Coordinator, the country offices transitioned into independent indigenous foundations, responsible for their own grantmaking and fundraising under the supervision of their own boards of directors. While some of the offices had initially been staffed by Americans, local professionals with backgrounds in the sciences and environmental activism were recruited to lead in each country.

GMF, RBF, and Mott staff discussed with the Environmental Partnership Foundation Directors the long-term needs of their organizations. They jointly began planning for the close-out of American foundation support around 2004, when the CEE countries would join the European Union and have new prospects for support. These discussions led to special support to help the Environmental Partnership foundations undertake fundraising drives and build endowments so the foundations could continue to work on issues for many years to come.

Over time, the Environmental Partnership for Central Europe became widely recognized and appreciated for leading the way on environmental issues in the region. There are now six foundations that make up the Environmental Partnership for Central Europe. The four initial foundations are known in their countries as Fundusz Partnerstwa in Poland, Nadace Partnerství in the Czech Republic, Nadácia Ekopolis in Slovakia, and Ökotárs Alapítvány in Hungary. In 1998, the donors and member foundations decided to expand the network to Romania. The Regional Coordinator and the leadership of the Hungarian Environmental Partnership Foundation worked on the feasibility study and helped recruit the director of the new Romanian Environmental Partnership Foundation, with additional support from the Polish Environmental Partnership Foundation. The following year, the Fundatia Pentru Parteneriat opened, which initially focused on the Carpathian mountain regions and two years later expanded to the whole of Romania. In 2003, a similar decision was made to expand to Bulgaria, and the Czech leadership likewise worked closely in the establishment of the Bulgarian Environmental Partnership Foundation, Fondaciya EkoObshtnost. In addition, the Polish Environmental Partnership Foundation eventually split into two entities: Fundacja Partnerstwo dla Srodowiska, an operational foundation that works in Poland and internationally to promote sustainable development and bring locally-produced foods to market; and Fundusz Partnerstwa, the grantmaking entity, which continues to work closely with the other five Environmental Partnership Foundations.

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As of 2003, the then-five Environmental Partnership Foundations had expended more than \$17 million for over 5,000 local projects and initiatives.¹⁰ There is a close interrelationship among the Environmental Partnership Foundations, whose leaders serve on one another's boards and grantmaking committees and meet together annually. Most of the foundations now manage substantial additional funds from international government and private sources, such as the European Economic Area (EEA)/Norway Grants NGO Programme.¹¹ This provides another basis for close collaboration.

While the Environmental Partnership saw the most urgent need as addressing and solving air, water, and land pollution, it also prioritized local people solving their own problems and setting up their own institutions to address them. Thus, civic participation was an intrinsic part of delivering on these environmental goals. In recent years, the foundations have become even more concerned about civic engagement, democratic practice, and local and cross-border needs and issues in the region. The Hungarian Environmental Partnership Foundation has led the way in pushing back against the closing of space for civil society in that country, especially after its own funding from the EEA/Norway Grants NGO Programme was questioned by the Orban government and its offices raided and its grantees audited in 2014.¹²

The Environmental Partnership Foundations constitute some of the largest and most important grantmakers in the Czech Republic, Hungary, Romania, and Slovakia, with two smaller foundations in Poland and Bulgaria. They continue to work closely together and hold joint meetings annually. In addition, they have formed the Environmental Partnership Association to negotiate grants for international projects and conduct advocacy in Brussels on behalf of all six foundations. The current political climate of right-wing populism and anti-civil society rhetoric has further increased the solidarity and learning among the Environmental Partnership Foundations. As one foundation director told us, "We are trying to learn from Hungarian colleagues about how the frog was boiled."¹³

The Baltic-American Partnership Fund (BAPF)

The Baltic-American Partnership Fund was founded in the late 1990s at a time when the US Agency for International Development (USAID) was planning to phase out its direct grantmaking in the three Baltic countries (Estonia, Latvia, and Lithuania), and the Open Society Foundations (OSF) sought to leverage its existing grantmaking in the region.¹⁴ For USAID, the aim was to close out its funding in a productive way. USAID and OSF created BAPF as a separate legal entity to make grants over a 10-year lifespan.

¹⁰ Environmental Partnership for Central Europe, "Environmental Partnership" (2004): 5.

¹¹ For more on the Norway/EEA grants, see pages 36-37.

¹² Marton Dunai and Balasz Koranyi, "Hungary raids NGOs, accuses Norway of political meddling," *Reuters*, June 2, 2014, <https://www.reuters.com/article/us-hungary-norway-funding-ngo/hungary-raids-ngos-accuses-norway-of-political-meddling-idUSKBN0ED1QW20140602>

¹³ Interview via videoconference, August 1, 2018.

¹⁴ The Open Society Foundations includes many different legal entities, including the Open Society Institute in the United States as well as independent, national foundations across Central and Eastern Europe registered under national laws with their own governance structures. "Open Society Foundations" was adopted as an umbrella term to represent all the legal entities in 2012.

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The governance of the BAPF was unique. In order for USAID to make its founding grant, it required a US 501(c)(3) public charity separate from the Open Society Foundations to receive funding from both donors. This legal entity, the Baltic-American Partnership Fund, had a small staff and its own Board of Trustees made up largely of philanthropy professionals from the United States, including a few who were from or had lived in the Baltics. In addition to OSF's half of the funding, the BAPF was housed and supported by the OSF's national foundations in each of the three Baltic countries, and the overall BAPF Director and an assistant were based at the Open Society Institute in New York.¹⁵ Each Baltic country program had a director and staff based in the national foundation and a Local Expert Council to decide on grants. Their grant decisions were then formally approved by the national foundation's own governance mechanisms, including its Board of Directors, who were also from that country. The overall BAPF Board of Trustees provided guidance and made annual visits to the Baltic country programs. In practice, this model seemed to work well, with the bulk of content generated by the Local Expert Councils and country Program Directors, with the help of staff on both sides of the Atlantic. We encountered only a few instances where decisions were challenged; mechanisms had been developed to assure smooth coordination, such as placing a member of the national foundation board on the Local Expert Council.

The Baltic-American Partnership Fund had three specific goals from the outset that were followed through to the end: 1) creating a clear, supportive legal and regulatory environment for civil society; 2) fostering the institutional development of non-governmental organizations, or NGOs; and 3) ensuring the financial sustainability of the NGO sector.¹⁶ The focus on developing civil society and growing philanthropy was derived from the shared interests of OSF and USAID as well as input from the BAPF board. BAPF's first Director told us, "OSI and USAID may have had somewhat different approaches and goals when it came to post-Soviet democracy building efforts, but their goals were the same when it came to BAPF. BAPF operated in the area of Venn diagram overlap between USAID and OSI—working to strengthen civic engagement and advocacy, supporting civil society as a check and balance on the post-Soviet state, and incentivizing market-based solutions such as tax incentives for private philanthropy."¹⁷

While the goals were the same for all three countries, there was room to implement them differently in Estonia, Latvia, and Lithuania, as determined by the Local Expert Councils. The Baltic-American Partnership Program in Estonia emphasized building the sustainability of civil society by fostering a culture of cooperation between all three sectors in society: national and local governments, businesses, civil society organizations and individuals. The Program in Latvia aimed to develop a cadre of advocacy NGOs in order to serve the public interest and enhance the quality of democracy. It also worked toward developing community philanthropy to strengthen local self-help within communities. The Program in Lithuania was challenged by the need to build an environment of trust in civil society institutions and to develop funding flows between

¹⁵ The BAPF was based at OSF's national foundations in the Baltic States: Open Estonia Foundation, Soros Foundation Latvia, and Open Society Fund Lithuania.

¹⁶ Baltic-American Partnership Fund, "The Baltic-American Partnership Fund: Ten Years of Grantmaking to Strengthen Civil Society in Estonia, Latvia and Lithuania," (New York: Open Society Institute, 2009): 2.

¹⁷ In-person interview, October 29, 2018.

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donors and social entrepreneurs. At the same time, it worked toward many of the same objectives, including a sustainable mechanism for interaction between NGOs and government.

This consistency yet flexibility and responsiveness to local needs worked well. While the BAPF had success in creating enabling environments in all three countries and strengthening and professionalizing the NGO sector, it had more difficulty in achieving financial sustainability of the civil sector. A key part of this third goal was to help local people and communities establish community foundations in all three Baltic countries; this effort met with mixed success (*explained further in Section IV on Legacy and Impact*). Many we spoke with during our visit to the Baltic States complained of an overall lack of funding for civil society organizations, particularly those that do advocacy work.

There was an attempt to create a Pan-Baltic Foundation as the BAPF was coming to a close. This did not happen for a number of reasons, including the difficulty of agreeing to a common program strategy and identifying funders. However, many of the same players have continued to work in philanthropy in the region, and recently they felt a renewed impetus to consider a regional foundation to support civil society. At a recent reunion of key actors from the BAPF, the current challenges were identified: 1) the Baltics being left out of other EU-wide philanthropic initiatives; 2) political developments in one country impacting all three Baltic states; and 3) the rise of populist politicians and increased shadow of Russia in the region, creating new urgency for civil society activism. Participants recognized that the small scale of the Baltic countries put them at a disadvantage when acting individually. A new Baltic foundation to sustain civil society may yet emerge.

The Trust for Civil Society in Central and Eastern Europe (CEE Trust)

The CEE Trust was conceptualized in the US foundation community in the late 1990s. At that time, some American foundations that had provided support for civil society and democracy in Central and Eastern Europe since the Berlin Wall came down in 1989 were already bringing their assistance programs to a close. A few other American foundations had publicly stated that they would close their assistance programs by 2004, when the CEE countries were expected to join the European Union, with the assumed economic and political benefits that accession would bring.¹⁸ These and other foundations together committed a total of \$60.5 million upfront for the CEE Trust, with plans to raise \$75 million.¹⁹ USAID originally considered an active involvement in the CEE Trust as well, but it declined to follow through after the 2000 US presidential elections led to a change in government priorities. In the planning phase, initial discussions had posited at least a 15-year program life for the CEE Trust;²⁰ but in later discussions, most of the private donors preferred 10 years. In fact, the CEE Trust lasted 12 years with support committed upfront from the original donors: the Charles Stewart Mott Foundation, the Rockefeller Brothers Fund, the Ford Foundation, the Open Society Foundations, The Atlantic Philanthropies, and the German Marshall Fund of the United States. The CEE Trust

¹⁸ Trust for Civil Society in Central and Eastern Europe, "Report 2001-2012," (Warsaw: Trust for Civil Society in Central and Eastern Europe, 2013): 28.

¹⁹ CEE Trust, "Report 2001-2012," 27.

²⁰ Notes from a meeting at the U.S. Department of State with USAID and private donors on November 20, 1997, about the Trust for Civil Society in Central and Eastern Europe.

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was governed by a Board of Trustees comprised of one member from each of the donors that contributed at least \$2 million.

The CEE Trust's founding mission to support the sustainability of civil society was refined to three complementary objectives: 1) supporting legal, fiscal, and political frameworks needed for a thriving civil society; 2) strengthening the nonprofit sector through institutional capacity building; and 3) supporting the long-term financial sustainability of nonprofit organizations.²¹ These objectives mirrored those of the Baltic-American Partnership Fund, which had overlapping board membership with the CEE Trust.²² The CEE Trust made grants for the following countries: Poland, Czech Republic, Slovakia, Hungary, Slovenia, Romania, and Bulgaria. Its grantmaking sought to encourage cooperative, mutually reinforcing initiatives that involved the public sector, businesses, academia, and civil society organizations, while also nurturing the watchdog role of civil society.²³

The foundations' reasons for joining in this pooled fund varied. One group of foundations (the Ford Foundation, The Atlantic Philanthropies) had re-evaluated their work in the region at the end of the 1990s and decided they were either going to have to create a field office to support their grantmaking or to wind down.²⁴ In these cases, donating to a pooled fund provided an opportunity to see their work continue without the need for dedicated staff. The other group of foundations continued their individual programs and grantmaking in the region (the C.S. Mott Foundation, the Rockefeller Brothers Fund, the Open Society Foundations) and saw the pooled fund as a way to leverage further funding for their goals.

Prospects for the CEE Trust appeared very promising, as the funds were committed and important needs and opportunities existed throughout the region. At the beginning, the CEE Trust sought to provide a large grant to an intermediary organization (or a consortium of organizations) in each country to regrant to local NGOs. This was implemented in one country at a time, starting with Slovakia. In fact, the Environmental Partnership Foundations in a number of countries were applicants or selected as intermediaries during this first phase of the CEE Trust. For the intermediaries, it was a chance to build on their existing work. "What was offered by the Trust was exactly what we had been doing for years, so it was like doing the same with more money," one early CEE Trust grantee told us.²⁵ It was also a chance to think strategically beyond their own work; as put by a respondent from another grantee intermediary, "With [funding from the CEE] Trust, we were free to think widely about what was helpful for the sector, and this was most effective tool we ever had."²⁶

²¹ CEE Trust, "Report 2001-2012," 2.

²² William Moody, Irena Grudzinska-Gross, and Deborah Harding all served on the BAPF and CEE Trust boards.

²³ CEE Trust, "Report 2001-2012," 7.

²⁴ The Atlantic Philanthropies, "Review of the Central and Eastern European Programme," for Board Meeting June 18 & 19, 2001; in-person interview on January 7, 2019.

²⁵ In-person interview on June 12, 2018.

²⁶ Interview by videoconference on August 1, 2019.

