

# 2008 Community Foundation Global Status Report Overview

## Executive summary

The 2008 Community Foundation Global Status Report (GSR) tracks the growth of community foundations from a global perspective. It examines the trends that have emerged in the three years since the last report was published in 2005, and all the ways the global development of community foundations has been supported, including the funders promoting and supporting community foundation development, the support infrastructure, peer learning opportunities and the transfer of knowledge.

The information in the GSR is based primarily on survey research conducted in the first half of 2008, collected from in-country organizations that are promoting and supporting the development of community foundations. In countries where there are no support organizations, community foundations themselves were contacted.

***What is a community foundation?*** Community foundations are grantmaking organizations that:

- seek to improve the quality of life for all people in a defined geographic area;
- are independent from control or influence by other organizations, governments or donors;
- are governed by a board of citizens broadly reflective of the communities they serve;
- make grants to other nonprofit groups to address a wide variety of emerging and changing needs in the community;
- seek to build a permanent resource for the community, most often through the creation of endowed funds from a wide range of donors, including local citizens, corporations, governments, and other foundations and nonprofits;
- provide services to donors to help them achieve their philanthropic goals;
- engage in a broad range of community leadership and partnership activities, serving as catalysts, convenors, collaborators and facilitators to solve problems and develop solutions to important community issues;
- have open and transparent policies and practices concerning all aspects of their operations; and
- are accountable to the community by informing the general public about their purposes, activities, and financial status on a regular basis.

The 2008 Community Foundation Global Status Report confirms that the community foundation movement around the globe is robust and expanding, both in terms of the numbers of new community foundations and the number of countries where community foundations have been formed.

Some of the major findings are:

- Community foundations have been identified in 51 countries; 4 additional countries have active community foundation initiatives
- The number of community foundations globally has grown by 21% since 2005
- 46% of the total number of community foundations exist outside the US; up from 40% in 2005 and 37.5% in 2004
- The number of community foundations in the UK and Canada represents only 33% of the total number of community foundations outside the US; down from 42% in 2005 and 47.5% the year before

- Germany has surpassed Canada to have the second largest number of community foundations after the US: 190
- A new global fund has been established, the WINGS Global Fund for Community Foundations, which, through its strategic grantmaking, is having a major impact on the development of community foundations in areas that are underserved and under funded

New trends have emerged:

- There is more cohesiveness in community foundation structures, as the numbers of community foundations grow within countries, and they share their experiences through in-country membership associations and across borders
- New activity has been especially strong in southeastern Europe and the Balkans, as funders have moved their efforts farther south and east
- The World Bank's Community Foundation Initiative, and its support for community foundations as a tool for community driven development, has helped increase the visibility of community foundations
- There is more organic growth – from the bottom up – coming from initiatives of individuals, especially in countries or regions, such as the Middle East, where there are no organizations to support the development of community foundations
- Individuals are taking the lessons they have learned in one country and applying their knowledge to the development of community foundations in other countries
- The influence of educational fellowship programs and networks of senior NGO executives is becoming evident, as their participants take the lead in forming community foundations around the globe

The GSR takes a special look at the development of the global movement, and the global support structure that was put in place beginning in 1998. A timeline of major developments in the history of the global movement is presented, showing the ramping up of activity in that year.

The evolution in how the movement has been supported is examined. A transition is taking place as some organizations that supported the development of community foundations have shut down and others have developed new strategies for continued viability, such as broadening their membership, scope and mission. However, these seemingly negative developments have been more than matched by the emergence of new associations of community foundations within countries, to provide mutual support, at an earlier stage of development, and by new avenues for the sharing of knowledge and lessons learned.

The creativity shown in adapting and using community foundations to meet the needs of local communities, once again demonstrates the power of the community foundation concept to build cultures of philanthropy around the globe, in regions with vastly different traditions of giving.

# **1 The global community foundation movement**

## **1.1 Introduction**

The 2008 Community Foundation Global Status Report is the fifth in a series of reports on the development of community foundations around the world. It was commissioned and funded by Worldwide Initiatives for Grantmaker Support (WINGS).

WINGS-CF, a constituency group of WINGS, began tracking the international community foundation movement in 1999 in conjunction with International Programs of the Council on Foundations. The Global Status Report was one of the first projects WINGS-CF undertook as a newly-formed network devoted to providing support for organizations, associations and funders involved in community foundation development. At the time the first report was commissioned, it was becoming clear that the community foundation concept was spreading quickly beyond North America and the United Kingdom and was beginning to have worldwide scope and impact.

The progress reported in spreading the community foundation concept in the 8 years since the first report was published has been remarkable. The community foundation movement in continental Europe has gone from start-up phase to the point where it is well established and maturing in a number of countries. Community foundations globally are no longer being formed in relative isolation. They are receiving inspiration and motivation from an increasing number of sources. They are now part of a truly global movement and are increasingly interconnected – within countries, across regions and internationally.

The 2008 Community Foundation Global Status Report provides an overview of worldwide developments based on the most current information available from survey data. Other sources also have been consulted where available and relevant. Part I of the Report is a general Overview of what community foundations are; the trends in their development as viewed from a global perspective; and a review of community foundation developments by region.

Part II is a first look at the breakdown of community foundation assets worldwide. Part III consists of the Country Profiles, which are based on information collected from the surveys. In most cases these are submitted by the local organizations that support community foundation development – that is, from the people closest to community foundation activities in their own countries and regions. In areas where there are no organizations supporting community foundations, reports were solicited from the community foundations themselves. Part IV is a list of respondents for the country profiles.

## **1.2 The community foundation concept**

What are the characteristics of community foundations that make them such a powerful force for community betterment and change?

Community foundations are grantmaking organizations that:

- seek to improve the quality of life for all people in a defined geographic area;
- are independent from control or influence by other organizations, governments or donors;
- are governed by a board of citizens broadly reflective of the communities they serve;
- make grants to other nonprofit groups to address a wide variety of emerging and changing needs in the community;

- seek to build a permanent resource for the community, most often through the creation of endowed funds from a wide range of donors, including local citizens, corporations, governments, and other foundations and non-profits;
- provide services to donors to help them achieve their philanthropic goals;
- engage in a broad range of community leadership and partnership activities, serving as catalysts, convenors, collaborators and facilitators to solve problems and develop solutions to important community issues;
- have open and transparent policies and practices concerning all aspects of their operations; and
- are accountable to the community by informing the general public about their purposes, activities, and financial status on a regular basis.

No two community foundations are exactly alike. They are shaped by their local traditions of charitable giving and the local resources available to meet the needs of their communities. Even in regions where they have been established for the longest periods of time, variations in structure and emphasis have developed. Community foundations display all of the attributes listed above to a greater or lesser degree. The adaptability of the concept makes it possible for each country and area to mold its community foundations to fit its unique circumstances.

Globally, the greatest variability in the ways community foundations operate are in the types of financial support they attract, especially the types and mix of donors, and the impact their gifts have on sustainability. In North America, especially in the US and Canada, the overwhelming support for community foundations comes from individual donors of moderate to wealthy means. In countries where community foundations are a newer form of community philanthropy, and especially in areas where the resources of individuals may be more limited, local businesses, and domestic and international foundations, may provide a greater proportion of the support. In some areas, national and local governments have played a larger role in providing funding, especially for grantmaking; they see community foundations as an effective way to identify and fund local organizations addressing local needs. Endowments are not easy to understand or market, especially in areas where local needs are great. As a result, in many countries donors – whether individuals, corporations, foundations, governments and government entities – want their donations to have immediate impact. Building endowed permanent funds to ensure sustainability remains for many developing community foundations a goal they aspire to rather than a near-term reality.

The variability in the types of gifts and funding community foundations attract is only one example of how community foundations have been successful in adapting the concept to meet local needs and circumstances. A number of other examples could be drawn from nearly all of the functional areas of community foundation operations, for example, differences in board composition. As long as community foundations remain true to the basic concept, there can be considerable flexibility in how they are constructed and carry out their mission.

The two most important attributes of community foundations are their adherence to open and transparent policies and practices, and their accountability to the general public. The most important factor in establishing a community foundation is trust – trust that the organization is independent of influence, that it is an honest broker and will do what it says it will do. Local donors will not give through an intermediary organization unless it has their trust, and they can see that their giving will be more effective and strategic than the ad hoc person-to-person charity to which they are accustomed. Through their openness and transparency community foundations have often led the way in creating cultures of philanthropy and providing a model for how other non-profit organizations should operate.

The creativity and ingenuity communities have displayed in developing variations on the community foundation concept are a testimony to the power of the idea and its effectiveness. As more and more community foundations are developed around the world, it is evident that every country, region, and community can find ways to take the concept and make it their own.

### Discovering a passion for giving

**Rio de Janeiro, Brazil: Instituto Rio.** This story is rather significant and typical of Instituto Rio. It involves our former CEO, the publisher Geraldo Jordão Pereira, also our largest donor, who recently died. The more he donated and involved himself in Instituto Rio's work and activities, the more his conscience demanded of him. This reached a point where, in one of our last conversations, he said he felt he was collaborating and participating very little and should give more of himself to the organization. That is, the more donors give and get involved ..., the more they want to give and involve themselves in the organization's work.

*Note:* In 2005 a donation of US \$700,000 (\$1.5 million *reais*) from Geraldo Jordão Pereira made the long-awaited dream of an endowment fund a reality for Instituto Rio. His gift was unprecedented and made possible in part by his purchase of the Brazilian rights to the novel *The Da Vinci Code* before it became a worldwide best seller.

