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presents

**Current situation regarding domestic
funding for Belarusian NGOs**

Case studies of NGOs
Survey of potential companies

by

Yegor Moroz and Halina Rusetskaja

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Current situation regarding domestic funding for Belarusian NGOs

INTRODUCTION

As a part of the study "Domestic Fundraising of NGOs: Opportunities and Prospects", 14 case studies were examined in order to explore the different sources of domestic fundraising. The selection included NGOs of various kinds: charitable, volunteer, environmental, sport, artistic, national or regional. This paper constitutes a summary of the main findings, with a focus on the funding themes currently employed. In addition to the case studies, a further survey was carried out examining potential companies which may constitute a further source of funding for domestic NGOs. A summary of the survey is also reproduced below.

1. Case Studies: Present Sources of Funding

Despite the existing legislative and financial obstacles, the study revealed good practices in domestic fundraising in the observed sample. Corporate funding exists in two versions: long-term sponsorship of an organisation and financing of a specific activity or project. In the majority of cases, donations for a particular project are observed much more than institutional support. Charity and sponsorship are identified as the main ways to attract funding and their significance for the company varies. In the case of charitable funding, the donating organisation does not seek any benefits, whereas in the case of sponsorship, one of the important motives is publicity.

One of the largest NGOs in the country, the Belarusian Red Cross (Белорусское Общество Красного Креста), revealed a practise based on the collection of membership fees. However this was deemed to be unusual, with the majority of the case studies revealing that cross-sectoral cooperation is, in fact, a reality. One example was the Federation of Belarusian Arm Wrestlers (Общественное объединение 'Белорусская федерация армрестлинга'), which has managed to attain free legal representation through the shrewd use of personal contacts. A nearby factory has also agreed to donate 30 items of clothing for the wrestlers, with the visibility of the company logo paramount. Likewise, the EcoProject Partnership (Международное Общественное Объединение 'Экопроект Партнерство') was able to persuade a company to supply them with items such as photo frames and gift cards for children to decorate, which were then used as promotional materials for both the company and the NGO.

In another case study, the Belarusian Association for Assistance to Children and Young People with Disabilities Charter in Stolin (Белорусская ассоциация помощи детям инвалидам (БелАПДИ) в Столине) was able to attract corporate sponsorship for the holding of a series of marathons designed to increase funding for their activities. Initial approaches to potential donors began two months prior to the planned events, with religious organisations making up the majority of those sponsoring the marathons. The organisation calculates that around 80% of its funding is raised through charity marathons. Publicity for the sponsors is paramount in the marathons, which is also the case for the Podzemka Art Gallery (Галерея 'Арт-Подземка'), which is able to attain corporate donations for individual exhibitions in return for publicity at the events. However, this is not the case for the youth association Revelation (Молодежное Общественное Объединение 'Откровение'), which has both a long-term sponsor in the form of an unnamed bank, and corporate partners for ad hoc projects. Neither requires publicity or advertisement of their actions, which is a welcome, if unusual practise.

A number of problems have been identified in the difficulties involved in finding corporate funding for NGOs. The **youth** organisation Altera (**Молодежное Общественное Объединение 'Альтера'**) suggested three possible reasons for their lack of success. Firstly, is the belief that companies tend to be more interested in projects and activities involved in helping ill or disabled children. Secondly, the lack of trust between NGOs and business is also an aspect. And thirdly, there exists documented procedural and legal difficulties. Some organisations have circumnavigated these problems by either approaching government departments directly for funding, **Association 'Belarusian AIDS Network'** (**Ассоциация некоммерческих организаций по противодействию эпидемии ВИЧ/СПИДа "БелСеть антиСПИД"**) which cooperates with the Ministry of Health among others is one example, or by establishing their own profit-making activities, known as social enterprises. One case study examined was that of the Belarusian Association of Visually Impaired People (**Общественное объединение "Белорусское Товарищество инвалидов по зрению"**). The organisation has been able to establish an industry-orientated company specialising in the production of electrical products, filters for the car industry, wood products and a range of consumer products. 24% of the profits from these activities go towards the organisation's projects and social services for its members.

Overall, the case studies illustrate the evident on-going cooperation with corporate partners and NGOs in Belarus. This is clearly encouraging. But there exists further untapped potential, from which organisations across Belarus may seek prospective funding opportunities. The second study of commercial companies reveals the significant extent of this potential.

2. Survey of Commercial Companies as Potential Donors for NGOs

The **pilot** survey was conducted via telephone interview of 40 **medium and large** company representatives, comprising enterprises involving in sectors as diverse as banking, consultancy, travel agents, franchising, tobacco, tourism, advertising and automobile holdings. More than half of the interviewed companies (62.5%) had supported NGOs financially, mainly dealing with charity (33.3%) or sporting activities (27.1%). Currently, 37.5% of the companies are involved in NGO funding. In terms of future plans, 67.5% of the interviewed companies admitted they are ready to cooperate with public organisations. 15 of the 40 companies had never had experience in NGO financing. Among them only 8 are not intending to include sponsorship in their future activities. In comparison, among the companies that had had experience in funding, 5 out of 25 are not considering further cooperation. Their reasons are the economic situation and lack of motivation.

Concerning the motives for supporting NGOs, 25% gave their primary reason for support as social responsibility. They consider the support as a contribution to society and an investment in the human resource. Second place in the spectrum of motives was compassion, one way or another referring to Christian values (20% of respondents). Their support is directed to charity organisations. The next socially orientated motive is sympathy (14%) to a particular aspect or subject of public life (youth, sport, religion). Others focused on the existing conditions for NGOs, considering it a responsibility of companies to support NGOs, because the state does not provide the necessary support.

The survey also revealed that communication is mainly initiated by the NGOs themselves; with 76% of those interviewed stating this was the case. In addition, an important finding was the disclosure that 18 out of 25 companies evaluated their experience of working with NGOs as positive.

In terms of obstacles to cooperation, the results were unexpected. The procedural difficulties so often referred to, were mentioned by only 12.5% of respondents as a challenge. In fact, 64% of the companies described the procedure for corporate donations as "easy". The interviews ascribed the financial difficulties of the companies as the main obstacle to funding NGOs.

In general, from the sample interviewed it seemed that banks and large companies were more likely to constitute a source of potential funding. But overall, three main conclusions can be found. Firstly, that the vast majority of respondents are ready for future collaboration.

Secondly, that a major part of the experienced companies are satisfied with the results of previous sponsorship deals. And finally, that the majority of those interviewed acknowledged the positive influence of the non-governmental sector on society.

CONCLUSION

Overall, these two studies are extremely encouraging in showing both how the current developing cross-sectoral partnerships work in practise, and the positive potential for future corporate sponsorship for the third sector in Belarus. Cross-sectoral partnerships already exist and indeed work well. The onus is now on both companies and NGOs to rise to the challenge and develop such partnerships further, to the clear benefit of all those concerned.