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While selecting one or a few institutions to regrant funds made sense within the landscape of the civic sector in some countries, in other countries it created tensions among civil society organizations and resentment of the chosen winners. There were cases where competing applicants were asked to form a consortium to work together, and other cases where a consortium applied but only some members were selected for funding.²⁷

A few years into its mandate, the CEE Trust made a switch in operations away from this model. After an independent evaluation in 2004 reported significant negative feedback on the regranting approach from applicants, the board decided to pursue direct grantmaking.²⁸ Organizations could apply directly to the CEE Trust, liaising with staff in offices in Warsaw and Sofia (and a few staff working remotely from other locations). In later years, grantmaking prioritized those advocacy and watchdog organizations that would not be able to find funding elsewhere.²⁹

Throughout its tenure, the CEE Trust worked in four program areas: civil society; accountability, transparency and openness; watchdogs; and human rights.³⁰ In addition, the CEE Trust implemented a fellowship program to send civil society leaders abroad, and it adopted the American concept of community foundations in order to promote local philanthropy. In its final phase, it provided grants to support the creation of reserve funds and endowments to ensure that key watchdogs and civil society actors would be in place for years to come.

The CEE Trust provided much needed and highly valued help in all 7 countries in which it was engaged during its 12-year life. Some grantees we spoke with mentioned communication issues in the application process, including oral promises of support that were not fulfilled, lack of explanation of rejections, and a patronizing tone at funding call meetings.³¹ Such criticisms are not uncommon in the relationship between grantseekers and grantmakers. Nevertheless, the CEE Trust offered support at a time when such funding was not easy to secure.

There remained many challenges in deepening and strengthening democracy and civil society in Central and Eastern Europe, and the staff of the CEE Trust pressed for its continuation at the time of its closure.³² The CEE Trust's final Director commented to us, "It was difficult to stimulate conversation about prolongation of the Trust, and we were not seen as objective. Even now, I am more than convinced the Trust should have lasted longer." Her departing letter in the CEE Trust's final report cites the ongoing challenges of lack of independent sources of financing for advocacy and watchdog organizations, a continuing issue that was clear to the authors of this report half a dozen years later.³³

²⁷ In-person interviews on June 16, and July 5, 2018.

²⁸ CEE Trust, "Report 2001-2012," 29.

²⁹ In-person interview on June 13, 2018.

³⁰ CEE Trust, "Report 2001-2012," 32.

³¹ In-person interviews on June 24, June 25, and July 5, 2018.

³² In-person interview on June 13 and July 21, 2018.

³³ CEE Trust, "Report 2001-2012," 9.

The Balkan Trust for Democracy (BTD)

The initial idea for the Balkan Trust for Democracy came from the German Marshall Fund's desire to help rebuild after the Yugoslav wars and the preceding years of authoritarian rule and economic stagnation. In 2002, GMF reached out to the United States Agency for International Development and the Charles Stewart Mott Foundation, and together they developed a plan for support that was launched in 2003. The initial funding was \$27 million over at least 10 years. Additional support was provided later by the Rockefeller Brothers Fund, as well as European foundations and bilateral agencies.

The initial goals of the BTD were to encourage democracy and good governance, policy dialogue, and networking, as well as regional cooperation and European integration. Its grantmaking emphasized civic engagement; youth leadership and empowerment; government accountability and transparency; building a culture of giving; Euro-Atlantic integration; and dialogue and reconciliation. BTD saw as its overall aim linking citizens to government. Its geographic mandate included Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Kosovo, Moldova, Montenegro, North Macedonia, Romania, and Serbia. It also gave regional grants to organizations promoting the benefits of a pan-Balkan network. In 2013, BTD entered into its second mandate (through 2020), narrowing its geographic scope to the Western Balkans and leaving out Bulgaria, Croatia, Moldova, and Romania.

Thanks in part to the stature and good reputation of its initial Director, the BTD was able to quickly establish itself as an impartial actor in a region with polarized political loyalties. To be sure, its average grant was relatively small, under \$25,000, and its total grantmaking was modest in relation to the large international donor support provided to the region. Some interviewees commented on the difficulty of discerning the focus of its grantmaking. However, as a flexible donor responsive to grantee needs, it was appreciated in a region among other larger but more inflexible public donors. It was also one of the few donors giving grants for regional work, which allowed for the sharing of effective models and transfer of knowledge.³⁴

At the end of BTD's original ten-year mandate, in 2013, an independent evaluation by a former USAID Administrator reviewed it highly, though he warned that because of difficulties in the region and in establishing coordination between the donors, there is some potential for confusion.³⁵ In fact, the lack of donor coordination in the region remains an issue for many with whom we met.

The Black Sea Trust for Regional Cooperation (BST)

The Black Sea Trust for Regional Cooperation is a project of the German Marshall Fund, like the Balkan Trust for Democracy. BST was established in 2007, with the support of USAID, Charles Stewart Mott Foundation, the Ministry of Foreign Affairs of Romania, the Government of Latvia, and the Lynde and Harry Bradley Foundation.³⁶ Starting in 2011, BST also received support from the Robert Bosch Stiftung

³⁴ In-person interview, June 15, 2018.

³⁵ Andrew Natsios, "Balkan Trust for Democracy External Evaluation of Outcomes and Impact: 2003-2011," (July 31, 2012): 9.

³⁶ The Romanian Government's support is mostly an in-kind donation of office space, which is in fact the former residence of Communist leader Nicolae Ceaucescu's in-laws.

GmbH and Calouste Gulbenkian Foundation to expand its work. The staff initially included five full-time employees (increasing to nine over time), located in Bucharest, Romania, with two part-time outside consultants in Georgia and Azerbaijan.

BST focuses on strengthening regional cooperation, civil society, and democratic foundations. Its mission is to: 1) rebuild trust in public institutions and their relations with citizens; 2) foster regional cross-border ties in the public, private, and nonprofit sectors; 3) support advancement of regional security and trust between countries in the region; and 4) maintain a fruitful dialogue between the countries in the region and European and transatlantic institutions. Its geographic mandate is the countries bordering the Black Sea: Romania, Moldova, Bulgaria, Turkey, Georgia, Armenia, Azerbaijan, and Ukraine.³⁷ Initially funded for 10 years, it was given a second mandate after 2017.

These countries have been less connected to one another as a Black Sea region than they are to other geopolitical blocs. But the 2008 Russian invasion of Georgia helped to solidify the purpose and mission of the Black Sea Trust; the overriding rationale for policy dialogue and building of trust among the countries became more evident and important.³⁸ Other crises, such as when USAID and other international funders were declared illegal in Russia in 2012, and the annexation of Crimea in 2014, were also keenly felt among the BST's staff, donors, and grantees. BST staff prided themselves on remaining flexible and responsive to the quickly changing situations in the countries where it has operated.³⁹ Recently, BST has expanded its work in Central and Eastern Europe through its Eastern Links program, and many of its grants have focused on improving transparency in government. BST also utilized a special advisory board to help coordinate and guide its grantmaking strategy, with overlapping members from other GMF pooled funds.

Comparing and Contrasting the Pooled Funds

These five pooled funds have much in common. Each was established to address certain basic challenges and needs that post-socialist countries were facing in re-introducing the components of open, democratic societies during the 1990s and 2000s. One international observer told us, “The Partnerships and Trusts didn't consider support for civil society and democracy as a short-term transaction. Rather, they recognized that we are dealing with transformational issues requiring a longterm investment in individuals and organizations. We found that some—though not all—bilateral donors had shorter time horizons, pumping money into countries, declaring mission accomplished even though the situation remained fragile, and then moving their resources to other countries. But the Partnerships and Trusts had a longer-term, more strategic vision. And some of the civil society leaders that benefited from this long-term support are the country, regional, and now global leaders of our sector. This was the magic of what was done years ago.”⁴⁰ Despite this commonality, these Partnerships and Trusts were set up with differences in contexts, donor motivations, missions, priorities, and institutional arrangements, outlined in a second chart on the following page. These differences are examined in the following paragraphs, and they contributed to our thinking about the lessons on the pooled fund model offered in Section V.

³⁷ The Black Sea Trust's geographic mandate included Russia until 2012.

³⁸ Interview via videoconference on October 23, 2018.

³⁹ In-person interview on July 12, 2018, and interview via videoconference on September 13, 2018.

⁴⁰ In-person interview on September 6, 2018.

The Five Pooled Funds: Comparing Contexts, Donor Motivations, Missions, Priorities, and Structures

Pooled Fund	Context	Donor Motivations	Mission	Priorities	Structure	Governance
Environmental Partnership for Central Europe	Immediate post-Cold War period, need to rebuild institutions	To leverage existing funding to address large-scale challenges	To protect the environment and support local communities and society through support for community-based projects	Overall goal is to protect the environment and support local communities and society	Independent foundations in each country	Sustainable independent foundations have boards of nationals from the country or region
Baltic-American Partnership Fund	Pre-EU accession	To close out funding productively (USAID) or leverage other funding (OSF)	To support and promote efforts to stabilize democracy and market orientation through increased and better informed citizen participation in decision making	1) A clear, supportive legal and regulatory environment for civil society; 2) the institutional development of NGOs; and 3) financial sustainability of the NGO sector	Independent legal entity, with staff in NY and country programs based in Estonia, Latvia and Lithuania	Legal entity board in NY; Open Society national foundation board with fiduciary oversight; local expert councils
Trust for Civil Society in Central and Eastern Europe	Pre-EU accession	To close out funding productively (Ford, AP) or leverage other funding (RBF, Mott, OSF)	To create conditions for sustainability for civil society and non-governmental organizations, including cross-border and regional activities	1) Supporting the legal, fiscal and political frameworks needed for a thriving civil society; 2) strengthening the nonprofit sectors through institutional capacity building; and 3) supporting the long-term financial sustainability of nonprofit organizations	Independent foundation based in US with representative offices in Poland and Bulgaria, and some remote staff	Legal entity board made up of donor foundation representatives
Balkan Trust for Democracy	End of Yugoslav wars and democratization	To help rebuild after war, economic stagnation, and autocratic regimes	To link citizens to government and strengthen regional cooperation	1) Deepen dialogue between citizens and elected leaders; 2) improve public access to information about the performance and actions of government; and 3) strengthen citizen participation in democratic processes	No legal entity; a project of GMF. Staff in Belgrade office.	GMF board has responsibility; project advisory board of experts; grantmaking committee of GMF staff and experts
Black Sea Trust for Regional Cooperation	Ongoing frozen conflicts and security issues in the region	To create a new regional identity to counteract existing geopolitical blocs	To award small grants to local entities to strengthen cross-border ties, civic participation, democratic governance, and the rule of law in the Black Sea Region	1) Rebuild trust in public institutions and their relations with citizens; 2) foster regional cross-border ties in the public, private, and nonprofit sectors; 3) advance regional security and trust among countries in the region; and 4) maintain a fruitful dialogue between the countries in the region and European and transatlantic institutions	No legal entity; a project of GMF. Staff in Bucharest office with consultants in other countries.	GMF board has responsibility; project advisory board of experts; grantmaking committee of GMF staff and experts

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The Environmental Partnership for Central Europe was the first to be launched, shortly after the Berlin Wall came down. Since the scale of environmental disasters in the region would require a longer-term process to clean up, the program officers of GMF, RBF, and Mott felt that solutions would require the presence of institutions that could last indefinitely. It was also felt that the work should be led by local people and activists. So, like many donors to the region in the early 1990s, the EPCE funders became involved in creating institutions, because it was felt that there was so little to build on from the communist period in terms of creating civil society.⁴¹ A long process to establish independent and indigenous foundations began.

Meanwhile, the Baltic-American Partnership Fund and the CEE Trust, being set up in the late 1990s and early 2000s, were driven by a different motivation. They sought to provide an injection of funds for a limited time and prolong donor support in the region. The US Agency for International Development took part in early discussions about these efforts as it anticipated phasing out its work in the Baltic States and in Central Europe. In contrast to the permanent independent foundations created by the Environmental Partnership for Central Europe, the BAPF and CEE Trust were both given 10-year mandates at their start. This was a period of optimism, as Baltic and Central European countries were being given candidate status for EU accession; the investment in pooled funds was seen as helping those countries along the way. Building a lasting new institution was not seen as necessary, since capable civil society organizations already existed on the ground. Likewise, the BTM and BST were established to support the range of civil society organizations that already existed, although both efforts recognized that supporting democratization in the Balkan and Black Sea regions was a long-term effort.

As to their missions, the Environmental Partnership for Central Europe was the only one of the five pooled funds that explicitly addressed environmental concerns; civic participation was a way to ensure government accountability to citizen interests on environmental policy. Meanwhile, the BAPF and CEE Trust had civil society squarely in their missions. The BAPF sought to support the enabling environment, institutional development, and financial sustainability, including the growth of indigenous philanthropy. The CEE Trust included these goals as well as the goal of developing regional and international linkages. In contrast, the Balkan Trust for Democracy and Black Sea Trust for Regional Cooperation identified the promotion of regional and international linkages as a primary aim, but then have also made investments in civil society support and promoting local philanthropy where warranted.

The Environmental Partnership has been especially successful in making small grants to grassroots organizations outside the capital cities; in fact, four of the six foundations are now based in other cities (Krakow, Brno, Banska Bystrica, and Miercurea Ciuc). "Positioning most of Partnership offices out of the capitals has brought a value in a different perspective and higher sensitivity to the problems of smaller towns and rural communities," one of the directors told us.⁴² Over time, and particularly in recent years, promoting civic participation has increased in importance for the six Environmental Partnership foundations in the face of increasingly hostile rhetoric from politicians and restrictive legislation proposed by their governments.

⁴¹ Grzegorz Ekiert and Jan Kubik, "Myths and realities of civil society," *Journal of Democracy* 25, no. 1 (Jan 2014), 54.

⁴² Correspondence by email, June 16, 2019.