## 1.3 The globalization of support for community foundation development: 10 years on

The year 1998 marks the turning point in the globalization of the community foundation movement, with increased activity surrounding community foundation formation, and the creation of an infrastructure for the support of community foundations.

The idea for Worldwide Initiatives for Grantmaker Support (WINGS) can be traced back to a global meeting of organizations that support grantmakers held in Oaxaca, Mexico in February 1998. Following that, in October, a smaller meeting of a group of organizations focused on supporting community foundation development took place in Miami, Florida. Together these two meetings led to the development of WINGS, a global network of organizations that support grantmakers, and its constituency group for those supporting community foundations, WINGS-CF, which was formally established on 1 January 2000.

Prior to 1998 there were only a few attempts to connect those interested in community foundation development globally. There are a number of reasons why the formation of a global network at that time seemed a reasonable next step. There was an awareness that community foundations were being formed in countries outside of North America, and the rate of formation was increasing. Following the fall of communism in 1991 international funders undertook massive efforts to help transform and realign the countries in Central and Eastern Europe (CEE) into the political, economic, and civic structures of the West. They first focused on the basic components necessary for integration, by supporting activities such as democracy training and the creation of economic institutions. In the second phase funders sought ways to consolidate their efforts by helping to develop civil society and the third sector. The successful transfer of community foundations to the UK in the 1980s and 1990s was a major factor in funders' belief that community foundations could play a key part in their local strategies to build civil society and provide sustainable support for the nonprofit sector. Local individuals, as well as funders, were attracted to this

type of community philanthropy organization, which was based on local control and local decision making. Community foundations also were seen as laboratories for demonstrating the power of citizen action and a way to build a culture of individual responsibility. Their open and transparent operations helped build trust in societies, where individual philanthropy was either unknown or had been forcibly suppressed. As funders began supporting the promotion and development of community foundations in CEE and other parts of the developing world, it became apparent there was a real need to connect the various development efforts, so that knowledge and resources could be shared and duplication of effort could be minimized.

It is no coincidence that the formation of WINGS and WINGS-CF came less than six years after the formation of the Healthy City Community Foundation of Banská Bystrica in what is now the Slovak Republic, the first community foundation formed in Europe after the collapse of communism in 1991. Efforts to develop community foundations in the 1990s were beginning to bear fruit, in CEE and also in Western Europe, as Germany, Ireland and other countries saw the benefits of individual philanthropy and citizen action in helping to meet local needs. There were signs that globalization was beginning to be evident not just in the economic sphere, but in civil society as well.

Building a global network to support community foundation development would not have been possible without advances in communications and technology that allowed local community foundations to present themselves in new ways to the public both at home and abroad, and also to reach across boundaries in real time to share knowledge and lessons learned. Technology had the effect of increasing the rate at which knowledge about the community foundation concept was transmitted; it provided a means to share rapidly the impact community foundations had in their own communities; and it brought community foundations and the funders and organizations that supported their development closer together.

As the global timeline of community foundation developments below demonstrates, a number of factors and new activities came together in 1998 to increase the focus on community foundation development. After 1998 the pace of formation speeded up dramatically. The establishment of the WINGS-CF global network, and other in-country support organizations, were major contributors to the dynamic growth in the numbers of community foundations that occurred at the end of one century and the beginning of the next.

### **Community Foundations Global Timeline**

#### **Early developments:**

- 1914 The Cleveland Foundation – first modern community foundation established in the US
- 1921 Winnipeg Foundation – first community foundation in Canada
- 1949 US community foundations form the National Committee on Foundations and Trusts for Community Welfare – first national support organization for community foundations, established “to promote responsible and effective philanthropy.” It later opens its membership and evolves into the Council on Foundations (COF).
- 1969 US community foundations receive the preferred tax status of “public charities” under the Tax Reform Act of 1969, which sets the stage for major growth in the US

### **Beginnings of globalization – moving outside North America:**

- 1979 Community Foundation for Northern Ireland (formerly Northern Ireland Voluntary Trust) formed with support from the UK government and other local funders
- 1983 Victorian Community Foundation – first community foundation in Australia; a bank trust
- 1985 Puerto Rico Community Foundation – first community foundation in the Caribbean, formed with support from the Ford Foundation and other funders
- 1991 Community Foundation Network (formerly ACTAF) – first national membership organization for community foundations in Europe
- 1991 Bombay Community Public Trust – first community foundation in India, aided by Centre for the Advancement of Philanthropy in Mumbai
- 1991 Osaka Community Foundation – first community foundation in Japan
- 1992 Community Foundations of Canada (CFC) established
- 1994 Healthy City Community Foundation of Banská Bystrica, Slovakia – first community foundation in continental Europe after the fall of communism
- 1994 Charities Aid Foundation-Russia begins promoting the community foundation concept in Russia
- 1996 Stadt Stiftung Gütersloh Foundation – first German community foundation, formed in the hometown of the Bertelsmann Foundation
- 1997 First community foundations in Africa established – Kenya Community Development Foundation and the Community Foundation for the Western Region of Zimbabwe.

### **1998 – The turning point for the global movement:**

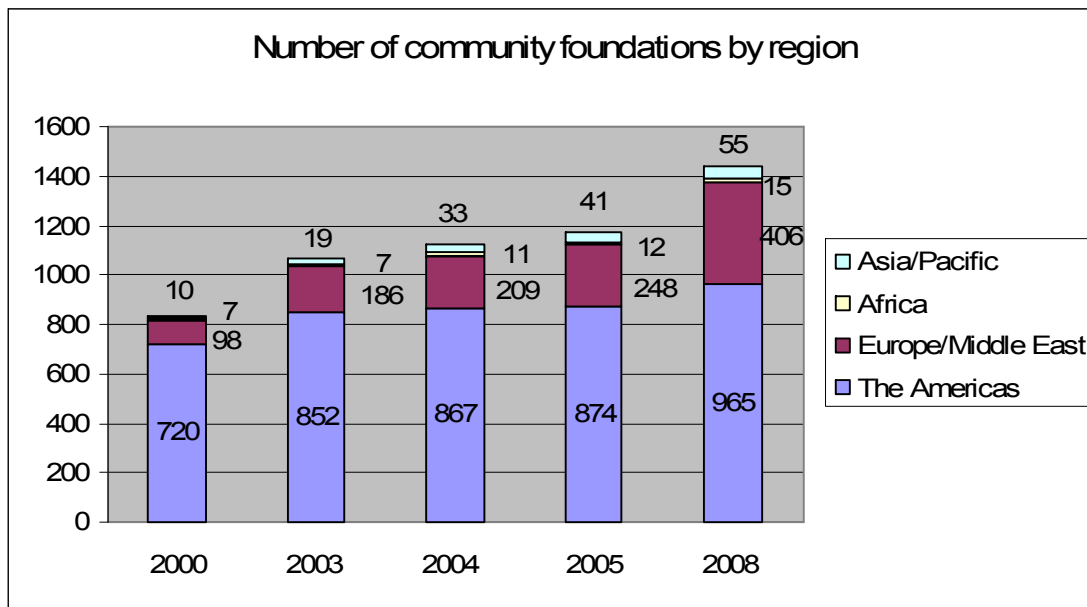
- International Meeting of Associations of Grantmakers (IMAG) – first global meeting of organizations that support the development of philanthropy in Oaxaca, Mexico; precursor of WINGS
- Academy for the Development of Philanthropy in Poland (ADPP) begins promoting the community foundation concept in Poland
- First community foundations formed in Czech Republic, Poland, Russia, South Africa
- Centro Mexicano para la Filantropía (CEMEFI) launches a project to promote the community foundation concept to Mexico
- European Foundation Centre’s Community Philanthropy Initiative established
- Baltic American Partnership Fund (BAPF) formed with support from USAID and the Open Society Institute (Soros Foundation); promotes the community foundation concept in Estonia, Latvia and Lithuania.
- King Baudouin Foundation begins working with corporate donors to establish community foundations in Belgium
- A meeting of organizations that support the development of community foundations convenes in Miami; the precursor of WINGS-CF
- International Programs of COF decides to track the development of community foundations around the world

### **Post-1998 – Era of continued expansion and consolidation:**

- 1999 Community Foundations of Canada (CFC) manages the precursor to WINGS-CF
- 1999 International Programs of COF and WINGS-CF join together to fund research on global community foundation developments
- 1999 Transatlantic Community Foundation Network is established – a project of the Bertelsmann Foundation with support from the Charles Stewart Mott Foundation
- 2000 WINGS formally begins operating on 1 January 2000; COF hosts the WINGS Secretariat; CFC continues to host the WINGS-CF constituency group

- 2000 The first Global Status Report is published jointly by WINGS-CF and COF
- 2000 Transatlantic Community Foundation Fellowship program – a joint project of the King Baudouin Foundation and the German Marshall Fund of the US – selects its first class of fellows and host foundations
- 2003 WINGS and WINGS-CF combine when the WINGS Secretariat rotates to the European Foundation Centre
- 2004 *Community foundations: Symposium on a global movement*, organized by WINGS-CF –first global meeting of community foundation practitioners and researchers in Berlin, December 2004
- 2006 WINGS establishes the Global Fund for Community Foundations with a landmark grant from the World Bank and support from other major funders
- 2007 The WINGS Secretariat rotates to Manila, hosted by the Asia-Pacific Philanthropy Consortium; the first time it is based in the global South.