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All three of the closed pooled funds (EPCE, BAPF, and CEE Trust) sought to prepare grantees for the end of international funding. The Environmental Partnership provided training in fundraising to the new foundations, and the BAPF funded efforts to seed local philanthropic organizations and mechanisms, such as online giving platforms. The CEE Trust gave core support to grantees for long-term strategic planning and steps to create endowments. All three pooled funds also supported the growth of indigenous philanthropy through the development of community foundations, with different results (discussed further below). It was clear to us that this assistance has helped grantees through leaner times, but financial sustainability remains elusive—a subject to which we return later in this report. The BAPF and CEE Trust were very much missed by those we spoke with because of their flexible support and mission to build institutions.

Established later in the 2000s, the Balkan Trust for Democracy and Black Sea Trust for Regional Cooperation were less focused on the enabling environment and development of NGOs, and more focused on promoting democracy, regional linkages, and policy dialogues with international actors. As mentioned earlier, the Balkan Trust for Democracy and Black Sea Trust for Regional Cooperation were set up at a time when it could be assumed that there were professionalized NGOs in each country, and yet there remained challenges in promoting democratic norms, overcoming polarization, and security issues. It is also noteworthy that the Balkan Trust for Democracy and the Black Sea Trust for Regional Cooperation are still active, with a second round of international funding, as security challenges in the Balkan and Black Sea regions continue or have worsened.

The different governance structures of the pooled funds also merit a discussion about the extent to which they engender local ownership and/or international links. The Environmental Partnership Foundations involved boards of local environmental experts and activists; they became fully “indigenized” structures. The international donors continued to offer guidance through their funding, but without any fiduciary responsibility. Meanwhile, the BAPF and the CEE Trust were separate legal entities, governed by boards made up largely of donor representatives and a few experts from the region. In addition to its international board, the BAPF also received considerable local input through its Local Expert Councils and oversight by the three Baltic Open Society national foundations, in a kind of hybrid model.

Other Pooled Funds

There are a number of other pooled funds and funding models operating in this region that we encountered during our research. These include the EEA/Norway Grants NGO Programme, the USAID Legacy Foundations, the Carpathian Foundation, and newer pooled funds such as the European Fund for the Balkans, the Prague Civil Society Centre, and Civitates.⁴³ These other models are noteworthy partly for what they appear to have learned from the pooled funds in our study and for the innovations they have introduced. Our review of these other funding models and newer pooled funds also provided points of comparison that helped us to better understand the impact of the five Partnerships and Trusts and informed the lessons presented in Section V.

EEA/Norway Grants NGO Programme (NGO Fund)

The EEA/Norway Grants NGO Programme is a huge presence in Central and Eastern Europe. The rationale for this funding program is to enable the countries of the European Economic Area (Norway, Lichtenstein, and Iceland) to pay into the European Union for the benefits these countries receive as a result of its inclusion in the free trade zone of the European Union.⁴⁴ Switzerland provides its own grantmaking mechanism separately, the Swiss Contribution NGO Programme. This funding is directed to EU member states admitted since 2004, along with Greece and Portugal. Of this funding, about 90% goes to governments to support infrastructure and educational and cultural exchanges, and a minimum of 10% is provided to civil society. Even at just 10%, the amounts are massive compared to other civil society funders.

The EEA/Norway Grants NGO Programme is distributed from an office in Brussels, which relies on local intermediary organizations to issue calls for proposals, select grantees, and monitor grants. Interestingly, from the standpoint of our research, these intermediaries have included many of the Environmental Partnership Foundations, Baltic Open Society foundations, and early intermediary grantees of the CEE Trust.⁴⁵ In the past, contracts with local intermediaries were usually approved by the national governments of the receiving countries, but the interference of Hungary's government in the NGO Fund distributed through the Hungarian Environmental Partnership reinforced a principled stand against any government interference.

The EEA/Norway Grants NGO Programme is disbursed as project grants in multi-year rounds of support, and, in many EU countries, it represents the only chance for funding for many of the edgier advocacy organizations that had previously received funding from the pooled funds studied here. While those we spoke with were grateful for the NGO Fund, they also spoke openly about its challenges. In the gaps

⁴³ Not included in this subsection is the huge presence of funding to civil society from the European Union to member states in the pre-accession phase, to candidate states, and to other countries as part of the European Neighborhood Policy. This early EU funding also created grantmaking intermediary institutions, most notably the Civil Society Development Foundation in Romania, which is now working alongside the Romanian Environmental Partnership Foundation and former CEE Trust programs. Comments we received about EU funding to civil society are covered in Section IV, Legacy and Impact, particularly on grantee sustainability.

⁴⁴ EEA Grants, "Who We Are," accessed April 9, 2019, <https://eeagrants.org/Who-we-are>.

⁴⁵ EEA Grants, "Active Citizens Fund: 2014-2021," accessed April 9, 2019, <https://eeagrants.org/What-we-do/Programme-areas/Civil-society/Active-Citizens-Fund-2014-2021>.

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between the rounds of funding, civil society organizations have difficulty operating many activities. One grantee told us, “The projects were one to two years long, and in a country where you have real change of [the political] situation on the system, the short-term projects were not a smart move. In order to make a real difference or change, you need more time, like five years at least. If just two, then you start doing something, the project ends, and requirements to be sustainable after one year—how is this possible? ... For real change, more time is needed.”⁴⁶

Burdensome administrative requirements are a hardship for both the intermediary and grantee organizations, although the intermediaries often seek to ameliorate these difficulties for the grantees. The intermediary foundations also meet as a group and give the NGO Fund feedback on the grant process. To its credit, the NGO Fund's staff have been open to this input, which has led to improvements over time, such as longer funding cycles.

USAID Legacy Foundations

The Legacy Foundations of the American Enterprise Funds provide an interesting comparison to the pooled funds. While they share with the pooled funds a broad intention to foster democracy and civic engagement in Eastern Europe, there are notable differences in how the foundations are funded, oriented, and managed. The American Enterprise Funds were created by USAID in 1989, under the Support for Eastern European Democracy (SEED) Act, to channel private equity investment into ten formerly communist countries that did not have the diversified financial sector needed to support the investments that could transform their economies into market-based systems. Funded by US tax dollars, the Enterprise Funds were managed by volunteer Boards of Directors that were principally comprised of business executives. These business leaders were interested in receiving a return on investment, and most of the Enterprise Funds proved to be financially successful, preserving or increasing their initial capital through investments in the host countries. Upon liquidation of the Funds, part of the proceeds were used to pay back a share of the initial grant from USAID while the remainder was used to create the endowments of Legacy Foundations that became permanent and powerful civil society organizations.

The Legacy Foundations have a huge footprint in the countries in which they operate. The largest is the America for Bulgaria Foundation, which has a \$400 million endowment derived in part from proceeds generated by the Enterprise Funds. The Polish-American Freedom Foundation has an endowment of \$250 million, and the Romanian-American Foundation's endowment is \$150 million. All three endowments are housed in the United States as nonprofit organizations, with representative offices in their respective countries. The leadership structure of the Legacy Foundations is similar to that of the CEE Trust, with boards comprised of experts (mostly American) as well as local representatives. Additionally, alongside the EEA/Norway Grants NGO Programme, the Legacy Foundations are currently some of the largest sources of support to civil society in the three countries listed above.

⁴⁶ In-person interview on July 21, 2018

Finally, there are some interesting points of connection between the USAID Legacy Foundations and the pooled funds under our study. The Legacy Foundations were being established when some of the pooled funds were spending down. The Romanian-American Foundation has actually continued the work of supporting community foundations that was part of the CEE Trust, and this work is being managed by former CEE Trust staff. The BAPF is often confused with the local Legacy Fund, Baltic-American Freedom Foundation, which provides fellowships and travel grants to American experts and Baltic civil society leaders with shared interests.

The Carpathian Foundation

The Carpathian Foundation officially began in 1995 and ran until 2009, although meetings concerning its creation had taken place as early as 1992. Operating initially through core grants from the Mott Foundation and technical assistance from the EastWest Institute, the Carpathian Foundation later raised funds from the Ford Foundation, the Open Society Foundations, and the Rockefeller Brothers Fund, among others. It provided grants for local communities and to establish and strengthen emerging NGOs in the bordering areas of five countries (Poland, Ukraine, Hungary, Romania, and Slovakia) and focused on cross-border cooperation, inter-cultural and inter-ethnic cooperation, and community development. Financially, the Carpathian Foundation was markedly smaller than any of the Partnerships and Trusts addressed in this study, administering approximately \$5,954,000 distributed through 1,137 grants from 1995-2003. It was given a challenge grant to build a larger endowment, but it was unable to raise the matching requirement.⁴⁷

Ultimately, the single foundation split apart and divided its endowment among five local entities, three of which continue operation. The initial Director attributed the difficulties of the Carpathian Foundation to the lack of consciousness of the Carpathian region as a single entity and the decentralization of the foundation's governance.⁴⁸ The foundation's focus on regional networking and its disappointing results in this regard provide an interesting similarity and contrast to our other pooled funds, particularly the more successful efforts of the Black Sea Trust to develop a regional consciousness. A new effort to develop a Carpathian Civil Society Platform to promote regional solidarity is currently underway.

The European Fund for the Balkans (EFB)

In 2008, after the establishment of the Balkan Trust for Democracy and the Black Sea Trust, a group of European foundations under the umbrella of the Network of European Foundations created the European Fund for the Balkans, a long-term effort to support European integration in the Western Balkans. Established for an initial seven-year period, its roots were in the International Commission on the Balkans (2004-2006), a

⁴⁷ In-person interview on November 12, 2018.

⁴⁸ In-person interview on November 12, 2018 and correspondence via email on August 16, 2019.

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gathering of senior decision makers, foundation leaders, and policy experts that issued recommendations for how to encourage European integration, including by providing flexible funds to pro-European individuals and entities and support for policy reforms.⁴⁹ These recommendations were reflected in EFB's grantmaking strategy.

The EFB's three strategic objectives were to support: 1) capacity development for public administration, government ministries, and policy-oriented civil society organizations; 2) the development of a knowledge base to improve policy on democratic institutions and the benefits of Europeanization; and 3) a culture of regional cooperation.⁵⁰ In its willingness to fund individuals and organizations and to promote regional linkages, the EFB is similar to the BTB and BST. But the EFB is also noteworthy in the context of this research for representing one of the first times that exclusively European foundations have come together to pool funds for civil society development in the regions covered in our study, and for its willingness to fund capacity building for government institutions in service of its goals.

The Prague Civil Society Centre

The Prague Civil Society Centre was established in 2015 by the Oak Foundation, the Mott Foundation, and bilateral aid agencies from the US and Europe. It was influenced by the increasing difficulties faced by external donors seeking to provide support to civil society in less democratic countries in the former Soviet Union, and by a desire to be helpful to civil society organizations in such societies without endangering them. The initial donors set up a competition on how to deliver support in more closed societies, and the winning vision was submitted by staff of the People in Need Foundation in Prague, Czech Republic.⁵¹ Originally the Czech TV foundation, People in Need had been working internationally on human rights issues since the 1990s, in addition to providing humanitarian aid in emergencies and violent conflict situations. It incubated the Prague Civil Society Centre, which is now managed by a few former staff of People in Need. The Centre operates in 12 countries of the former Soviet Union.

The Prague Civil Society Centre has learned from the past experiences of other pooled funds. One of the donor representatives explained the process of establishing the Prague Civil Society Centre in this way: "We brought lessons learned and experience from one [pooled fund] to the other. The Prague Civil Society Centre benefited from this, I think. There were five founding donors, and we worked closely together to develop the concept a year and half, and then we tendered the concept to People in Need, which incubated the new center. Overall, it was a three-year development process. During this time, there was consistent involvement from representatives of the five donors and we built strong relationships of trust and we shared a common vision for the new center. This helped us make tough decisions on a number of issues, from reporting to risk management. We were able to share an idea and agree on what to do, and then feel more empowered to go back to our institutions to make the case. If you don't have that set of

⁴⁹ Network of European Foundations, "Pooling Funds, Pooling Strengths: A case study of the European Fund for the Balkans," (Brussels: Network of European Foundations, 2018), 7.

⁵⁰ Network of European Foundations, "Pooling Funds, Pooling Strengths," 8.

⁵¹ In-person interview on June 18, 2018.

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relationships, the cooperation and collaboration can become more difficult over time."⁵² The Centre's staff cited this long incubation period as key to its success.⁵³

The Prague Civil Society Centre's vision takes a broad view of civil society and support, offering a wide range of activists, campaigners, bloggers, lawyers, social entrepreneurs, and creative professionals not just financial support but training, mentoring, and capacity building across a range of skills, as well as exchanges, workshops, and study tours.⁵⁴ The skills it prioritizes include communications, fundraising, and constituency-building efforts, with the goal of helping to build movements and organizations that are domestically rooted as well as resilient.⁵⁵

The Prague Civil Society Centre is governed by a board of civil society experts from or with expertise in Central and Eastern Europe (including the first Director of the CEE Trust), rather than by its donors. This governance structure is one innovation from the pooled funds in our study, as is the Centre's willingness to support the full range of civil society activists and provide such a wide variety of tools and skill development opportunities.

Civitates

The newest pooled fund acknowledged here is Civitates, which was formed after a call was issued at the European Foundation Centre meeting in Warsaw in 2017 for more solidarity in the European Union. Hosted by the Network of European Foundations, like the European Fund for the Balkans, it became operational in 2018 with a staff of two people and a starting budget of €4.1 million for 2018-2020 from 16 European foundations.⁵⁶ With a mandate to work across Europe, it aims to "strengthen the capacity of civil society to play its indispensable role in shaping vibrant open European democracies that work for all".⁵⁷ It made a first round of grants in 2018 to support coalition building to address the shrinking space for civil society in Europe, and it has issued two grant calls in 2019 on the same theme and for projects to improve the digital information ecosystem.⁵⁸ The Hungarian Environmental Partnership Foundation, one of the original foundations set up under the Environmental Partnership, is a Civitates grantee to support its role in pushing back against closing space in Hungary as well as for a project to map smaller civil society organizations working outside major cities and provide them with technical assistance.⁵⁹

⁵² Videoconference interview on January 7, 2019.