#### 1.4 Highlights of global community foundation developments since 2005



**Yearly totals:** 2000 – 835; 2003 – 1064; 2004 – 1120; 2005 – 1175; 2008 – 1441

- 1441 community foundations have been identified in 51 countries; 4 additional countries have active initiatives; 16 new countries either have or are developing community foundations
- The number of community foundations has grown by 21% in 3 years; the number of countries has increased by 9 (net)
- The number of community foundations outside the US continues to grow -- 46% of community foundations globally now exist outside the US, up from 40% in 2005, and 37.5% the previous year
- The number of community foundations in the UK and Canada continues to decrease on a percentage basis; now only 33% of the community foundations formed outside the US, down from 42% in 2005 and 47.5% in 2004
- The number of community foundations outside of Canada, the UK and the US is 447, which represents a 56% increase since 2005



- Germany has surpassed Canada to have the second largest number of community foundations after the US: 190; Germany now represents 28.5% of the community foundations outside of the US; it has a three-year growth rate of 126%.
- The United Kingdom is in a steady state with 95% coverage of both territory and population
- Formation activity has been especially strong in southeastern Europe and the Balkans, as funders have moved their efforts farther south and east
- In addition to southeastern Europe and the Balkans, new activity is notable in the Middle East, Central Asia, South America, Africa, India and Thailand
- Understanding of the community foundation concept is becoming more widespread, as the numbers of community foundations grow; the World Bank Community Foundation Initiative has contributed significantly to raising the profile of community foundations and their role in community-driven development
- A new initiative, the WINGS Global Fund for Community Foundations, is established in 2006 to provide strategic funding to emerging community foundations and development efforts in the global South and other disadvantaged areas
- As the numbers of community foundations grow within countries, and experiences are shared through in-country networks and across borders, more cohesiveness in community foundation models is being demonstrated
- There is more organic growth – from the bottom up – with initiatives being driven by individuals, especially in countries or regions, such as the Middle East and South America, where there are no organizations to support the development of community foundations
- Academic research programs on philanthropy and philanthropy networks are beginning to have a demonstrable impact on the formation of community foundations
- Due to increased cross border networking and information sharing, community foundations have gone from being merely actors in global civil society to being creators of global civil society

## 2 Global trends

### 2.1 Trends in the growth of community foundations by region

It is nearly 30 years since the Community Foundation for Northern Ireland was established, one of the first community foundations outside of North America, and nearly 15 years since the Healthy City Community Foundation in Slovakia was transformed into a community foundation after the fall of communism.

Community foundations have grown and been adapted in countries around the world to the point where the concept is no longer considered peculiarly North American. What is striking about the global community foundation movement today is its independence from what once was considered the “traditional” North American model. Community foundations globally no longer look to the US as the sole reference point for community foundation ideas and developments. The number of community foundations outside the US shortly will surpass the number of community foundations inside the US. In Europe especially, there are a large number of community foundations that are dealing with common issues: a weak culture of philanthropy; how to attract donors not used to giving through intermediaries; the lack of supportive legal and tax environments; the need to find innovative ways to fund operations. In an increasingly globalized world, learning is no longer one way, but plays out in a number of interesting ways as community foundations are involved in international networks that let them share what they have learned with others around the globe.

As Peter Walkenhorst, Program Director of the Transatlantic Community Foundation Network, has commented,

“[C]ommunity foundations are a prime example of the growing internationalization of philanthropy. Although first invented in the US, they are no longer a uniquely American concept, but have developed into a truly international form of organized philanthropy. As the community foundation concept ... spread across Europe and around the world during the last decade, it was constantly adapted to different political and cultural environments. Moreover, community foundations from different countries have begun to collaborate across national borders in order to share experience and expertise and to jointly develop new strategies. And this international dialogue is no one-way street. ... Since they lack the financial resources that many US community foundations enjoy, they don’t measure their success by the size of their assets, but by the societal change they help to facilitate in their communities. ... And while these young foundations remain aware of their many inherent weaknesses, they do not suffer from an inferiority complex regarding their American counterparts.<sup>1</sup>

In **North America**, where the modern community foundation movement began, Canada continues to show steady growth, although the expectation is, given that all the major cities and population centers are covered, growth will slow and more of the rural areas will be covered by geographic component funds of existing community foundations. Community Foundations of Canada reports 163 community foundations, which is 29 more than they reported at the end of 2004.

The US continues to grow slowly in terms of numbers, and it too sees growth in the future coming primarily from geographic component/affiliate funds as a way to fill in the gaps in coverage. It is

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<sup>1</sup> Walkenhorst, Peter, *Alliance*, Volume 12, Number 1, March 2007, pp. 4-5.

estimated that there are about 775<sup>2</sup> community foundations in the US. However, gifts, assets and grants made continue to show dramatic growth. The Columbus Foundation Survey of 631 community foundations reports that for 2006: \$5.7-billion in contributions were received; total assets increased to \$51.2-billion; and \$3.7-billion in grants were made, all of which set new records.

### **Strengthening vibrant and sustainable community based organizations**

**Rustenburg, South Africa.** The **Greater Rustenburg Community Foundation (GRCF)** now sees a significant change in organizations that have received grants and technical support from the foundation over the years. One example is a women's empowerment organization in one of the informal squatter communities on the outskirts of Rustenburg. The GRCF invested an amount of R27,000 (approximately US \$3,360) in this organization 3 years ago, and continues to provide technical support to the organization through its mentorship program. The organization started delivering Home Based Care (HBC) services, after identifying numerous terminally ill people, as well as orphans and vulnerable children in the Boitekong community. Soon they realized that they would not be able to continue the HBC unless they added an income generating project. The members of the women's group became skilled in beading, sewing and other forms of art work. Finally, they received accreditation from the local Sector Education and Training Authorities (SETA) and, through the income they generated, were able to subsidise their HBC services. The GRCF added capacity through various training programs, as well as making a grant to expand their income-based project and equipping the HBC program. Through its relationship with a GRCF corporate donor, the foundation was able to find a partner for the project in a local leading financial institution. This connection resulted in the women's group receiving recognition by the financial institution, which in turn created a market where the group can sell their products at main tourist destinations in the community. The financial institution also supports the financial and administration costs of the project. This affords the women's group the opportunity to continue a desperately needed HBC service in the community. Recently this group received a multi-year grant from the local department of social development to the value of R600,000 (approximately US \$75,000) per year for a three-year grant.

Mexico is showing a maturing of its community foundation movement. Although the number of community foundations identified by the Centro Mexicano para la Filantropía (CEMEFI) has dropped from 19 to 17, this is a positive sign, as it reflects a sorting out of community foundation models in Mexico. Mexico had quite a few different indigenous community philanthropy models. As the community foundation movement in Mexico has progressed, the community foundation models have been coalescing and a consensus is growing about what a community foundation looks like and how it operates. This process has been helped along by community foundations working together as members of the Community Foundations Group under CEMEFI's umbrella.

The number of community foundations in the **Caribbean** has remained steady, although interest in community philanthropy is growing. Several of the non-US community foundations in the Caribbean have received grants from the WINGS Global Fund for Community Foundations that are helping them to strengthen their operations and focus their missions. The Association of Caribbean

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<sup>2</sup> It is difficult to get an accurate count of the numbers of US community foundations, due to the decentralized nature of US community foundation development. As of 15 May 2008, the Foundation Center had identified 723 community foundations (personal communication). This number should be considered a baseline parameter, as there is a lag in information collected, and it undercounts new and emerging community foundations. The estimate of 775 is based on Foundation Center data and additional information obtained from one state organization and other sources.

Community Foundations shut down last year, but a new stronger association of grantmakers in the Caribbean is being formed. It will have a broader membership base and the participation of other stakeholders, such as the University of the West Indies' Centre for Caribbean Philanthropy, which should put the new organization on a more solid footing.

Interest in the community foundation concept in **South America** is increasing. Brazil has two active community foundations, and one in formation. A community foundation is being formed in Uruguay. Argentina has been exploring the concept for some time. An Argentine foundation, Fundación SES, recently received a grant from the WINGS Global Fund to work on establishing as many as three community foundations there.

Community foundations are firmly established and spreading in **Western Europe**, attracting broad support from individuals, businesses, local funders and all levels of government. Community Foundation Network (CFN) in the UK reports 56 community foundations, one less than it reported in the 2005 Community Foundation Global Status Report due to a merger. CFN now estimates that both 95 percent of the population and 95 percent of the country's territory have access to a community foundation. The Leeds Community Foundation recently received a donation of £10 million (US \$19.9 million) for a donor advised fund, the largest donation ever received by a UK community foundation. Ireland also has grown significantly and reports that its assets are now over €20 million.

Germany continues to have the most dynamic community foundation movement in Europe, exhibiting major growth in numbers. 190 community foundations have been reported, and it has now surpassed Canada to have the second largest community foundation movement globally. As community foundations in Germany are city-based, it is expected that there is significant room for the numbers of community foundations to increase. In northern Italy, the Fondazione Cariplo's initiative to establish community foundations is nearly complete in the region of Lombardy where it operates. Community foundations have also spread to other regions in the north of Italy, but now appear to be poised to spread further south as another foundation based in Rome has taken up the community foundation cause. There is increasing interest in Belgium where several community-based initiatives are underway. The Fundación Bertelsmann, a sister foundation to the Bertelsmann Foundation in Germany, has begun to promote community foundations in Spain. The Fundación Bertelsmann identified one existing community foundation in a district in Barcelona, which is considered to be the first community foundation in Spain. Turkey also has established a program to promote and develop community foundations; the first community foundation in Turkey was registered in 2008.

There are still large parts of Western Europe where the community foundation concept has not taken hold. These are for the most part countries that either continue to maintain a comprehensive social welfare state or have a strong tradition of religious charity. An exception to this is the Netherlands, which reports that 10 community foundations have been established, all of which are still at very early stages of development.

The picture for **Central and Eastern Europe (CEE) and Central Asia** is complex and changing rapidly. Poland and Russia continue to have strong community foundation movements. Poland reports 20 community foundations with nearly as many in formation. Russia continues to see strong growth in the numbers of community foundations. There are more than 30 community foundations in Russia now; the oldest community foundation has an endowment of nearly US \$2 million.

It is not possible to form a community foundation without the strong support and the vision of local citizen volunteers who serve on community foundation boards. However, the community foundation movement in CEE has been largely driven by funders as part of their efforts to build democracy, citizen participation and civil society in the post-communist era.

There has been a definite progression in the formation of community foundation in CEE and Central Asia, which closely parallels the countries where funders focus their efforts to promote the community foundation concept.

The countries that were closest to Western Europe, many of which had a history of independence before communism, were the first to receive the attention of funders. Support came from the large international foundations such as the Soros, Mott and Ford foundations and from governmental agencies, including the US Agency for International Development (USAID). However, these countries have now “graduated” from programs designed to build and support civil society.

As funders move on to new priority areas, it is likely that there will be some sorting out of the stronger and weaker community foundations. It is even possible that some community foundations may close. There is cause for concern, but in the end the departure of external funders is likely to produce positive outcomes as community foundations learn to stand on their own. The experience of the Slovak Republic in transitioning away from large amounts of external funding indicates that, even though developments may slow, the community foundation movement can emerge stronger, as they form their own associations, join international networks to share knowledge and strengthen their own community foundations, learn how to compete for funds from external sources, and how to identify and attract funds from indigenous sources for their programs and operations.

Funders are taking the lessons they learned from their early efforts in Central and Eastern Europe and transporting them to new areas in southeastern Europe and further east into Central Asia, where integration with the West has been more difficult. These include areas that were more closely tied to the Soviet Union, or where the release from Soviet influence led to instability and sometimes war, shifting borders and forced resettlement of ethnic groups.

One of the most striking things about developments in CEE is that the numbers of countries where community foundations are being established has increased by 50 percent since the last Global Status Report in 2005. Half the growth in the number of new countries where community foundations are active has occurred in southeastern Europe and Central Asia.

The **Middle East** has had major developments in the last three years, demonstrating new trends in community foundation formation. Three new community foundations have been established in the Middle East – two in Egypt and one in Palestine. There is also a recent report of a new community foundation being established in Israel. All of these were the results of local initiatives, accomplished without the assistance of international funders, even though they are now attracting funding from the outside to support their organizational development. The development of community foundations is coinciding with a new focus on private philanthropy in the Middle East. The Arab world is highly charitable due to the dictates of the Islamic faith. One of the five pillars of Islam is *zakat*, a form of tithing which requires the faithful to give a portion of their wealth to the needy. Almost all of this giving has been done person to person or through religious institutions. A new focus on strategic philanthropy is taking place in the Middle East, and these community foundations are playing a role in helping to further this movement.

### Providing clean water for 300 families

**South Sinai, Egypt: Community Foundation for South Sinai.** Our Bedouin trustee took us out to see Salama. In the middle of the desert Salama had dug a well at his own expense, at a cost of at least 25,000-30,000 LE, and built a pool. The purpose was to supply free fresh drinking water to the 300 families living in and around his wadi. Their only other water source is the truck that comes monthly, bringing poor quality, expensive water.... Salama is not a rich man, but he takes seriously his religious duty to help others in need. The pool enabled even their livestock to drink. But the pump for the well was broken, and algae was growing in the pool. He needed help to build a covered, lined tank for the water, with a tap, and to repair his pump. We were happy to award him a grant of 6,000 LE. In the west we take water completely for granted: in Sinai every drop is precious. To provide this resource for a whole community was an initiative we felt deserved support.

The interest in community foundations is expanding in sub-Saharan **Africa**. Africa has several well-established community foundations in Kenya and South Africa that serve as models for newer initiatives and help to promote the community foundation concept in the region. The community foundation in western Zimbabwe is doing heroic work under difficult conditions. More recently community foundations have been established in Malawi and Tanzania. Four new community foundations were established in Tanzania in the last year with assistance from the World Bank's Community Foundation Initiative. The Malawi initiative was aided by the support of a Scottish foundation with ties to the Scottish Community Foundation. The community foundation in Ghana has been the recipient of funding for organizational activities from the WINGS Global Fund.

**Asia** is a region also experiencing growth in the numbers of community foundations. The oldest and most established community foundations, the Bombay Community Public Trust and the Osaka Community Foundation, were formed in relative isolation in the early 1990s. Since that time interest has grown aided by efforts to promote the concept in India, the Philippines and Thailand. Most of these initiatives are the product of the efforts of local support organizations and have had support from local funders. International funders have also shown an interest in establishing community foundations in India; the World Bank has been active in establishing one community foundation in Thailand. The potential of diaspora philanthropy as a means to support community foundations is being explored. With the rebound of the economy in Japan, interest in promoting the community foundation concept is growing. Singapore is developing an unusual community foundation, focused on attracting only high net worth donors. No concrete developments have occurred in China, even though a number of academic researchers think there is potential for the development of community foundations at the local level.

In the **Pacific**, Australia continues to expand the number of community foundations through its program to develop community foundations in regional and rural areas. There are 30 established community foundations in Australia with a further 9 in development. One community foundation was also established recently in an urban area covering three districts in Melbourne. Community foundations can be found in all the states and territories of Australia with the exception of the largely rural Northern Territory. In New Zealand a prominent family foundation has been promoting the community foundation concept, which has led to the establishment of 7 community foundations, some of which have been transformed from already existing organizations.

With the numbers of community foundations showing significant growth around the globe, the adaptability of the concept is being proven time and again. The more examples there are of successful

community foundation models in different parts of the world, the more familiar and attractive the community foundation concept becomes. The adoption of the concept by the World Bank, as part of its strategy for community-driven development, has also increased knowledge about the concept, both within the Bank and globally, giving it increased credibility.

## **2.2 Trends in grantmaker associations and support organizations**

As the global community foundation movement continues to mature, one sign of this is the growth in the numbers and types of organizations that support the development of community foundations. Grantmaker associations and other types of support organizations provide their members or constituents with current information on issues of importance, promote the interests of community foundations to government bodies, create opportunities for networking and peer-to-peer learning through conferences and other meetings, and help promote the community foundation concept through publications and presentations.

Support organizations can be member-based associations. They may be formally structured, highly staffed and focused on delivering programs and services for their members, or they may be more informal affinity groups, volunteer-driven, designed primarily for information sharing and networking. Funders can also operate as support organizations, providing the same services, without being member-based. An example of this is the Charities Aid Foundation branch in Russia. Organizations that serve all types of grantmakers may have a group or section devoted to community foundations, as is the case in the US, Mexico, Germany, and the Philippines. NGO support centers and organizations contracted by funders, also have taken on support roles for community foundations.

The US was the first to develop a membership association for community foundations in 1949, 35 years after the first community foundation was formed. This organization later evolved into the Council on Foundations and opened its membership to all types of grantmaking foundations. The Council's first annual conference dedicated solely to the interests of community foundations was held in 1985.

US community foundations receive additional support from regional associations of grantmakers. The largest of the regional associations have programs designed to meet the needs of their community foundation members. In some states in the US, community foundations have come together to form their own associations to address the legal, political and grantmaking concerns of their membership.

Community Foundations of America (CFA), mentioned in previous Global Status Reports, was serving as a community foundation research and development organization. In 2007 it decided to broaden its mission and its market, an emerging trend in associations of grantmakers. It changed its name to GivingNet to reflect the fact that it no longer focused solely on community foundations. . It ceased operations in 2008.

### Measuring *Vital Signs*

**Canada: Community Foundations of Canada.** Community foundations are issuing report cards that measure quality of life in key areas to help their communities respond to changing needs and opportunities. In 2006, the pilot year of CFC's national *Vital Signs*® initiative, Victoria, Vancouver, Ottawa and Montreal joined Toronto, which created the *Vital Signs* model in 2001.

All *Vital Signs* reports use a core set of indicators organized into at least ten common issue areas. ... Then each city adds its own indicators to reflect their particular community. The measures are chosen with broad community input. CFC's national component will track trends and produce a national report that examines one theme in depth each year. *Vital Signs* is already sparking change. For example, Vancouver Foundation's *Vital Signs* report is deepening discussion on community issues such as homelessness, the environment and immigration. More than 25,000 copies of a four-page highlights summary were distributed to health centres, libraries, community centres, and schools across Vancouver. Vancouver Foundation's CEO and its Vice-President for Community Leadership took on a full schedule of speaking engagements at policy boards, conferences and not-for-profit organizations. The result has been immediate. *Vital Signs* data is on the table in discussions at the Board of Trade, the City of Vancouver, and the Greater Vancouver Regional District.