⁵³ Correspondence via email on May 19, 2019.

⁵⁴ Prague Civil Society Centre website, "Our approach," accessed April 9, 2019, <https://praguecivilsociety.org/about-us/#programmes>.

⁵⁵ In-person interview on June 18, 2018.

⁵⁶ Civitates website, accessed April 9, 2019, <https://civitates-eu.org/>.

⁵⁷ Civitates website, "Vision & Mission," accessed April 9, 2019, <https://civitates-eu.org/vision/>.

⁵⁸ Civitates website, "Our Grantees," accessed April 9, 2019, <https://civitates-eu.org/our-grantees/>.

⁵⁹ Civitates website, "Our Grantees: Phase 1," accessed April 9, 2019, <https://civitates-eu.org/shrinking-space-phase-1/>.

IV. Legacy and Impact

In this section, we will present our findings, drawn primarily from our interviews, about the legacy and ongoing impact of the pooled funds and the current state of civil society. We interviewed representatives of the original donors, the boards and staffs of the Partnerships and Trusts, and the grantee organizations, as well as independent experts and observers. We asked our respondents about the key successes and challenges in their work, and what they wished they could have done differently. From these responses, **we found that we could organize the footprints that the Partnerships and Trusts left behind into four categories: institutions that were established or developed; policies, including legislation, government programs, and administrative changes; cultural, behavioral, and attitudinal change in society; and the sustainability of the grantee organizations that were funded to carry out the pooled funds' work.** Analyzing the progress made or not made in these four areas helped us to understand the pooled funds' contributions toward achievement of the endgame we have articulated: building a vibrant civil society that can endure over the long run, is embedded in the culture of its country, and is sustained from within. The successes and disappointments that are revealed in these categories also illuminated what is needed to sustain hard-won progress, what remains to be done, and what should be done differently, thereby guiding us to the lessons for funders that are offered in Section V of this report.

Institutions: Changing the Landscape

This category of findings focuses on the institutions that were founded or significantly developed with funding from the Partnerships and Trusts. It quickly became clear to us that the impressive core of institutions built in the early post-Cold War period now serve as critical funding intermediaries for other donors. The best example is the Environmental Partnership for Central Europe, whose member foundations not only serve as some of their nation's largest grantmakers and regrantors, but also channel corporate donations and governmental funding into programs that make important grants at the community level. The Phase 1 grantees of the CEE Trust, which include some of the Environmental Partnership Foundations, are similarly well-placed today and also serve as regranting intermediaries.

The pooled funds also spun off some highly successful philanthropic institutions. For example, in Latvia, the Ziedot.lv online giving platform was seeded with funding from BAPF, and it has become the largest foundation in the country, channeling €3-4 million a year in mostly small donations to charities and individuals in need.⁶⁰ At the time of our visit, its Director had recently started a television program to highlight worthy projects and promote the social good of charitable donations.⁶¹ Two other programs seeded by BAPF through the philanthropic incubator the Partners in Ideas Fund have also become highly successful institutions in Latvia: Otra Elpa, now a chain of thrift stores that make grants and donations,

⁶⁰ In-person interview on October 3, 2018, and Baltic-American Partnership Fund, "Final Report," 33.rg/about-us/#programmes.

⁶¹ In-person interview on October 3, 2018.

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and Mission Possible, based on the Teach for America model for recruiting young people to teach in underserved schools.⁶² “Although it was a grant, it felt like an investment,” the previous Director of the Partners in Ideas Fund told us.⁶³ Similarly, upon its exit in Romania, the CEE Trust also seeded the Civic Innovation Fund, an effort to leverage business support and create a financial mechanism for the civic sector, which continues today.⁶⁴

Many of the organizations that received endowment and strategic planning funding from the CEE Trust are still in operation five years later, and they stand at the forefront of the fight against proposals to turn back liberal democratic reforms and advancements in rights. Phase 1 of the CEE Trust funded large intermediary foundations to support the civil society sector in their respective countries, including by advocating for supportive regulatory environments, providing training, and encouraging institutional and financial stability. A reviewer of the CEE Trust Phase 1 program in Slovakia told us that a “crucial amount of professional NGOs developed in that time and remain the skeleton of civil society today. 1500 are still sustaining and are very important and rooted in that time.”⁶⁵

In Poland and Hungary, CEE Trust programs implemented by the Stefan Batory Foundation and Soros Foundation Hungary provided direct grants to civil society organizations, and in both cases these grantees are now part of the core group of civil society organizations pushing back against illiberal policies. At the conclusion of the program in Poland, the Stefan Batory Foundation reported that they counted around 20,000 organizations (30% of the NGO sector overall) that took advantage of the program, either directly or indirectly, through participation in trainings or by taking advantage of information and tools delivered through an NGO portal.⁶⁶ Only one organization that received a capital grant didn’t survive, and this was due to internal personnel issues.⁶⁷ The results of the Hungarian effort were similar, with a roster including the Hungarian Helsinki Committee, the Hungarian Civil Liberties Union, and Energiaklub. The Hungarian program officer for the project commented, “If we see the result in hindsight, it’s quite good. I like this program because [Soros Foundation Hungary] was brave to treat organizations like adults to ask them to develop their own sustainability program. It was very unique.”⁶⁸

Another example of a pooled fund-supported civil society organization that is pushing back against infringements of rights in the region is Papardes Zieds in Latvia, which was part of a coalition seeded with funding from BAPF.⁶⁹ Just before our visit, its work on sex education was cited in Latvia’s Parliament

⁶² Baltic-American Partnership Fund, “Final Report,” 31-32.

⁶³ Videoconference interview on October 23, 2018.

⁶⁴ Correspondence via email, August 12, 2019.

⁶⁵ Prague Civil Society Centre website, “Our approach,” accessed April 9, 2019, <https://praguecivilsociety.org/about-us/#programmes>.

⁶⁶ In-person interview on June 18, 2018.

⁶⁷ Civitates website, accessed April 9, 2019, <https://civitates-eu.org/>.

⁶⁸ Civitates website, “Vision & Mission,” accessed April 9, 2019, <https://civitates-eu.org/vision/>.

⁶⁹ Civitates website, “Our Grantees,” accessed April 9, 2019, <https://civitates-eu.org/our-grantees/>.

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as promoting homosexuality.⁷⁰ The organization was able to respond strongly to this charge by citing constitutional principles, thanks to pro bono assistance from lawyers. The Director told us, “In this case, we built expertise on democratic principles, with these advisors, to protect what we did. If I wouldn’t have people to help us, I couldn’t have done it to refer to constitutional principles. Instruments of democracy are used against democracy.”⁷¹

However, not all institutions seeded or developed by the Partnerships and Trusts were successful. The mixed legacy of the Baltic–American Partnership Fund’s investments in community foundations in Estonia, Latvia, and Lithuania provides an illustrative case study. Latvia’s network of community foundations has been the most successful, growing from five community foundations at the time of BAPF’s closing to nine now, a decade after the end of BAPF funding. Meanwhile, one of the three community foundations seeded by BAPF in Estonia is thriving, and three of the five funded by BAPF are still active in Lithuania. A number of reasons were cited for Latvia’s success with community foundations: having the right leaders in place; BAPF funding was invested into endowments, capacity building, and training; the energy and visibility of the Latvian community foundation network’s Director; and a later continuation of funding by a Latvian philanthropy.⁷² According to our interviewees, the challenges faced by community foundations in the region included failures of leadership and the difficulty in operating in smaller countries, where the scale of donations from small communities cannot support hiring professional staff. The community foundations that are still operational in Lithuania do so with volunteer staff and activities taking place on weekends.⁷³

Policies: Engaging with Government

Many advocacy efforts and pilot programs supported by these pooled funds led to legislative achievements, administrative changes, and government programs. Promoting an enabling environment for civil society organizations and philanthropy was a primary or secondary aim of all of the pooled funds, and groups they supported were directly involved in the writing or amending of legislation on associations, foundations, and giving by corporations, the state, or individuals (through tax allocations or otherwise). An international expert we interviewed noted that these legislative achievements have served as models around the world.⁷⁴ Pooled funds also helped create the needed infrastructure for giving. For example, the CEE Trust funded essential civil society infrastructure projects such as Adhat.hu, a Hungarian website for online fundraising; NGOBG.info, a database of information on Bulgarian civil society organizations; and mechanisms for making mobile (SMS) and monthly recurring donations in Romania. As mentioned in the Introduction, aspects of these enabling environments are being dismantled or challenged across the region, a theme that comes up again in Section V, on lessons learned.

⁷⁰ Civitates website, “Our Grantees: Phase 1,” accessed April 9, 2019, <https://civitates-eu.org/shrinking-space-phase-1/>.

⁷¹ In-person interview, October 2, 2018.

⁷² In part from an in-person interview on October 4, 2018.

⁷³ In-person interview on October 6, 2018.

⁷⁴ In-person interview on September 6, 2018.

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In addition to these important efforts, there are some other examples that are worth noting. A program of supporting ecotourism and economic activities around international greenways was a joint collaboration between the Environmental Partnership Foundations in each country to develop rural areas. Creating this key tourist infrastructure involved cooperation with many local governments and across borders. It ultimately included 1,200 km of trails for cycling and other non-motorized transport, traversing parts of the Czech Republic and Austria through the Prague-Vienna Greenways, and linking Poland, Slovakia, and Hungary through the Krakow-Budapest Amber Trail as well as the South Moravia Wine Trails. Staff who worked on these efforts talked about how it engaged local people on heritage protection for sustainable tourism, connected different places with different histories, and provided livelihoods to families in the countryside by bringing tourists to their wineries, inns, and restaurants, thereby helping to stem outmigration to urban areas.⁷⁵ The Balkan Trust for Democracy also funded the expansion of greenways to Serbia and Croatia in 2004, with the involvement of the Czech Environmental Partnership, as a way to reconnect those countries after the war.⁷⁶

The Estonian Civil Society Concept (EKAK, as abbreviated in Estonian) created a national compact between civil society and the government in Estonia that was developed with funding from the Baltic-American Partnership Fund. This document, passed in 2002, laid out guidelines for interactions between the civic and public sectors, built on the underlying principle that the sectors are equal partners in the development of society and the civic sector should remain independent even if it receives funding from the state.⁷⁷ EKAK requires ongoing efforts by advocates to ensure progress toward putting its goals into practice, but it established a structure and created a basis for further cooperation, including a National Civil Society Foundation launched with state funding. It also allowed Ministries to establish partnerships with civil society organizations and provide funding, including core support for umbrella organizations that advise and comment on pending policies and legislation. This combination of a compact, state funding, and institutional support for organizations advising the government was mentioned to us in other countries in the region as a model to follow.

The Balkan Trust for Democracy provided early and ongoing support to the Balkans Civil Society Development Network to advocate in Brussels on the issue of the European Union's support for civil society in the Balkans. From 2010-2012, this membership network of civil society support organizations was able to influence the course of the European Commission's Civil Society Facility Programme, resulting in the inclusion of multi-year institutional grants and the adoption of the Network's monitoring framework on the enabling environment (including tax incentives, human resources, and volunteering) as part of the Commission's own monitoring process. The EU provides €18 million annually in financial support for civil society organizations in the Western Balkans.⁷⁸

⁷⁵ In-person group interview on June 19, 2018.

⁷⁶ In-person interview on July 15, 2018.

⁷⁷ Baltic-American Partnership Fund, "Final Report," 11.

⁷⁸ Balkan Civil Society Development Network website, "Civil Dialogue," accessed April 9, 2019, <http://www.balkancsd.net/civil-dialogue/>.

Cultural Changes: Challenging Mindsets

A first important cultural change that the pooled funds helped to bring about was introducing the idea of civil society itself. In Estonia, BAPF provided \$250,000 from 1999 to 2003 to fund a monthly supplement to the major Estonian newspapers that covered policy issues in the civic sector and highlighted the concrete work of individual organizations.⁷⁹ The publication served to build awareness of civil society issues among citizens, politicians, and mainstream journalists; largely positive coverage of civil society organizations became more common in the media in the aftermath of this program.⁸⁰ One of the journalists who worked on this effort later became the Director of the Network of Estonian Nonprofit Organizations and now serves as the Civil Society Advisor to the Estonian President. He told us, “Whenever I had to call someone or gather information, I had to start with explaining the topic to politicians to explain the term. This newspaper was instrumental in changing public awareness and also politicians and civil servants. I later became more involved and passionate about the field and decided I wanted to be more actively involved than just writing about it.”⁸¹

Similarly, in Lithuania, the concepts of institutional support, reserve funds, community foundations, and advocacy were introduced through BAPF grantmaking. These practices were integral to changing the image of civil society to one of professional organizations that provide essential expertise and services. The Director of the Baltic-American Partnership Program in Lithuania found the spread of these concepts key to enabling civil society advocacy and cooperation with government today. “They still think NGOs should work for free with volunteers. My response is how to work with volunteers when I am a volunteer? Someone has to work a full day. There are now two to three people in Parliament who understand it.”⁸² Advocates continue to push for state funding for civil society organizations that provide policy expertise, an essential function in small countries where experts in relevant fields may be hard to find.

Another cultural change advanced by the pooled funds had to do with political accountability. In Bulgaria, a transparency project funded by the CEE Trust went viral. The Fourteenth January Foundation was launched after widespread protests against government corruption were held on that date in 2008 and 2009. The Foundation received CEE Trust funding shortly after its launch for an online tool to track the Prime Minister’s promises and the progress made on fulfilling them. The project became very popular, attracted attention on national television, and was given a weekly slot on a radio station. It was discussed in Parliament, and the Prime Minister took umbrage at the effort. He invited the activists to a meeting, which they insisted should be an interview, and they recorded him admitting to stopping a customs investigation.⁸³ The interview itself became news, with allegations of manipulation of the recordings that were eventually cleared when the Prime Minister admitted that the tape had only been

⁷⁹ Baltic-American Partnership Fund, “Final Report,” 12.