The establishment of organizations designed to support the development of community foundations globally began to take off in the early 1990s. The Community Foundation Network in the UK was the first formed in 1991. Canada, which had been participating in the US-based Council on Foundations, formed its own organization, Community Foundations of Canada in 1992. Both are professionally-run membership organizations solely devoted to community foundations.

Efforts to support community foundations within broader organizations soon followed in: Russia (1994), South Africa (1997), Mexico (1998), Poland (1998), and Australia (1998), among others. The European Foundation Centre, which was established in 1989, began its Community Philanthropy Initiative in 1998, in order to strengthen and increase community philanthropy across Europe by promoting and building the capacity of community philanthropy organizations, including community foundations.

In Germany a group of national foundations interested in community foundation development founded the Community Foundations Initiative (Initiative Bürgerstiftungen) in 2001 in collaboration with the Association of German Foundations (Bundesverband Deutscher Stiftungen). Its mission is to: promote the establishment of new community foundations, professionalize the work of existing ones, and publicize the community foundation concept. This initiative came directly under the umbrella of the Bundesverband Deutscher Stiftungen in 2004 to more closely integrate its activities with the activities of its Community Foundations Affinity Group. Aktive Bürgerschaft, an organization founded by members of a savings bank association in 1997 to promote citizen participation, began to support the development of community foundations that are attached to its member banks.

Associations of grantmakers in other parts of the world are promoting the community foundation concept. The Association of Foundations in the Philippines has been promoting community foundations for the past 5 years. It has a Community Foundations Committee and a community foundations program that produces materials on how to establish and operate a community foundation in the Philippine context. Sampradaan Indian Centre for Philanthropy (SICP), a non-profit advocacy



and support center, also has been promoting the community foundation concept for at least a decade, and is now involved in helping to establish community foundations, primarily in rural areas.

As noted above, a major development for community foundations globally was the formation in 2000 of Worldwide Initiatives for Grantmaker Support (WINGS), and its community foundations constituency group (WINGS-CF). WINGS can be characterized broadly as support organization for support organizations. In 2007 the WINGS Secretariat rotated to the Philippines where it is being hosted by the Asia-Pacific Philanthropy Consortium in Manila for the next four years, the first time this global organization has been based in the global South.

Not all of the trends in support for community foundation development appear to be positive. Some support organizations are phasing out, such as the Baltic American Partnership Programs (BAPP) in Estonia, Latvia and Lithuania, which will close when the Baltic American Partnership Fund reaches the end of its ten-year lifespan at the end of 2008. Each of the BAPPs was to put in place an organization that would continue their support work. In Latvia a community foundations membership group has been established, Community Foundation Movement. A non-profit support center in Lithuania has been selected; but there is no successor organization in Estonia. The Trust for Civil Society in Central and Eastern Europe (CEE Trust), which is supporting the development of community foundations in a number of countries, is also scheduled to shut down in 2012.

As funders move on to new areas, questions of sustainability are coming to the fore for support organizations. One small association of community foundations, the Association of Caribbean Community Foundations, closed in 2007 when its grant funding expired. However, new funding is being obtained and a broader organization is in the planning stages, which will be open to all types of Caribbean grantmaking foundations, including community foundations, private and family foundations, and corporate foundations and giving programs.

One strategy that has been developed to ensure sustainability is to broaden their membership base or their scope. Another strategy is to set up independent organizations with a broader constituency that will, it is hoped, provide a larger funding base. This was demonstrated by Community Foundations of America in 2007 and the US-Mexico Border Philanthropy Partnership in 2008.

Partially counteracting these developments is an increase in the numbers of national associations and community foundation affinity groups. Sometimes they occur in parallel with other support organizations (such as in Russia) or sometimes they fill the gaps created by the departure of the support mechanisms originally put in place by funders. Given their effectiveness in terms of networking and information sharing, these affinity groups and associations are being formed at earlier stages of development within countries. No longer are community foundations waiting 35 years, as in the case of the US, or 12 years as in the UK, to form their associations. Associations are being formed when there are three to four community foundations in a country, within a couple of years of their development, in order to provide support for each other and maximize the impact of their experiences through knowledge shared.

### **Residential school for tribal children**

**Pune, India.** The **Nav Maharashtra Community Foundation (Navam)** is based in the State of Maharashtra. Even though Maharashtra is considered to be one of the progressive states in India, the reality is that the rural communities in Maharashtra receive very little attention or funding. As a result, Navam focuses its efforts in supporting innovative projects among the rural communities of Maharashtra.

Navam is funding an experimental effort to provide a unique model school for the benefit of children primarily from the Katkari and Dhangar tribes. Both of these communities have been deprived of education because of their low socio-economic status, as well as the lack of awareness and relevance of formal educational system. The remote areas in which they live, and their nomadic life styles, also hinder their success in traditional schools. The first priority is to convince parents of the need to educate their children in an appropriate way. Shramik Sahayog, a Navam grantee, is focusing on a combination of vocational and traditional education, in an attempt to curb the high dropout rate. Shramik Sahayog uses a “hands on” approach to learning and a “project method” to increase students’ interest and involvement. The method has a special focus on music and dance, both for entertainment and to inculcate team spirit. Hands-on learning has led to greater involvement of the children in their education. It encourages creativity while helping them to development analytical and evaluative skills.

In the early stages these informal associations are usually volunteer-driven, but as the numbers of community foundations grow in a country, there is a trend toward associations becoming more structured and at times professionally led. They are then in a position to apply successfully for grants from funders in order to strengthen their organizations and expand their program activities.

Increasingly, support organization personnel are being asked to share their experiences and expertise with funders and local initiative groups from other countries. The strength of community foundations in countries outside the US means that community foundations and those interested in developing community foundations can look closer to home for models that work in situations similar to their own. The community foundations in Russia and the Slovak Republic have become a point of reference for many of the countries in Central and Eastern Europe. The Russian Community Foundations Partnership includes among its membership, community foundations from neighboring countries. Community Foundations of Canada, which has produced a rich set of materials which detail innovative programs and community foundation start-up, is especially active in helping to promote the community foundation concept globally.

One of the newer trends among support organizations is the development of in-country standards for community foundations. As the number of community foundations grows within a country, and as community foundation support organizations become more structured and staffed, the impetus for developing standards grows.

The movement has been driven by several factors. In the US a primary motivation for developing standards was in response to outside pressures from the federal government to have foundations prove their worth in order to justify their preferred tax status. The Community Foundations Leadership Team of the Council on Foundations developed a standards process as a way to show that community foundations were meeting a minimum level of competence and engaging in best practices. Another benefit of standards is the branding effect it has on the field as a whole. It makes it easier for those outside the field to understand what a community foundation is and what it is not. Community foundations that go through a standards practice must prove that they are operating in a competent

and a comparable way. This has the tendency to make community foundation operations and practices more consistent across the field as a whole. In addition to the US, community foundation standards have been developed in Germany and the UK. Other countries are considering the adoption of standards. Canada is now working on a branding process and developing national marketing tools, which also will help regularize and coordinate community foundation activities.

### **2.3 Trends in peer-to-peer networking and learning**

There continue to be a significant number of opportunities for community foundation staff and board members to learn directly from each other, even though the situation as regards peer exchange programs and peer learning opportunities is somewhat in flux, due to the fact that several programs have either shut down or changed their priorities in the last three years.

The three large associations of community foundations hold annual or biennial conferences that welcome the attendance of staff and board members from community foundations around the globe. The Council on Foundations has always included non-US community foundations among its members and invites representatives of community foundations from other countries to attend its annual Fall Conference for Community Foundations. The Community Foundation Network (UK) and Community Foundations of Canada biennial meetings are also attracting large numbers of global participants.

In May 2008 the Council on Foundations organized the Philanthropy Summit in a conference center outside of Washington, D.C. The Summit was a large global meeting devoted to discussing the major issues facing philanthropy today. It included a large contingent of international grantmakers, including community foundations staff and board members from outside the US. In order to undertake this major effort, the Council decided that the annual meetings of its member services groups would not be held in 2008. As a result, Community Foundations of Canada's biennial conference, Our Communities - Our World, in November, is the largest, and indeed the only, community foundation conference with global scope being held in 2008. Its international focus is expected to bring in many community foundation participants from the US and around the world.

#### **Community foundations working together**

**Slovak Republic: Association of Slovak Community Foundations.** The collaboration of Slovak community foundations within the Association of Slovak Community Foundations has brought two outstanding initiatives to the country: Donors' Clubs in nine member foundations, and Young Philanthropists, a youth development program based on the example of YouthBanks in Ireland and UK.

For years, the Donors' Clubs have been an instrument to involve citizens of modest means as individual donors. In Slovakia, rich families and "old wealth" are hard to find. This kind of fundraising tool is very important to help educate people on how to make a small contribution to a larger pool of grant-making funds, and how an "ordinary small donor" can take his or her part in decision-making on how these funds will be used. An additional value of the Clubs is better demonstrated in poorer regions where there is a lack of socially responsible corporations, high unemployment rates and high brain drain. Since the chances of raising a lot of money from either rich individuals or corporations are not likely, foundations have to do a lot of time- and energy-consuming fundraising, approaching people who can give relatively small amounts. The Donors' Clubs initiative helps to make this effort much more systematic.

The Young Philanthropists program has been very successful. Nine member foundations take part in the program, and have worked with a number of young volunteers who, with the supervision of their community foundation, run and manage their grant program for their peers. The program has served beautifully as a very attractive tool to involve youth as volunteers, to help develop their management and team-building skills, and also to approach other young people in the community with the option to identify and solve their own issues, which will teach them about participation in public affairs and involvement in solving community issues.

The European Foundation Centre's Community Philanthropy Initiative (CPI) program, which ran a yearly networking meeting in conjunction with the EFC's annual general meeting, is no longer in operation. The last CPI networking meeting was held in 2006. The EFC's programs are currently under review. It is committed to continuing to serve community philanthropy organizations by integrating them into the core mission and work of the EFC. However, it is not yet certain in what ways it will do this. In 2007 the Community Foundation Network's (UK) biennial conference saw a large increase in the number of community foundation participants from across Europe and around the world, in part because the CPI networking meetings were no longer being held.

Support organizations have also seen the benefit of international exchanges. WINGS is a highly developed network, with a global committee structure and working groups addressing issues common to all organizations that support community foundation development. Included among its members are: membership associations serving grantmakers and support organizations serving grantmakers and/or promoting philanthropy. It has been very active in facilitating the exchange of ideas among its members. WINGS holds regular peer learning events (PLEs) on topics of high interest for its members. It also holds a global meeting of its members, *WINGSForum*, approximately every four years, which also includes a peer meeting for the WINGS-CF constituency to discuss issues they have in common. The last *WINGSForum* was held in Bangkok in 2006.

Due to its reputation and position as the only organization with a global scope supporting community foundations, WINGS-CF was asked by the Mott and Ford foundations to coordinate the first global meeting of community foundation practitioners and researchers, even though it fell outside its core mission. *Community foundations: Symposium on a global movement* was held in Berlin in late 2004. It proved to be another milestone for the globalization of the community foundation movement. Community foundation practitioners from around the globe met together for the first time on an equal basis, not as guests at meetings devoted to one country or another. The excitement generated and connections made at the meeting further focused interest on the global community foundation movement. The Symposium helped inspire more connection among community foundations across borders and the spread of successful programs and practices from one community foundation and one country to another. It was a confirmation that the globalization of structured community philanthropy was ongoing and playing its part in creating and supporting civil society globally. It has been nearly four years since the Community Foundations Symposium was held in Berlin, and another global meeting that brings community foundation practitioners together from around the globe would be welcome.

Three exchange programs were created to bring community foundation staff members together across borders. The Transatlantic Community Foundation Fellowship (TCFF) program, a joint venture of the King Baudouin Foundation and the German Marshall Fund of the United States, shut down in 2005 after 6 years in operation. In each of its six years TCFF selected five US and five European senior staff members to participate in the peer exchange program. Fellows spent time at a host foundation on the other side of the Atlantic. This program increased awareness of the differences in giving cultures and also the inventiveness community foundations have shown in meeting local

needs. It did much to expand the horizons of the individuals and the host foundations that participated, and increased their commitment to expanding the community foundation concept globally.

The US-Mexico Border Philanthropy Partnership (BPP), funded by Mexican and US foundations and managed by the Synergos Institute, focused extensively on cross-border meeting of community foundation staff and board members that were called Learning Communities. To ensure its sustainability, in July 2008 BPP transformed into an independent organization and opened its membership to all types of grantmakers. It is committed to maintaining a specific focus on strengthening the capacity of community foundations on both sides of the US-Mexico border, even though they will be part of a larger organization that has a broader membership base.

The Transatlantic Community Foundation Network (TCFN) is a joint project of the Bertelsmann Foundation and the Mott Foundation, currently managed by the Bertelsmann Foundation. TCFN is a platform for the exchange of experience and expertise among community foundations on both sides of the North Atlantic. Through its working groups it seeks to identify good practices and share them with emerging and existing community foundations. Its membership is limited: currently there are 54 participants in the Network, who are drawn from Europe and North America, including Mexico. The third phase of the project will be concluded at the end of 2008, at which time Community Foundations of Canada will take over management of the Network. TCFN has reached well beyond its membership by creating a large number of resources that community foundations around the world can use.

All of these transnational peer learning programs proved highly successful. Even though they directly benefited only a limited number of community foundations, primarily in the North, their impact has been far reaching. The learning has not been just one way. Both TCFN and TCFN have had a major impact on US community foundation staff and board members; making them more aware of community foundation developments outside their own country; introducing them to the creative and innovative practices of smaller and less well-funded community foundations, and helping them be more aware of and responsive to their donors who have interests in funding nonprofit organizations and causes outside their borders. The foundations outside the US have also had the opportunity to learn new ideas that they can take back and apply to their own community foundations. Even though they may not have the large resources available to many US community foundations, they have been interested to learn that the impact they have had on their own communities can be just as great, or sometimes greater, than that of countries with more highly developed community foundations. Participants on both sides of the Atlantic have been excited by what they have learned, the people they have met and the connections they have made. They have become more aware of the different roles that community foundations can play and been energized to do more.

Community foundations also have come together globally around programmatic issues. An especially active affinity group centers on developing youth philanthropy. In North America youth philanthropy committees within community foundations are commonly known as Youth Advisory Committees (YACs). In Europe and other parts of the world they are known as YouthBanks. YACs are especially strong in the US and Canada. In Europe the Community Foundation for Northern Ireland has been leading the effort to extend the YouthBank concept in Europe and South Africa. YACs and YouthBanks give young people the opportunity to come together as a grantmaking committee within community foundations to decide on the highest priorities for youth and make grants to community organizations for youth-centered projects. International exchanges of young people involved in YACs and YouthBank have taken place to share knowledge and increase international cooperation and understanding.

Several other networks and educational programs are beginning to have an effect on community foundation growth. The Center on Philanthropy and Civil Society at the City University in New York has an International Fellows Program that offers philanthropy practitioners the opportunity to come to New York for several months of study and research. There are two tracks: the Emerging Leaders International Fellows and the Senior International Fellows. Since 2000, the topics of study have been community foundations and diaspora and corporate philanthropy. Another network that has included a significant number of community foundations practitioners since it began in 2000 is the Synergos Senior Fellows program. Both programs have been instrumental in helping NGO practitioners learn about and spread the community foundations concept. They have broadened the understanding of community foundations among leaders in the philanthropy field. The influence of these two programs is now beginning to show their impact, especially on the development of community foundations in areas where there are no organizations supporting community foundation development. Much of the new organic growth of community foundations have come from participants in these two programs. Countries where they have been influential include: Egypt, Brazil, Uruguay, Palestine, Turkey, and Argentina, among others.

### **Unleashing community potential**

**Rubtsovsk, Russia: Rubtsovsk Community Foundation.** Imagine the city which is: a 6-hour drive from the nearest airport; on the border with Kazakhstan; 100 kilometers away from the former nuclear testing complex; surrounded by prisons; with ruined military and heavy machinery industry, and with a harsh Siberian climate. For 200,000 people there is one bank, one cinema, and one “below 1-star” hotel. The only businesses that work in Rubtsovsk are small trading companies selling basic goods and services. For the last two decades it has been the “classic” Russian city, characterized by economic depression, heavy drinking and poverty. At the same time the city has a remarkable history as a key industrial area in Russia, which gives local citizens the right to be proud of it and a reason to work to improve their lives. The director of Rubtsovsk Community Foundation realized that in order to attract attention to her organization it was important to make the social life in the city more active and vibrant. She started with special events, like charitable football matches between local businessmen and government officials, and Christmas Balls with auctions of special services (such as “A Lunch with the Mayor” or “the Chief of Police Serving as a Driver”). But the real hit of the town were the performances with local prominent citizens acting on the stage. In the city, where nothing was going on, people were eager to pay relatively significant money for tickets, and all performances were sold out. Such events became popular and formed a committed group of supporters among community leaders.

Knowledge is also being shared across borders by individuals active in the field. Two community foundation executives have taken the lead in forming community foundations in other countries. A former CEO of the Philadelphia Foundation in the US led the development efforts in Anguilla, and was the CEO there until her retirement in June 2008. The former executive of the Derbyshire Community Foundation was the moving force behind establishing the community foundation in the South Sinai, Egypt. She is now the chair of the Community Foundation for South Sinai board. A Turkish-American donor, involved with the Arizona Community Foundation in the US, also has been supporting the efforts by the Third Sector Foundation in Turkey (TUSEV) to promote and develop community foundations there. A board member of the Scottish Community Foundation is head of the Scottish Malawi Foundation, and has used his expertise to develop a community foundation in Malawi. Perhaps the most striking example is that of Dr. Juraj Mesik, who in 1994 helped transform a non-profit organization in the Slovak Republic into the Healthy City Community Foundation of

Banská Bystrica. He went on to become a Synergos Senior Fellow, and then to the World Bank to head up its Community Foundation Initiative in 2003.

Even though some of the formal peer-to-peer learning networks are in transition or have shut down, the sharing of knowledge and experiences is continuing at an increasing pace, if in a somewhat less structured way.

## 2.4 The evolving role of funders

National and international funders have been a powerful force in spreading the community foundation concept. Without their support, it is certain that the community foundation movement would not have traveled as far and as fast as it has. They have provided direct support for community foundations through programs for endowment building and local grantmaking, funded organizations that support the development of community foundations, and established programs for international exchange, all of which have served to accelerate community foundation development.

Community foundation funders cover a broad spectrum. Private foundations have played a prominent role, especially some of the major foundations with international interests, such as the Charles Stewart Mott and Ford foundations, and the various Soros country foundations.