⁸⁰ Baltic-American Partnership Fund, “Final Report,” 12.

⁸¹ In-person interview on October 1, 2018.

⁸² In-person interview on October 6, 2018.

⁸³ In-person interview on July 19, 2018.

edited for obscenity.⁸⁴ This work ended in 2014, partly due to the end of its funding, although the public expectation of government accountability it engendered stays in place. (Other organizational leaders in Bulgaria also told us of activities that were on hiatus due to lack of funding; again, this is a larger issue and one that we discuss below under Grantee Sustainability.)⁸⁵ Similar media projects that hold politicians accountable to election promises continue with support from the Black Sea Trust in Georgia, Armenia, and Ukraine, and the Balkan Trust for Democracy funded similar work in Kosovo, Bosnia, Serbia, Montenegro, and North Macedonia.

The Black Sea Trust has funded the Black Sea Arts Festival, which was started by a Ukrainian family who came to Romania. It provides an essential way for countries within the region to learn more about each other rather than always looking westward.⁸⁶ The subtext of the Festival is to promote shared understandings of history and art as common factors that unite all countries and bring peace to the region.⁸⁷ This kind of project also challenges prevailing attitudes that can threaten democratization. In polarized contexts, the promotion of such shared understandings can be an effective way to broaden thinking and help people rise above misinformation.

Grantee Sustainability: An Ongoing Challenge

As mentioned above under Institutions, many of the civil society organizations that received grants from the Partnerships and Trusts are actively holding governments accountable to human rights standards and democratic norms, even in the face of political pressure from their governments. Others are struggling in this environment of political pressure and reduced funding. What follows below is what we heard about the funding landscape and sustainability of grantee organizations, including examples of organizational resiliency. Recognizing that the strategies and practices some organizations have adopted to cope with sustainability challenges may prove helpful to other civil society organizations and funders facing similar pressures, we have made a special effort to compile these practices in this section.

One observation our interviewees made repeatedly was that the expectation that funding from the European Union would replace the kind of funding provided by these pooled funds proved to be a miscalculation. “We thought 2004 was going to be the manna from heaven,” one donor representative told us. “It was going to take them from consolidated democracies to full-fledged members of democratic international.”⁸⁸ As it has turned out, EU funding, for the most part, does not provide the same flexible support to advocacy organizations—support that is responsive to organizational needs—that the Partnerships and Trusts provided. As a director of a think tank told us, it was a “good start

⁸⁴ In-person interview on July 20, 2018.

⁸⁵ In-person interview on July 20, 2018.

⁸⁶ In-person group interview on July 12, 2018.

⁸⁷ The German Marshall Fund website, “Black Sea Arts Festival,” accessed April 5, 2019, <http://www.gmfus.org/initiatives/black-sea-arts-festival>.

⁸⁸ In-person interview on October 26, 2018.

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and reasoning, but the complication was that when EU funding started is that we started to be more like the European model which is more public-oriented. More like executors of public policy than independent grassroots initiatives and delegating public functions to NGOs.”⁸⁹ Others echoed this notion of EU funding as creating implementers of EU policy rather than investing in a healthy landscape of civil society organizations.

A fair number of civil society organizations that we met are able to get a basic amount of project funding for their work from the few international donors still present in the CEE region, such as the Open Society Foundations, the EEA/Norway Grants NGO Programme, the Swiss Contribution NGO Programme, the USAID Legacy Foundations, and the Mott Foundation’s support for community foundations and philanthropy infrastructure organizations. A number of European foundations are also actively collaborating with civil society organizations on shared projects. However, the civil society practitioners with whom we spoke felt they were at a disadvantage when seeking funding from most US foundations. One watchdog organization reported, “We are in a difficult situation because ... US donors keep telling us, ‘sorry guys, we don’t operate within the EU.’ If I was in Serbia or Bosnia I could apply to NED or USAID ... I feel that by being an EU member I am discredited by the big US grantmakers. Although everyone admits that we have problems with the political situation and watchdogs are needed.”⁹⁰

Another large issue we heard about is that dependence on project funding makes it difficult for civil society organizations to develop. Project funding focuses the organization’s efforts on specific deliverable goals, and it leaves little space for ongoing advocacy, responding to proposed legislation, creating new initiatives, or any kind of organizational development. Some organizations have had to hire staff only on a project basis, unable to offer ongoing employment or benefits that might keep staff in the sector as civil society salaries become less competitive in growing economies. Project support from public donors also tends to have burdensome reporting requirements that require administrative and accounting capacity that may be beyond smaller organizations. Without the institutional support that the Partnerships and Trusts used to provide, many of the grantee organizations we heard from were struggling to respond to sometimes quickly changing political dynamics. “We are bleeding with[out] institutional money” one organization told us.⁹¹

This lack of institutional support was also found in the countries we visited where more donors are still present, such as the Balkans and Ukraine. Many groups there reported having to choose between applying for project funding in response to a call on a specific topic or focusing on only those activities that are squarely in line with their missions. Some organization leaders told us they were selective about the grant calls to which they responded; a few told us proudly that they did not apply to grant calls but rather developed a relationship with a donor organization based on shared interests and then wrote

⁸⁹ In-person interview on June 21, 2018.

⁹⁰ In-person interview on June 12, 2018.

⁹¹ In-person interview on June 16, 2018.

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a proposal to them after such discussions.⁹² This is noteworthy in that it was an approach not taken by the majority of grantseeking organizations. Others spoke of the difficulty of taking on new work that is important or innovative but isn't budgeted for in their project grants; instead, staff end up doing such work on their own time, putting in long hours and risking burnout.⁹³

Some interviewees longed wistfully for the days when US foundation funding was more prevalent. US funding practices tended to reflect a degree of trust in organizations with shared values to work toward desired outcomes, without worrying too much about the details of the process. "You brought money, but you also brought values,"⁹⁴ one organization's former board chair told us. Even project support, such as that from BTM and BST, can be offered in a flexible way that is guided by the needs of the grantee organization and delivered quickly in response to those needs. This approach was contrasted with funding from many public donors, which requires grant money to be spent exactly as outlined in the initial proposal, with every penny accounted for. We heard a few horror stories about such accounting procedures, including one case in which unused instant coffee had to be credited back to the project budget.⁹⁵

Many civil society organizations have had to reduce their costs since the end of funding by international donors, including these pooled funds. Cost reduction strategies included letting go of staff, paying staff only on a part-time or project basis, moving for cheaper rent, sharing offices or operating virtually. Some organizations went through a difficult period when the end of international funding forced them to re-examine their priorities, streamline, or reorient themselves to a new way of working, and seek new donors accordingly. Some organizations were taking on commercial activities, such as paid research, consulting, lectures, or other fee-for-service work. In some cases, staff were taking on other part-time work for income. Few organizations we heard from had closed entirely; many were simply inactive until new project funding was awarded. A majority of the organizations we contacted, even those operating under significant political pressure, cited financial issues as the main challenge of their work.

But some with whom we spoke noted that a culture of donor dependency can actually keep civil society organizations from fundraising in ways other than writing grant proposals. "When you're structurally in poverty you don't see outside the vision of being in poverty," one observer told us. "This happened with organizations here, and they lack creativity to seek funding elsewhere. A fair diagnosis."⁹⁶ Some grantseeking organizations may conclude that the costs of seeking new sources of funding outweigh the potential advantages. Many organizations already have professional staff able to write proposals that bring in tens of thousands of Euro. New fundraising techniques require a steep learning curve, investments in organizational capacity, and tradeoffs that seem too difficult, while the likely returns may not justify those high initial costs.

⁹² In-person interviews on February 25 and February 26, 2019.

⁹³ In-person interview on February 19, 2019.

⁹⁴ In-person interview on June 17, 2018.

⁹⁵ In-person interview on July 20, 2018.

⁹⁶ In-person interview on June 20, 2018.

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A number of organizations have sought to make up for lost foundation support by fundraising among individuals. Online giving platforms, including those seeded by the Partnerships and Trusts studied here, help to facilitate individual fundraising and are used by many civil society organizations. However, many civil society organizations told us it remained difficult to convince individuals to fund advocacy activities. Although fundraising among individuals is growing in the region,⁹⁷ respondents told us it remains more productive for charities focused on children, pets, or medical issues. Other respondents faulted the lack of a culture of philanthropic giving in the region. Finally, some organizations working on anti-corruption efforts stated that they would need to vet the financial provenance of each donor, a laborious cost that might outweigh the benefit.⁹⁸

However, some organizations are successfully increasing their individual donations, bringing flexible funds into the organization to deploy as needed for ongoing programs, new initiatives, or overhead costs. The most successful fundraisers are those organizations that are part of international networks and have opportunities to learn fundraising techniques from organizations in other countries. Also more successful are those organizations that provide a service to the public, such as legal assistance or investigative news, and are able to ask for donations from the audience they serve. These organizations use online communications, social media, improved websites, campaigns, and offline events to reach out to existing supporters and new audiences to ask for donations.

Many of those we met described individual fundraising not only as a way to cover costs but also to create a group of local supporters whose presence would help disprove politicians' accusations that advocacy organizations only represent international donors' interests. As one respondent told us, "You can spend five days on EU proposal or five months for €5000 in individual donations, but the latter is much more important because it symbolizes people behind your work. Then when government calls you can point to that work."⁹⁹ In this way, a donation can be an act of democratic citizenship, voicing support for an organization that represents one's point of view. Or as another interviewee put it, it is "not just philanthropy for the sake of itself, but because we need better citizens to influence anti-democratic behavior."¹⁰⁰ Work by advocacy organizations to create a group of supporters and increase individual donations has been referred to as building a social base or constituency, and funders such as OSF are promoting and supporting such efforts.

A few organizations reported that the difficult political moment in their country actually enabled more members of the public to understand the role that civil society plays in protecting rights and pushing back against government encroachments on democratic laws and norms, leading to an increase in individual donations. This was true for more rights-based civil society organizations, particularly in Poland and to some extent in Hungary. A participant in a focus group told us "this was the best thing

⁹⁷ United States Agency for International Development, "The 2016 CSO Sustainability Index for Central and Eastern Europe and Eurasia." (Washington: USAID, 2017) 6-7.

⁹⁸ In-person interview on February 22, 2019.

⁹⁹ In-person interview on July 14, 2018.

¹⁰⁰ In-person interview on July 19, 2018.

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to happen because we were ready for it. Attacks on us made us more visible, and in the past there was no understanding why democratic structures and the rule of law were important... Now the issues we raise are very clear for people, and quality of governance matters. More emotions means more people will support you.”¹⁰¹ These organizations reported that well-organized and timely campaigns around elections and other major events helped to increase individual donations. At the same time, almost all groups acknowledged that funding from individuals represented a smaller portion of their income than they would have liked.

Finding major individual donors remains a challenge as well, although that seems to be changing in some countries. “We observed that it’s easier to raise five zloty from 1000 people than 5000 zloty from one person” a respondent from a Polish foundation told us.¹⁰² Meanwhile, foundations in the Czech Republic and Slovakia reported that they were cultivating new individual donors from the corporate sector, particularly IT companies and the second generation of family businesses. One foundation director told us, “Czech society is getting rich enough to support its own NGO sector, but not enough maturity to do it smartly.”¹⁰³

Finally, we heard a range of reports from those organizations facing intense political pressure from governments and/or organized smear campaigns from right wing media. Some respondents were pessimistic. “I became marginal without changing my behavior,” one told us.¹⁰⁴ Some reflected on the changed course of historical events in their lifetime. “From the 1980s, we felt we were walking out of the forest, but now we are walking in the forest and not even in the middle of it. Sometimes I have this feeling,” another eloquently told us.¹⁰⁵

Other civil society organizations, particularly high-profile human rights organizations, have met political pressure by focusing on organizational development. These activities included staff support, team-building exercises, undertaking financial audits by international accounting firms, and strategic planning. The rationale for this focus was explained by the Director of one such organization: “For other organizations, pressure shapes their mood and they fear being jailed. I can’t live with this vision; if it happens, we will deal with it. The aim of the government is to create an environment of imbuing fear, and we do them a good service if we go into this game. I tell my staff this. I do the basic items required of new laws and the most to counter it at legal and professional levels. It’s hard when it repeats every month.”¹⁰⁶

Meanwhile, another set of organizations has adjusted their activities in favor of civic participation, community organizing, and tolerance education at the local level. This change in activities was sometimes a deliberate strategy in the face of political pressure or reduced funding. One organization

¹⁰¹ Participant response in a focus group on June 13, 2018.⁹⁸ In-person interview on February 22, 2019.

¹⁰² In-person interview on June 12, 2018.

¹⁰³ In-person interview on June 16, 2018.

¹⁰⁴ In-person interview on June 22, 2018.

¹⁰⁵ In-person interview on July 2, 2018.

¹⁰⁶ In-person interview on June 26, 2018.

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returned to working directly with citizens because it recognized that its advocacy wasn't going to be heard by the traditional targets: a government that openly flouts democratic norms but gets re-elected; a mainstream media that won't cover or vilifies the organization's work; and an international community more concerned with peace processes in the Balkans than the pace of democratization.¹⁰⁷ Another organization that had worked on strategic litigation against discrimination closed, but its staff started working directly with schoolchildren as a way to counteract discrimination and were able to fundraise domestically for this effort.¹⁰⁸ As traditional civil society routes to advocacy are closed off for political and/or financial reasons, inculcating values of active citizenship and democratic norms among individuals is seen as the way forward.