### Leaving a unique legacy

**Tauranga, New Zealand: The Acorn Foundation.** A local funeral director has gifted his funeral business, valued at more than one million New Zealand dollars (approximately US \$780,000) to the Tauranga community. Driven by his longstanding desire to give something back to his community, his business, now named Legacy Funerals, has become a registered charitable trust, Legacy Funeral Trust. All profits from the funeral business will be distributed to the community annually. In this way, those families who use the services of the Legacy Funerals will also be giving back to their community. This is believed to be the first time that a successful funeral business has been gifted and established, either in New Zealand or the rest of the world, to give all its profits back to the community. The Legacy Funeral Trust will use the local community foundation, the Acorn Foundation, to assist annual distribution of all profits from the business for the good of the local community. The funeral director attributes his time volunteering in Phuket, during the aftermath of the Boxing Day tsunami, as the inspiration for doing something for his own community back in Tauranga. “Working there really brought home to me the value of life. Material possessions actually mean very little to me now. There is much more value in making our community a better place to live and assisting the many worthy organisations which are struggling for funds.”

The Mott Foundation has had the biggest impact of all the international foundations, even though its primary focus is limited to the US, Central and Eastern Europe and South Africa. The Mott Foundation began to focus on the community foundation model in the US in the early 1980s as a way to carry forward its vision that “The charitable impulse is universal and individual philanthropy begins at home.... People – no matter where they live, work and worship – support the causes, beliefs

and good works that are closest to their hearts.”<sup>3</sup> Another core belief is that change can only be brought about at the local level through the good will and actions of local community members. After 10 years of working directly with US community foundations, and through the Council on Foundations, to develop and strengthen community foundations, the Mott Foundation extended its programming across the Atlantic. In 1991, the Mott Foundation joined with the Charities Aid Foundation (UK) to create a competitive challenge grant program that proved endowment building was feasible in the UK, and did much to raise the profile of UK community foundations. From that time forward almost all of the major developments in the community foundation field globally have either been led by or received significant support from the Mott Foundation. In addition the Mott Foundation builds coalitions of funders to work together on projects it supports in order to achieve greater impact.

The Ford Foundation also has had a major interest in global community foundation development, going back to at least 1985 when its former President, Susan Berresford, was the Program Officer at Ford responsible for helping to create the Puerto Rico Community Foundation. Where their interests intersect, the Mott and Ford Foundations have worked together on a number of major community foundation development programs.

In addition to these large international foundations, many national and regional foundations have also been active in their own areas. Other types of funders include national governments, government-funded entities devoted to international development, and local authorities. Corporate foundations and corporations with social responsibility programs have played a key role in some areas. This is especially true in countries that are rich in national resources, such as South Africa and Russia, where companies that extract natural resources realize they have a responsibility to improve the quality of life in the regions where they operate.

Funding from the United States Agency for International Development (USAID) has also been significant, although less high profile than that of other funders. USAID most often works through privately managed, quasi-governmental foundations, such as the Baltic-American Partnership Fund, InterAmerican Foundation in Latin America and the Eurasia Foundation in the former Soviet republics.

When dealing with funders it is important to realize that after a period of time they move on to new areas and new priorities. In Central and Eastern Europe support for community foundations was seen at first as an exit strategy from their direct involvement at the local level, and a means to provide locally sustained support for local needs and build a culture of philanthropy that could support civil society and the third sector.

A secondary strategy funders developed were “legacy” foundations that would work in countries to provide transitional support, so that funders would not have to be involved in making further grants in these areas. In some cases these were chartered for a limited number of years. One example of a legacy foundation is the Baltic American Partnership Fund, established in 1998 by USAID and the Open Society Institute (a Soros foundation), who each contributed \$7.5 million, as a public-private partnership with a 10-year lifespan. Each contributed \$7.5 million to start the fund. BAPF supported programs in each of the Baltic countries, through its in-country Baltic-American Partnership Programs (BAPPs). One of the priority areas for the BAPPs was the establishment of community foundations. BAPF will be closing at the end of 2008.

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<sup>3</sup> Charles Stewart Mott Foundation, “Sowing the Seeds of Local Philanthropy: Two Decades in the Field of Community Foundations” (2001), p. 2



Another example is the Trust for Civil Society in Central and Eastern Europe (CEE Trust) established in 2000 by a consortium of large international funders. It works in the countries of: Bulgaria, Czech Republic, Hungary, Poland, Romania, the Slovak Republic and Slovenia. Recently it has begun supporting community foundation development in Bulgaria and Slovenia. It too is time-limited and will cease operations in 2012.

The success of funders' strategies in Central and Eastern Europe and other parts of the world has led them to use similar approaches as they move their focus to new countries that are poorer, less developed and less integrated into the global economy. Instead of leaving the community foundation field entirely, funders are now focusing their efforts in new areas, especially in the countries of southeastern Europe, the Balkans and Central Asia.

The success of community foundations in providing sustained funding for local nonprofit initiatives caught the attention of the World Bank. In 2003, the World Bank established its own five-year Community Foundation Initiative in conjunction with International Programs of the Council on Foundations. The purpose of the initiative was two-fold. Its first goal was to inform World Bank staff about the community foundation concept and the role community foundations could play in community-driven development. The idea was to make the staff aware of all the aspects of community foundations, how they operate, and what they can achieve, in order to make the concept a part of the World Bank's agenda for community development. The second aim was to establish pilot community foundations in several countries. The World Bank is working through its grantees to establish community foundations in Moldova, Tanzania, Kenya and Thailand. This initiative came to an end in June 2008; other parts of the World Bank will continue to support community foundation developments in these countries.

An innovative new source of funding for community foundation development efforts is the WINGS Global Fund for Community Foundations. Recognizing that it was difficult, if not impossible, for the World Bank to fund and support local community philanthropy organizations, Dr. Mesik requested that the World Bank make a grant to an external organization to set up the Global Fund. This was a major innovation for the World Bank, as it most often works through individual country committees. The choice to lead this effort was WINGS, given its global scope and its track record of successful global programs and events. The Fund is currently a project of WINGS and hosted by the European Foundation Centre in Brussels.

The World Bank made a large grant to WINGS to establish the fund, with the Ford and Mott foundations joining as partners in the initiative. USAID, the Kellogg Foundation and a group of established community foundations in North America and Eastern Europe also provided funding support.

The WINGS Global Fund was established in June 2006 as a three-year grantmaking program to support the development of community foundations around the world. Since the launch of its grantmaking program in June 2006, the Global Fund has made grants amounting to US \$1.2 million to 61 organizations in 27 countries.

The Fund focuses its grantmaking on support for the development of community foundations and local philanthropy organizations in countries where the World Bank operates, and in other areas where access to funding opportunities for community foundations are limited. The Global Fund provides strategic organizational support for newly emerging community foundations; it makes grants for professional development and technical assistance, such as attendance by community foundation board and staff members at international conferences; it helps organizations that support the development of community foundations to create programs for their members. It also funds other types of community philanthropy organizations, which are grantmakers and making a major

difference in their communities. All of the grants the WINGS Global Fund has made can be found on the Global Fund website: [www.wings-globalfund.org/our-work-foundations.php](http://www.wings-globalfund.org/our-work-foundations.php)

The Global Fund is currently planning its transition into an independent organization at the end of its three-year association with WINGS. When the WINGS Global Fund was started, there was a clear understanding that the World Bank funding could only be for the initial three-year period. Given the growing importance of the Global Fund to the development of community foundations, especially in the global South, it now appears that the World Bank is prepared to renew its support.

The impact the Global Fund has had already can be seen in the way support for community foundation development has changed in Russia. During 2006-2007 the Global Fund made 12 grants ranging from \$10,000 to \$50,000 to 9 community foundations in Russia and to the Community Foundations Partnership. CAF Russia has been able to establish a collaborative relationship with the Global Fund. As CAF Russia has a deeper knowledge of the context and is in contact with the latest local developments and initiatives in the field, it can now concentrate on identifying and supporting emerging initiatives with smaller grants and adapting its support to the changing environment. CAF Russia's grant program now focuses more on continuity and long-term hands-on support for smaller community foundations than on programs for the more established community foundations. The potential of the Global Fund to have a major impact on the global community foundation movement going forward is tremendous.

### **3 Reflections on global community foundation developments**

In the three years since the last Community Foundation Global Status Report (2005) the number of community foundations has continued to show strong growth, especially outside of North America. The growth in Central and Eastern Europe has been especially strong, but the growing awareness of the concept has helped increase interest and activities in other parts of the world as well.

In 2005 the number of countries with community foundations or active initiatives was 46. In 2008 the number of countries with community foundations has grown to 51, with 4 more reporting active initiatives, for a total of 55 countries. There are 16 new countries, which are offset by the 7 countries that have been dropped from the count, leaving a net total of 9 new countries. The reasons for no longer including the seven countries vary. In several cases the information provided was premature; in others, foundations that had many of the characteristics of community foundations developed in different directions over time. The decision to drop the 7 countries was, in fact, a positive development, reflecting a growing agreement both within countries and more broadly about what constitutes a community foundation.

The numbers, however, do not reflect the qualitative changes that are taking place. For example, in the US and Canada, much of the 1990s and early 2000s was spent learning how to raise funds from living donors and how to work with donors to meet community needs. Although the trend to donor-focused organizations was never complete, as some of the commentary would suggest, there is now a swing back to a focus on the community leadership and the convening aspects of community foundations in order to build support for social change at the local level.