At the same time, work to change mindsets has also been taken up by organizations that are not facing political pressure or funding constraints, out of a recognition that in polarized societies and post-communist contexts, interpersonal trust needs to be built from the bottom up. This work is often done in the context of helping communities advocate for and find solutions to problems they have identified. Such community development work additionally allows the organization to build a constituency of people who support the organization and give it credibility with local governments as a catalyst for pragmatic solutions that might one day be scalable. The civil society organizations involved acknowledged that this strategy of community engagement is long term and resource-intensive, but respondents also felt it was a back-to-basics approach that would serve their societies better in the long run.

All of these strategies for ensuring organizational resiliency in the face of a changed political and financial environment are important because they represent the ability of civil society organizations to grow, change, and innovate, a key sign of institutionalization. It seems likely that some aspects of the pooled funds' grantmaking style that were most often cited by our respondents—the focus on cultivating relationships of trust and providing organizational support based on shared values rather than exacting project proposals—helped to allow grantee organizations to build resources for a rainy day, develop their staffs and organizations, and change tactics and plans when necessary. This observation is explained further in the lessons described in Section V.

¹⁰⁷ In-person interview on July 16, 2018.

¹⁰⁸ In-person interview on July 6, 2018.

V. Lessons

We faced a conundrum in writing this report. The pooled funds were launched at a time when there was a political environment amenable to interventions around building and supporting civil society. In the period after the end of the Cold War, there was optimism bordering on euphoria and a general belief that liberal democracy was the model of the future. This was an environment in which outside funders saw an opportunity to have impact and were willing to seize that opportunity even though their expertise in the region might have been modest in the beginning. However, the political environment has changed dramatically. Thirty years later, we are faced with alternative governmental models, often at odds with the liberal democracy model we naively assumed would become and remain dominant. For these reasons, it was important to us to ensure that the lessons we gleaned from our research do not harken back nostalgically to a previous era, but are relevant to a new, evolving, and in places much more hostile landscape.

We also acknowledge that there are a number of specific ways in which recent developments are not explicitly reflected in the lessons presented below. For example, the lessons focus on civil society and its formal organizations because that was the target of grantmaking by the pooled funds we studied, and we have devoted less attention to the increasingly important interplay of civil society with the other two sectors of society—the public sector and the for-profit sector. More could be said as well about the emerging opportunities presented through the rise of new civic initiatives and protest movements in the region. Social movements in response to crises may birth new institutions or bring new actors into the civic sector, as we witnessed in Ukraine after 2015. Today, funders are aware of the growth of informal initiatives in the region and are piloting programs to support them. The challenge is to support such efforts in ways that ensure lasting impact without tempering the enthusiasm of their new leaders. Finally, technology may well be changing our understanding of what the essential elements of an “institution” are.

That said, we feel that the wide net we cast in selecting who to interview helped to ameliorate the retrospective nature of this report. We called on independent experts, academics, infrastructure organizations, and others with a wide and current view of society. Where possible, we also tried to meet with newer actors in civil society who did not frame their remarks primarily in terms of the history of the pooled funds. We drew on the analysis of legacy and impact described in the previous section, with its evidence of sustained successes as well as new and continuing challenges, and we consulted our own experience as professionals and interested observers in the field. The result is that, for the most part, these lessons should stand the test of time and changing political climate. Our aim was to glean a set of lessons that philanthropic practitioners would find useful and appropriate enough that they would build them into their current and future grantmaking strategies.

The lessons that follow are grouped in four main categories, as mentioned earlier: the Power of the Pooled Fund Model; Building Trust in Civil Society; Enhancing Sustainability and Capacity; and Four Special Cases. The assignment of a lesson to one or another of these categories may at times seem somewhat arbitrary given how interrelated many of the lessons can be.

The Power of the Pooled Funds

A first set of lessons is drawn directly from the findings about the pooled fund models reported in Section III. We hope the majority of lessons derived from this project will be relevant to philanthropic practitioners no matter whether they choose to pursue their grantmaking directly or through some type of collaboration. There are, however, a number of strengths associated with the pooled fund collaborations we studied, particularly in the sense that the Partnerships and Trusts were designed to be more than purely funding mechanisms. In fact, it might be more appropriate to think of those funds as mediating institutions between funders and the organizations supported in the various countries. Not all grantee organizations found this intermediating role helpful; a few preferred to work directly with the donor, or they worried it would be easier for governments to cut off a single channel of funding. The varying structures of the pooled funds had consequences, but they were all models that enhanced certain positive outcomes, as captured in the lessons below.

1) Ameliorating Onerous Practices

One of the challenges of receiving funds from an array of different funders is that the contributing foundations' requirements, such as for reporting, can be very different. A pooled fund can minimize this difficulty in two important ways. It can insist on a common reporting platform that dramatically reduces the administrative burden on the fund and its grantees. In addition, interviews with staff at the pooled funds and grantee organizations almost always pointed to the difference between the requirements of private funders and public sector funders, the latter being much more stringent, much more concerned about process, and much less flexible. When these public sector funds are part of a pooled fund, the more onerous requirements are often ameliorated, to the benefit of grantees. For these reasons, we believe pooled funds should be considered a recommended vehicle for both public agencies and private foundations.

2) Dealing with Risk

Although foundations have as one of their structural attributes a greater ability to tolerate the consequences of risk than for-profit organizations or public sector institutions, they often ignore this attribute and become quite risk averse. Pooling resources with other funders tends to ease foundations' discomfort with risk. We heard often from donor representatives about the good relationships forged on pooled fund boards, which speaks to the harmonization of a shared vision over time. This sense of safety in numbers is one of the strengths of models like the pooled funds under study.

3) Accumulating Resources

Funders acting as part of a collaboration do not necessarily end up committing less to a particular endeavor than when they act alone. The interviews with the original donors to the pooled funds show that those donors were often willing to put in more resources than usual. The opportunity to act in a collaboration thus was an incentive to greater funding. In fact, for the most part, collaborative funding was additive, since the foundations tended to continue their direct grantmaking as well.

4) Lengthening the Time Horizon

It is quite unusual for institutional funders to be willing to commit to a particular program initiative for more than a five-year period. That is not to say that they might not continue to fund a particular initiative for longer, even much longer in some cases, but they do not tend to make that commitment up front. The pooled funds here pushed the willingness of foundations to make an upfront long-term investment. Most of the Trusts and Partnerships started out with at least a ten-year commitment, and in two of the cases the funders' commitment was formally extended beyond the initial ten-year time frame.

5) Modeling Professional Grantmaking and Transparency

One of the ways to build trust is to gain a reputation as a professional and transparent player in the field of creating and supporting civil society organizations. The five pooled funds, as described by their many grantees, played this role admirably. Another powerful indicator of their professionalism and transparency is that a new cohort of funders, some quite significant such as the EEA/Norway Grants NGO Programme, used either the pooled funds themselves or their significant grantees as chosen vehicles for country-led regranting.

6) Structure Matters

In most instances, the pooled funds wrestled with how to balance the benefits of involvement by international funders with the legitimacy conferred by structuring the fund as a domestic legal entity, with oversight by a local board and staff made up of in-country personnel. When the mandate was to enhance regional initiatives, international involvement and linkages rose in importance. Such was the case with BST and BTD as projects of GMF. When the thrust was in-country initiatives, establishing a domestic legal entity became more crucial. Such was the case with the Environmental Partnership. Most consciously among the pooled funds, BAPF attempted to achieve this balance by setting up an international board in New York, but also embedding the effort in the local Open Society national foundations and delegating considerable authority for grantmaking to in-country Local Expert Councils. In each case, structures that reflected the respective priorities of the pooled funds enhanced their impact.

Building Trust in Civil Society

A second set of lessons focuses on the lack of trust in institutions, including civil society organizations, that emerged as a theme in our conversations about the current challenges grantee organizations face. That there is a growing global trend toward distrust in institutions from all three sectors of society—the public sector, the for-profit sector, and the not-for-profit sector—should come as no surprise to anyone. That this decline of trust is often less marked in the not-for-profit sector than in the other sectors is not of much comfort. In our interviews, we saw that this lack of trust is a serious obstacle to accomplishing the endgame we have articulated: to help build a vibrant civil society that can endure over the long run, is embedded in the culture of its country, and is sustained from within. Here then are five lessons we gleaned about how to build trust in civil society, both its formal and informal organizations.

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1) The Lingering Statist Mindset

Since the end of the Cold War 30 years ago, an entire generation plus has come to maturity. Yet unexpectedly, there remains a lingering statist mindset, i.e., the idea that the state is solely responsible for taking care of the social and economic needs of the people. This mindset leaves little space for the role of not-for-profit organizations and makes it easier to call into question the legitimacy of civil society institutions that perform social services and hold the feet of the government to the fire on social justice, human rights, transparency, and related issues. More work could have been done and should be done to address this mindset head-on.

2) Building a Culture of Giving

Understandably, the focus of most funders and funding intermediaries like the Trusts and Partnerships reviewed in this report was on building and supporting civil society organizations. Important as this work was, it missed the wider societal context in which those organizations were operating. In order for these organizations to be embedded in the culture and sustained from local sources of funding, more work on building a culture of giving was called for and would have had a positive impact on the larger issue of trust. Current work by community foundations, national grantmakers, and infrastructure organizations to develop new donors and promote giving by the public at large helps to address this past omission.

3) Communicating the Stories of Civil Society Organizations

There is an understandable bias among funders and those tasked with implementing funded activities toward spending as high a percentage of grant monies as possible on carrying out those activities. Communicating results and accomplishments has often been an afterthought. Results, when reported, are often heavy on empirical or quantitative data. Yet stories and other qualitative data can be more compelling than dry statistics. More attention to communicating the positive stories of civil society organizations would help build trust and enhance legitimacy for the sector.

4) The Role of Civic Education

Civic education has either been removed from or was never in the school curricula in many of the countries we visited and elsewhere in the world. Troubling as this can be in societies with fairly strong democratic norms, the problem is compounded in places where those norms are less entrenched. The rights as well as the responsibilities of members of society can be unclear in the aftermath of a transition to a new form of government. Attitudes toward the institutions of the public, private, and civic sectors of society are not well formed and expectations are unclear. This does not help to build trust in the organizations of civil society or the institutions of the other two sectors of society. Many with whom we spoke identified a need for civic education, whether in schools or in other more innovative venues, and lamented its absence. More funding could have been channeled to such efforts, and new funding for such efforts would be welcomed and beneficial.

5) The Underdeveloped Position of Individual Giving

Perhaps the most devastating consequences of the lack of trust in civil society organizations is the underdeveloped position of individual giving. An indicator of this is that even in places where the state provides incentives to individual giving, these incentives go largely under-utilized. Yet individual giving is precious for three reasons. First, it provides a source of support to organizations that is mostly unrestricted and therefore very flexible. Second, it is an indicator of the level of support for civil society organizations in society as a whole. Third, it provides important funding when the state withdraws its own funding or pressures institutional funders to change their funding priorities. While individual giving is on the rise, more could be done to promote and inculcate it.

Enhancing Sustainability and Capacity

A third set of lessons is drawn from the experience of the pooled funds in building the capacity and especially the sustainability of their grantees, as described under that heading in the Legacy and Impact section of this report. Like many of the lessons presented in this section, these are often counterintuitive. That is, the conventional wisdom among philanthropic practitioners often points to the opposite of the lessons gleaned here (for example, the need to change mindsets, as discussed in the previous set of lessons, is something that many in philanthropy would not have foreseen). Here, five unconventional lessons about how to enhance organizational sustainability are presented.

1) The False Dichotomy of Investing in Individuals vs. Institutions

Professionals in the field of philanthropy tend to consider building institutions as higher up on the food chain than investing in individuals. Yet this is a false dichotomy, and the career paths of the International Fellows at the Center on Philanthropy and Civil Society at The Graduate Center, CUNY, demonstrate this very well.¹⁰⁹ While their contributions may not be immediate or direct, an impressive number of Fellows eventually find their way into building and leading civil society organizations. The lesson is clear: Investing in people is not a lesser activity when it comes to supporting civil society initiatives. In fact, it may be a very effective way for smaller foundations to advance their goals in this arena.

2) Study Tours

To continue the theme of investing in individuals, we saw that in many of the countries covered by the five pooled funds, the first generation of civil society leaders has either left the scene or is about to do so. Efforts to recruit the next generation of leadership are complicated by the outmigration of young people in so many places. And here there is another lesson to be gleaned that may run counter to the conventional wisdom. Most philanthropic practitioners have tended to be skeptical of study tours for individual civil society leaders, in some cases referring to these as boondoggles. Yet time and again, respondents from the first cohort of leaders described a study tour as instrumental in opening their eyes to new possibilities when they returned home. As a new generation of leaders rises up, study tours are an important strategy for expanding their knowledge base and exposing them to a range of possibilities for engagement in the sector.

¹⁰⁹ For more on the Center on Philanthropy and Civil Society's International Fellows Program, see www.gc.cuny.edu/cpcs

3) Cross-Border Linkages

For all types of organizations and their leaders and staffs, cross-border and international linkages can be an important if unconventional source of strength. These linkages accomplish three main tasks. First, they are a source of psychological support and at times financial support for these organizations. Second, they can be a source of effective strategies to employ. Third, they can bring international pressure to bear in ways that offer cover for vulnerable organizations. For these reasons, such linkages need to be fostered and supported. A number of European funding mechanisms offer such support, but more work could be done to promote links among different actors or wider international connections.

4) Institutional Support

In arguing for a better balance between supporting individuals and building institutions, it is also important to note that the form of support provided makes a difference when it comes to building institutions. A clear lesson emerged from our research: Support for institutional development, what some might call general or core support, is both crucial and precious. While many philanthropic practitioners might feel that less mature organizations are better served by getting project-specific support, the overwhelming consensus among civil society practitioners is that institutional development support is important—particularly at the early stages. It provides a measure of slack and flexibility that allows organizations to respond to a changing environment, and it enables organizations to build their capacity, including the skills of their staffs. Not only does project funding often limit this kind of flexibility, it also may reflect the priorities of the donor more than those of the grantee organization.

5) Supporting Permanence

A final lesson encompasses a number of types of support that many funders are disinclined to consider. In their desire to support project-specific activities and show results, funders often overlook the need to help organizations build working reserve funds, establish endowments, purchase office space, and even cover overhead costs. Yet time and again, practitioners told us that such support allowed them to survive in lean times, to build their capacity, and to signal that their organizations were not just time-limited experiments. The importance of investing in permanence is another lesson that runs counter to the conventional wisdom of grantmaking.

Four Special Cases

A final set of lessons pertains to four organizational types that merit special consideration because of the importance of their roles in protecting and enhancing the legitimacy of civil society and enabling it to perform its vital functions effectively. The first two types are general purpose philanthropic or civil society infrastructure organizations, particularly those that are membership based, and general purpose advocacy or watchdog organizations. Both types of organizations have a more difficult time attracting sustained funding than organizations focused on specific tools and issues such as organizational development, technological fixes, or strategic planning in the case of infrastructure organizations.

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Likewise, advocacy organizations targeting a particular substantive area, such as a disadvantaged part of the population, find it easier to secure funding than general purpose advocacy or watchdog organizations. A third organizational type that merits special consideration is the independent media. We have noted earlier that one of the first moves by authoritarian-trending regimes is to silence or subvert the voice of independent media. As the watchdog function of commercial media shifts to not-for-profit organizations, the role of independent media within civil society becomes similar to that of the general purpose advocacy organizations mentioned above—holding government accountable across a wide range of issues. A final set of organizations recommended for special consideration fall under the heading of community philanthropy. The power of these organizations lies in the legitimacy that can be vested in civil society by a bottom-up strategy. The following four lessons focus on these special types of organizations.

1) Keepers of the Enabling Environment

Earlier it was noted that putting in place the legal underpinning of the enabling environment was an impressive early achievement of funders and advocates working to support civil society in the Baltics, Central and Eastern Europe, the Balkans, and the Black Sea region. However, once established, which organizations are the keepers of that enabling environment and the transparent, ethical, and best practices of civil society? Usually infrastructure organizations have been tasked with that responsibility, but it is a puzzling fact that these same organizations are often only grudgingly supported. Of course, it may seem more compelling to fund organizations that provide specific services, but this view is shortsighted. Any funder seeking to work through civil society organizations in a given country should consider support to infrastructure organizations to ensure that the enabling environment for their grantees remains in place.

2) The Canaries in the Coal Mine

For discussion purposes, it is possible to divide civil society into two groups. Those organizations that provide social services, enrich education, or support healthcare fall into one group. Governments are typically more comfortable with these institutions because they lessen the pressure on governments themselves to provide those services. In the other group are organizations that advocate for social justice, protect human rights, or provide independent policy analysis. Politicians are less comfortable with these organizations because they hold governments' feet to the fire and keep them accountable. In changing political climates, where the trends are toward more authoritarian regimes, these latter organizations are the canaries in the coal mine that harbingers difficult times for civil society as a whole.¹¹⁰ Now more than ever, they need the attention and support of concerned donors.

3) Independent Media

We have noted the role of independent media as a Fourth Estate in society that guards against the concentration and abuse of power. In this regard, growing government hostility toward independent media, including not-for-profit sources of news coverage, should be sufficient reason to work to

¹¹⁰ We should note that the boundaries between advocacy and service organizations are permeable. Often service organizations become powerful advocates for their cause; likewise, social justice organizations also provide services.

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ensure its continued viability. But independent media is important to civil society for another reason. We encountered a significant number of instances where the independent media gave visibility to civil society organizations and told the story of their work, thereby enhancing their legitimacy. Funding communication and collaboration between media and civil society organizations will ultimately benefit both types of organizations.

4) Community Philanthropy

A constant theme mentioned by the funders, civil society practitioners, and observers of civil society to whom we spoke is the importance of moving funding out of capital cities and into supporting organizations in local communities, where civil society organizations are fewer and far between. Alone among the five pooled funds, the Environmental Partnership championed the move to local communities and in the process showed how important small grants can be. Where community philanthropy, usually in the form of a community foundation, took root, it showed that philanthropy attuned to the needs of a community and led by people in the community was possible.¹¹¹ This helped legitimize civil society and build trust in the capacity of citizens to come together and solve their problems. Why community foundations flourished in some countries, such as Latvia, Romania, and Ukraine, and not in others, depended on a number of factors. Visionary leadership, the support of international funders, and the creation of a supporting network all played a role. Donors interested in strengthening democracy and civil society would do well to fund more community foundations and community foundation support organizations.

¹¹¹ We have used the term community philanthropy here because it is a broader concept than community foundations. This is not meant to demean the role of community foundations, which will always be a cornerstone of community philanthropy, but it allows for the inclusion of traditional forms of giving as well as modes that are community-based but not consistent with the community foundation model.

VI. Conclusion

As stated at the start, this report is targeted at individual and institutional philanthropic practitioners. The hope is that it will rekindle a conversation among traditional funders of civil society about the continued importance of building civil society in the years ahead, as well as start such a conversation among foundations not currently engaged in this work. It is also hoped that the conversations would not be restricted to the European post-socialist context but relevant much more broadly. The environment for civil society is becoming increasingly difficult in many other regions as well.

Having reviewed the pooled funds, the results of our research, and the lessons gleaned from them, this section elaborates on two broader points for funder consideration. Both have to do with the importance of funding over a longer time horizon. There was one criticism of the pooled funds' efforts that we heard repeatedly and almost without exception: The initiatives ended too soon. Most of the funders of the pooled funds premised their strategies for exiting the region on the promise of EU accession; funding programs could be wound down, it was assumed, because from that point forward, the economic and political conditions for the sustainability of civil society would be present. Regarding this assumption, **there are two general observations to be made. The first is that carrying out an exit strategy should not be confused with achieving an endgame; one does not necessarily ensure the other. The second is the point made by Ralf Dahrendorf 30 years ago, that building civil society is not a short-term endeavor, but rather a multi-generational effort.**¹¹²

In fact, the funders' strongly held belief in the promise of EU accession as an exit strategy was not shared by many on the boards and staffs of the pooled funds, the grantees of the funds, and even some of the program officers tasked with implementing the decision to exit. Some grantees feared that raising this criticism might affect the commitment of the key initial funders. In reality, though, funder exit strategies are often driven by considerations that grant recipients have little influence on—including changes in foundation leadership, board-initiated changes in strategy, changes in the financial conditions of the funding institution, and the proclivity of funders to self-impose time limits on their involvement in any particular strategy.

These realities notwithstanding, we believe that funders and grantees should insist on evaluating and re-evaluating all decisions about their involvement in civil society building (whether to enter the field, how to work within it, when to leave it, whether to return to it) in the light of their shared endgame—which this study articulates as creating a vibrant civil society that can endure over the long run, is embedded in the culture of the society, and is supported from within that society.

One powerful example of effective alignment of engagement with endgame is that in almost every country covered by the pooled funds, the legal underpinning of an enabling environment was put in place. From freedom of association, to regulations on registration that empower civil society organizations rather than

¹¹² "It takes six months to create new political institutions, to write a constitution and electoral laws. It may take six years to create a half-way viable economy. It will probably take sixty years to create a civil society. Autonomous institutions are the hardest things to bring about." Ralf Dahrendorf, "Has the East Joined the West?" *New Perspective Quarterly* 7:2 (Spring 1990), 42.

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shackle them, to tax regimes that provide incentives rather than penalties, the record is quite impressive. The fact that these legal underpinnings to an enabling environment exist does not ensure that they will be implemented or immune from future attack, but it is an example of endgame and exit strategy being in sync.

However, even in the case of this example, past achievements are now under attack from actors in government less convinced of the importance of an independent civil society. Amendments and policy changes that would weaken the enabling environment are being proposed by governments across the region, and those elements of civil society tasked with protecting the enabling environment are forced to respond quickly, often without adequate organizational capacity and resources to do so. Exit strategy and endgame no longer seem to be in such good alignment.

In a changing political climate, it is crucial to support those civil society actors that keep the government in check and nurture democratic practices and values. This has turned out to be a longer-term project than funders imagined, extending well beyond accession to the European Union. It has also turned out to require forms of support that were not fully foreseen by funders, including support for the cultural and attitudinal changes needed to help people understand, support, and protect civil society organizations as representative of their interests.

In our travels to 15 countries and more than 250 conversations, we heard firsthand from committed individuals in civil society who are determined to pursue activities that might expand democratic space and challenge illiberal governments. Rather than leave the field, many of them have continued this work with deep determination but with fewer resources. The challenge is to find adequate resources to keep these civil society leaders and their organizations in place to protect the enabling environment, uphold democratic norms, and nurture new generations of activists and future generations of active citizens. Their hope, and ours, is that this report serves as a call to the funding community to rise to that urgent challenge. ■

Appendix 1: Acknowledgments

In our efforts to carefully look back at more than 30 years of philanthropy and civil society in more than a dozen countries in Central and Eastern Europe, we benefited greatly from the interest and help provided by many people on both sides of the Atlantic. We are indebted to the Center on Philanthropy and Civil Society at The Graduate Center of the City University of New York for hosting and supporting this research.

Professor Kathleen McCarthy, the Center's Director, encouraged and supported this effort from its earliest conceptualization, introducing Barry Gaberman and Merrill Sovner at the 2017 European Foundation Centre Annual General Assembly in Warsaw, Poland. Additionally, Kathy's longtime collaboration with Bill Moody was essential to completing our research team. Kathy's long experience in studying philanthropy and supporting its international expansion helped her to understand the challenges we faced in our research. She provided careful attention to our draft report and participated in our second Advisory Group meeting.

We are also grateful for the logistical and moral support provided by Barbara Leopold, the Center's Associate Director. Barbara's assistance was crucial in navigating the administrative procedures and financial requirements of our grant funding, a necessary skill for any civil society organization. Ky Woltering, a Graduate Assistant and a Ph.D. in History, delved into our files to identify key documents and provide essential research assistance to this effort.

Also, we wish to thank individuals who were willing to serve as our Advisory Group during the course of our research and writing. This group consisted of Marton Balogh, Jiří Bárta, Dessislava Hristova, Ewa Kulik-Bielińska, Kristina Mänd, Miklós Marschall, Lenka Surotchak, Mia Vukojević, and Kuba Wygnański.

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We received considerable help from the current and former staff of the Partnerships and Trusts, including making contacts, offering their honest reflections and thoughts, and reading multiple draft reports. Additional logistical help and advice was provided by former colleagues and friends working in the region, including Phil Henderson, Slavica Indzevska, Tetyana Kukharenko, Radmila Maslovarić, Greg Vaut, and Ovidiu Voicu. Barry Knight also lent essential moral support and credibility to our research efforts, for which we are grateful.

We cannot resist mentioning how appreciative we are of all the individuals we met over the course of 2018 and 2019 who generously shared their time, recollections, and opinions. Many in this same group took the time to read through our report drafts and offer corrections, comments, and additional reflections. A list of their names is included in an appendix. We hope the final report does them justice. Any errors that remain in the report are solely those of the authors.

Finally, we wish to recognize our families, in particular Joan Gaberman, Susan Moody, David Erickson, and Ellie Sovner Erickson, for putting up with us spending lots of time overseas in countless meetings as well as long hours of work to prepare this report.

Appendix 2: List of Interviewees

As discussed in Section II, Methodology, we interviewed four groups of individuals: the staff from the original donor foundations to the Partnerships and Trusts; the staff and board members of the Partnerships and Trusts; representatives of the grantee organizations; and independent experts and observers. Those individuals are listed below.

From Donor Foundations:

German Marshall Fund of the United States—Pavol Demeš, Jonathan Katz, Marianne Ginsburg (formerly), Frank Loy (formerly), Krystyna Wolniakowski (formerly)

Ford Foundation—Irena Grudzińska Gross (formerly)

Charles Stewart Mott Foundation—Walter Veirs

Open Society Foundations—Aryeh Neier, Leonard Benardo, Deborah Harding (formerly), Mabel van Oranje (formerly)

U.S. Agency for International Development—Tom Dine (formerly)

From the Partnerships and Trusts:

The Environmental Partnership for Central Europe

Fondaciya EkoObshtnost—Lubomira Kolcheva, Director

Fundacja Partnerstwo dla Środowiska—Rafał Serafin, Director

Fundatia Pentru Parteneriat—László Potozky, Director, Marius Cosmeanu, Board President

Fundusz Partnerstwa—Dominika Zaręba, Board Chair

Nadace Partnerství—Miroslav Kundra, Director, Blažena Hušková, former Board Chair, Michal Šindelář, David Kopecký, Martin Gillár, Zuzana Šeptunová, staff

Nadácia Ekopolis—Peter Medved', Director, Juraj Mesík, former Director

Ökotárs Alapítvány—Veronika Móra, Director, Zsuzsa Foltányi, former Director and Special Advisor

The Baltic-American Partnership Fund

Rebecca Tolson, former Executive Director

Abbey Gardner, former Executive Director

Adrian Coman, former Program Associate and Acting Director

Jane Wales and Michaela Walsh, Board Members

Katrin Enno, former Program Director, Baltic-American Partnership Program-Estonia

Mall Hellam, Executive Director, Open Estonia Foundation

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Heli Aru-Chabilan, former Local Expert Committee member, Baltic-American Partnership Program-Estonia

Liia Hänni, former Local Expert Committee member, Baltic-American Partnership Program-Estonia

Mikko Lagerspetz, former Local Expert Committee member, Baltic-American Partnership Program-Estonia

Ieva Morica, former Program Director, Baltic-American Partnership Program-Latvia

Marija Golubeva, former Local Expert Committee member, Baltic-American Partnership Program-Latvia

Vita Tērauda, former Executive Director, Soros Foundation-Latvia

Sarmīte Ēlerte, former Board Chair, Soros Foundation-Latvia

Birute Jatautaite, former Program Director, Baltic-American Partnership Program-Lithuania

Skirma Kondratas, former Local Expert Committee member, Baltic-American Partnership Program-Lithuania

The Trust for Civil Society in Central and Eastern Europe

Jacek Wojnarowski, former Executive Director and Board Member

Rayna Gavrilova, former Executive Director

Lidia Kołucka, last Executive Director

Dolores Neagoe, former Program Director

Djema Baruh, former Program Director

Czesław Walek, former Program Director

Monika Pisankaneva, former Program Manager

The Balkan Trust for Democracy

Ivan Vejvoda, former Executive Director

The Black Sea Trust for Regional Cooperation

Alina Inayeh, Director

Group conversation with the staff of the Black Sea Trust

Martinš Murnieks, former Program Officer

From the Grantee Organizations

Bosnia and Herzegovina

Center for Promotion of Civil Society—Aida Daguda and Omir Tufo

CRVENA Association for Culture and Art—Danijela Dugandžić

Nansen Dialogue Centre Mostar—Elvir Đuliman

Tuzla Community Foundation—Jasna Jašarević

Zašto Ne—Darko Brkan

Bulgaria

Access to Information Foundation—Gergana Jouleva

BCause (former Bulgarian Charities Aid Foundation)—Lyudmila Atanassova

Bulgarian Center for Not-for-Profit Law—Luben Panov

Bulgarian Donors Forum—Krasimira Velichkova

Bulgarian Helsinki Committee—Krassimir Kanev

Bulgarian NGOs' Information Portal—Georgi Genchev

Center for Independent Living—Kapka Panayotova

Citizen Participation Forum—Iva Taralezhkova

Fourteenth January Foundation—Konstantin Pavlov (formerly)

Institute for Market Economics—Svetla Kostadinova

Institute for Public Environment Development—Iva Lazarova and Diana Eftimova

Partners Dupnitsa—Georgi Iliev

Tulip Foundation—Maria Petkova

Workshop for Civic Initiatives Foundation—Iliyana Nikolova

Czech Republic

Association of Public Benefit Organizations—Marek Šedivý

Civil Society Development Foundation—Hana Šilhánová (formerly)

Czech Association of Community Foundations—Tomáš Krejčí

Czech Donors Forum—Pavlina Kalousová

Czech Fundraising Center—Jan Kroupa

Czech Helsinki Committee—Lucie Rybová

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Ecocenter Koniklec—Alice Končinská

Green Circle-Association of Environmental Organizations—Daniel Vondrouš

Hnutí DUHA-Friends of the Earth Czech Republic—Lukáš Osvald (formerly)

OSF-Prague—Robert Basch

Slovak-Czech Women's Fund—Miroslava Bobáková

TEREZA—Petr Daniš

Nadace Veronica—Helena Továrková

Estonia

National Foundation for Civil Society—Agu Laius

Network of Estonian Non-profit Organizations—Kai Klandorf

Estonian Village Movement—Krista Habakukk

Hungary

Association of Conscious Consumers—Anikó Haraszti

Atlatszo.hu—Tamás Bodoky

Autonomia Foundation—András Biró (retired), András Nun

Birdlife Hungary—Gergő Halmos

Chance for Children Foundation—András Ujlaky and Adél Kegye

DemNet, Foundation for Development of Democratic Rights—Éva Bördős

Energiaklub—Ada Ámon (formerly)

Environmental Management and Law Association—Sándor Fülöp and Csaba Kiss

European Center for Not-for-Profit Law—Andrea Judit Tóth and Eszter Hartay

Green Spider Foundation—László Bihari

Hungarian Civil Liberties Union—Stefánia Kapronczay

Hungarian Europe Society—István Hegedűs

Hungarian Helsinki Committee—Márta Pardavi

Independent Journalism Foundation—Sándor Orbán

Káva Cultural Workshop Association—Gábor Takács

K-Monitor Association – Sándor Léderer

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Nonprofit Information and Training Center (NIOK) Foundation—Balázs Gerencsér and Zsófia Makádi

Roots and Wings Foundation—Tamás Scsaurszki

Soros Foundation Hungary—Péter Nizák (formerly)

Transparency International Hungary Foundation – József Péter Martin

Védegylet/Protect the Future—Tracey Wheatley (formerly)

Volunteering Hungary—Center of Social Innovation—András F. Tóth

Kosovo

Kosovar Center for Security Studies—Donika Emini (formerly)

Kosovar Civil Society Foundation—Taulant Hoxha, Fatmir Curri, Dren Puka and Edona Krasniqi

Kosovar Institute for Policy Research and Development—Lulzim Peci

Kosovo Women’s Network—Igballe Rogova

Latvia

Civic Alliance—Kristīne Zonberga

European Movement-Latvia—Andris Gobiņš

Latvian Samaritan Association—Andris Bērziņš

Papardes Zieds—Iveta Kelle

Partners in Ideas Fund—Sabīne Sīle-Eglīte (formerly)

Providus—Iveta Kažoka

Transparency International DELNA—Valdis Liepiņš

Ziedot.lv Foundation—Rūta Dimanta

Valmiera Region Community Foundation—Ansis Bērziņš

Lithuania

Civic Initiatives Centre—Girvydas Duoblys

Civil Society Institute—Ieva Petronytė-Urbonavičienė

Consumer Federation—Alvita Armanavičienė and Rimantas Zabarauskas

Eurohouse—Judita Akromienė

Lithuanian Free Market Institute—Edita Maslauskaitė

Lithuanian Gay League—Vladimiras Simonko

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Lithuanian Youth Council—Paulius Serapinas

Municipal Training Centre, Kaunas University of Technology—Jolanta Vaičiūnienė,
Eglė Butkevičienė

NGO Information and Support Centre—Martinus Žaltauskas

NGO Law Institute—Rytis Jokubauskas

Save the Children (Lithuania)—Rasa Dičpetrienė

Transparency International-Lithuania—Sergejus Muravjovas

Women's Issues Information Center—Dovile Rūkaitė

Montenegro

Center for Democratic Transition—Milena Gvozdenović

Center for Development of Nongovernmental Organizations CRNVO—Zorana Marković

Civic Alliance—Boris Raonić

Institute Alternative—Stevo Muk

Fund for Active Citizenship fAKT—Anica-Maja Boljević

Network for Affirming the Nongovernmental Sector MANS—Vanja Čalović

North Macedonia

Balkan Civil Society Development Network—Ilina Neshikj

Citizens Association Most—Teodora Pop Trajkov

Eurothink-Centre for European Strategies—Ljupcho Petkovski, Aleksandar Stojanovski and Ivan Stefanovski

Horus—Branko Dokuzovski

Metamorphosis Foundation—Filip Stojanovski

NGO Info-center—Biljana Bejkova

Poland

Association 61—Magdalena Wnuk

Borderlands Foundation—Krzysztof Czyżewski

Citizens Network Watchdog Poland—Katarzyna Batko-Tołuć

Centrum Cyfrowe Foundation—Alek Tarkowski

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Federation for Women and Family Planning—Krystyna Kacpura

Green Institute—Dariusz Szwed

Helsinki Foundation for Human Rights—Danuta Przywara

Institute of Public Affairs—Jacek Kucharczyk

Klub Gaja—Jacek Bożek

Polish Donors Forum—Magdalena Pękacka

Stefan Batory Foundation—Anna Rozicka

Society for the Earth—Paweł Głuszyński

Romania

Asociatia Techsoup—Radu Moțoc

Aspire Academy—Dani Oros

Association for Community Relations—Dana Pirtoc

Center for Conflict Prevention and Early Warning—Iulian Chifu

CENTRAS—Viorel Micescu

Civil Society Development Foundation—Ionuț Sibian

Experts for Security and Global Affairs—Angela Gramada

GlobalFocus Center—Oana Popescu-Zamfir

Institute for Public Policy—Adrian Moraru

PACT Foundation—Mădălina Ene and Gabriela Stanciu (formerly)

Rațiun Center for Democracy - Mădălina Mocan (formerly) and Mihaela Bidilica (formerly)

Resource Center for Public Participation—Oana Preda

Terra Mileniul III—Lavinia Andrei

Serbia

Belgrade Fund for Political Excellence—Sonja Licht

Center for Regionalism—Aleksandar Popov and Aleksandra Popov

Center for Research, Transparency and Accountability—Raša Nedeljkov and Vukosava Crnjanski

Green Network of Vojvodina—Olivera Radovanović

Group 484—Vladimir Petronijević

Humanitarian Law Center—Budimir Ivanišević (formerly)

Jelena Šantić Foundation—Irina Ljubić

Trag Foundation—Biljana Dakić Đorđević

Slovakia

A-project—Vlasta Körnerová

Center for Philanthropy—Boris Strečanský

Centre of Environmental and Ethical Education Živica—Pet'a Ježeková

Citizen, Democracy and Accountability—Lubica Trubíniová

Fair-Play Alliance—Zuzana Wienk (formerly)

Institute for Public Affairs—Grigorij Mesežnikov

OSF-Bratislava—Zuzana Konrádová (formerly)

Partners for Democratic Change—Dušan Ondrušek

Via Iuris—Milan Šagát

Ukraine

Arseniy Yatsenyuk Open Ukraine Foundation—Ramina Shut and Oksana Manchulenko

Foreign Policy Council “Ukrainian Prism”—Olga Chyzhova

GURT Resource Center—Tetiana Danyliv and Kateryna Polyakova

Ilko Kucheriv Democratic Initiatives Foundation—Svitlana Barbeliuk and Petro Burkovskiy

New Europe Center—Leonid Litra

TV Channel Hromadske/NGO “Public Television”—Nataliya Gumenyuk

Ukraine Media Crisis Center—Tetyana Ogarkova and Oleksii Zhyvora (formerly)

Independent experts and observers:

Krisztina Arató, Institute of Political Science, Eötvös Loránd University

Gabriel Bădescu, Center for the Study of Democracy, Babeş-Bolyai University

Zbigniew Bochniarz, University of Washington

Henryka Bochniarz, Confederation Leviathan

Sasha Bezuhanova, MOVE.BG

Goran Bubalo, Network for Building Peace

Ljubomir Dimovski, Epicentar

Sanja Elezović, Open Society Foundation Montenegro (formerly)

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Majda Ganibegović, United Nations Development Programme–Bosnia
Linda Gusia, University of Pristina
Tanja Hafner Ademi, Independent Consultant
Venera Hajrullahu, Independent Consultant
Vladimír Hyánek, Centre for Nonprofit Sector Research, Masaryk University
Ivars Ījabs, University of Latvia
Maris Jõgeva, former Advisor to the Ministry of the Interior, Government of Estonia
Károly Jókay, Hungarian–American Fulbright Commission
Mladen Jovanović, National Coalition for Decentralization
Damir Kapidžić, University of Sarajevo
Kari Käsper and Kelly Grossthal, Estonian Human Rights Centre
Andrzej Kassenberg, Institute for Sustainable Development
Ágnes Kövér–Van Til, Department of Gender Studies, Eötvös Loránd University
Ivan Krastev, Center for Liberal Strategies
Paweł Krzeczunowicz, EEA & Norway Grants Financial Mechanism Office (formerly)
Urmo Kübar, Office of the President of Estonia
Éva Kuti, Budapest College of Management (retired)
Svitlana Kuts, Institute of Professional Fundraising
Marcella Michaud, Ukraine NGO Forum
Alina Porumb, Independent Consultant
Tatjana Rajić and Aleksandra Kapetanović, Expeditio
Iulius Rostas, Romani Studies Program, Central European University
Douglas Rutzen and Nilda Bullain, International Center for Not–for–Profit Law
Dušan Spasojević, Faculty of Political Sciences, University of Belgrade
Katalin Talyigás, Social Innovation Foundation
András Tóth, Institute of Political Science, Hungarian Academy of Sciences
Krisztina Túry, Indiana University Lilly Family School of Philanthropy
Jon Van Til, Rutgers University (retired)
Aleksandra Vesić Antić, Catalyst Balkans
Christopher Worman, TechSoup

Other grantmakers:

America for Bulgaria Foundation—Nancy Schiller and Dessislava Taliokova

Ana and Vlade Divac Foundation—Željko Mitkovski and Maja Vranić

Carpathian Foundation—Sándor Kőles (formerly)

Civil Rights Defenders—Goran Miletić and Ena Bavčić

Civitates—Léonie van Tongeren and Roy Virah-Sawmy

Forum for Civic Initiatives—Dajana Berisha

Foundation Open Society Macedonia—Vladimir Milčín (retired)

Fund for Belarus Democracy, German Marshall Fund—Jörg Forbrig

International Renaissance Foundation—Inna Pidluska

ISAR Ednannia—Volodymyr Sheyhus

Kosovar Foundation for Open Society—Luan Shllaku and Vera Pula

Macedonian Center for International Cooperation—Aleksandar Kržalovski

Mozaik Foundation—Zoran Puljić

Open Lithuania Fund—Sandra Adomavičiūtė

Open Society Initiative for Europe—Beka Vučo

Open Society Fund-Bosnia and Herzegovina—Dobriša Govedarica

Prague Civil Society Centre—Gabriela Svárovská and Igor Blažević

Romanian American Foundation—Roxana Vitan, Suzana Dobre, and Romeo Vasilache

Trust for Social Achievement—Sarah Perrine

Ukraine 3000 Charitable Foundation—Maryna Antonova

We are grateful to a number of interviewees who, for understandable reasons, declined to be named here.

Appendix 3: Works Referenced

What follows is a list of publicly available reports, articles, and other documents that are referenced in the report or otherwise helped to inform our study.

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