Around the world, as the numbers of community foundations grow, there are more successful models for new countries to draw on, often in neighboring countries, or in countries with similar giving cultures. In this way community foundations are beginning to take on similar characteristics, especially within regions. Also, as community foundations within countries work together to address common issues, community foundations are finding common ground, sharing practices, and beginning to look and act more consistently. This is not to say that, at this point in time, community foundations are establishing themselves as a global brand. In a number of the countries with more highly developed community foundation movements, a community foundation “brand” has been established. However, there are still too many parts of the world where the numbers of community foundations are low, and where they are still experimenting to find the right mix of attributes, structures and policies to fit their local cultures of philanthropy. Globally, a community foundation brand will be developed, perhaps with significant regional variations, but it will be some time before it happens. The fact that one can talk about a community foundation brand at all is itself an interesting development.

There is increased awareness of the community foundation concept globally. This is in part due to the growing number of community foundations and their growing impact on their communities. The World Bank’s Community Foundation Initiative to learn about community foundations as a tool for community-driven development also has drawn attention to the concept, as has its public promotion of community foundations in several countries and its funding for the WINGS Global Fund for Community Foundations.

Other factors are also in play, the result of longstanding efforts that are now bearing fruit. The influence of the International Fellows programs at the Center on Philanthropy at the City University of New York, which offers NGO practitioners the opportunity to study the community foundation concept, and the sharing of the concept among the Synergos Senior Fellows, are having a major

impact. The sharing of knowledge by individual practitioners from community foundation to community foundation is increasing.

One result of the increased understanding and formal and informal networking is that more organic growth is taking place. The numbers are still small, but this new development in the last three years is striking. The three new community foundations in the Middle East were all driven from the bottom-up. They were formed by three remarkable women, each an expert in the field of community philanthropy. One, the former CEO of a community foundation in the UK, is applying her knowledge to the South Sinai; another, a highly respected researcher on philanthropy in Egypt, is reviving an ancient Islamic tradition of endowed giving; and the third, an academic, has studied the community philanthropy concept and believes that community foundations can provide a way for the Palestinian people to increase their self-reliance.

Some issues for concern have surfaced in the last three years.

- It is clearer now than ever before that funders are refocusing their efforts and moving on, not necessarily to new funding priorities, but to new regions in which to support the continued development of community foundations; this is especially the case in Central and Eastern Europe.
- Some support initiatives have closed or will be closing in the near future.
- Support organizations are facing issues of sustainability, and in a number of cases are broadening their membership to include other types of grantmakers. What this will mean for community foundations is not altogether clear.

On the positive side, to counteract these trends, many countries have developed their own associations of grantmakers, which maintain strong programs to support their community foundation members. It probably is time for community foundations, especially in some parts of Central and Eastern Europe, to stand on their own and create their own support structures and learning opportunities. It may mean slower growth, but a stronger movement is the likely result. There is evidence that this is already happening in parts of CEE. There may be some exceptions. Where the number of community foundations is small and local and international support is tentative, some may not survive.

The appearance of a new global fund for community foundations has altered the way the community foundation movement is supported globally. The WINGS Global Fund already has a strong record of strategic grantmaking, and it has made a significant difference in the development of a large number of community foundations in the areas where it works. At the moment it is fairly reactive to funding proposals, although it is helping community foundations in eligible countries learn more about how the fund operates, what it is likely to fund, and how to apply in order to increase the number of successful proposals. The Global Fund is already providing critical support for individual community foundations and support organizations. In the future it may change the way support for community foundations globally is structured. It will be very interesting to see how it develops as it enters its next phase in 2009.

With the large growth in both the numbers of community foundations and countries where community foundations are taking root, it is clear that community foundations are embedded in giving cultures around the world. Their adaptability and effectiveness have been proven. Communications technologies mean that good practices and lessons learned can be shared quickly around the globe from community foundation to community foundation. As knowledge of successful initiatives is built up and shared, more successful community foundation developments will occur. Given all the ways that knowledge is shared – through support networks, from community foundation to community foundation, by individuals, within countries and across borders – community

foundations today are no longer merely actors in global civil society, but creators of global civil society as well.

## 4 Review of community foundation developments around the world

Fuller descriptions of community foundation developments are contained in the Country Profiles in Part III of the Report. Part III is available for download at [http://www.wingsweb.org/information/publications\\_community.cfm](http://www.wingsweb.org/information/publications_community.cfm).

### 4.1 North America

#### Canada

Community Foundations of Canada (CFC) reports that there are now 163 community foundations in Canada, which is an increase of 19 over the numbers reported in 2005. Ten new community foundations were established in 2007. At the end of the 2006 fiscal year Canadian community foundations held assets of CAD \$2.7 billion. CFC estimates that 91 percent of the population now has access to a community foundation and that community foundations cover 85 percent of the country. As a result, even though growth in the number of new community foundations is still strong, given the wide coverage, CFC sees the numbers of new community foundations declining in the future. All of the major population centers are now covered, and emphasis is being placed on partnerships and establishing community funds within existing community foundations, especially in rural areas. Canada has taken a leading role in advancing the community foundation movement globally. It will take over management of the Transatlantic Community Foundation Network in 2009. Canada's community foundations are deeply involved in international exchanges, some formally through the Transatlantic Community Foundation Network (TCFN) and some less formally. The CFC's biennial community foundation conference in Montreal in November 2008 is expected to attract participants from the US and all around the world. CFC and its members have developed a range of resources to assist in grantmaking, fund development, and community leadership. Among the most interesting is the participation of community foundations in *Vital Signs* – an annual community check-up conducted by community foundations across Canada that measures the vitality of Canada's cities.

#### United States

The community foundation field in the United States continues a gradual expansion in the numbers of new community foundations, as most parts of the United States now have access to a community foundation. A best estimate of the numbers of community foundations in the US is 775. However, growth is more likely to be through the addition of geographic component/ affiliate funds as US community foundations seek to expand and better serve their geographic areas. US community foundations continue to show strong growth in their assets and in the number of grants made. The Columbus Foundation Survey, based on 2006 data from 631 US community foundations, reported that: \$5.7-billion in contributions were received in 2006; total assets increased to \$51.2-billion; and \$3.7-billion in grants were made. US community foundations have in place a strong national standards process that is managed by the Council on Foundations Community Foundation Services group. The field as a whole is giving a higher priority now to strengthening the leadership roles of community foundations over the asset development and donor services roles, which were highly developed in the 1990s and early 2000s.

The US-Mexico Border Philanthropy Partnership (BPP) was established in 2002 as a partnership of community foundations on both sides of the US-Mexico border. Nineteen community foundations are involved currently – 6 in Mexico and 13 in the US. BPP's aim is to improve the quality of life for low-income border families and communities by strengthening foundations and promoting local philanthropy.

The services it provides to its members include: peer learning opportunities, technical assistance funds for capacity building, assistance in creating and monitoring an organizational development plan, and other resources. It is currently managed by the Synergos Institute, but will become an independent organization in July 2008. In order to ensure sustainability, and do more to address the socio-economic challenges along the US-Mexico border, it will broaden its membership to include other types of grantmaking foundations, corporate giving programs and individuals.

## **4.2 Latin America and the Caribbean**

### **Anguilla, BWI**

The Anguilla Community Foundation (ACF) was formally established in May 1999 to provide grantmaking support to NGOs on the small island nation of Anguilla in the British West Indies. Anguilla is only 102 sq km (39.38 sq miles) in size and has a population of just over 14,000. It has few natural resources. However, Anguilla has become a destination for luxury tourism, which has caused a boom in the construction trades. Islanders also receive remittances from emigrants. The Anguilla Community Foundation continues to prosper. ACF has just completed fundraising to meet the 1:1 challenge grant of \$32,500 from the WINGS Global Fund for Community Foundations. In total, it raised more than the \$32,500 necessary, which means that the Foundation now has raised more than \$500,000 for its Endowment Fund over the past nine years. The foundation's founding executive director was the former CEO of The Philadelphia Foundation in the US. She is retiring this year, and the community foundation will be entering a new phase in its development.

### **Argentina**

The community foundation concept is under active consideration in Argentina. Aided by a grant from the WINGS Global Fund, Fundación SES is exploring the establishment of community foundations in three communities. Although Fundación SES's primary focus is on programs for the social inclusion of adolescents and youth, it works nationally and regionally through a network of organizations. The foundation is gradually developing a regional framework and regional platforms for collaboration. The establishment of community foundations fits well within its regional focus.

### **Brazil**

Brazil reports two community foundations, and one in formation. The first community foundation is Instituto Rio, established in 2000 with technical support from the Synergos Institute and funding from the Ford, Avina and Inter-American foundations. It focuses its grantmaking in the western zone of Rio de Janeiro, where the poverty level is among the highest in the city, despite a vibrant and growing commercial and industrial sector. The foundation really began to take off in 2005 when a board member donated an endowed fund of US \$700,000 to the foundation, perhaps the largest private donation ever made in Brazil and South America. The second community foundation, Instituto Comunitário Grande Florianópolis (ICOM) was founded in 2005. Its formation was encouraged by a board member who had seen community foundations operating in other countries in her role as a researcher and Synergos Senior Fellow. Its geographical focus is the region of Great Florianópolis, composed of 9 cities in the State of Santa Catarina in southern Brazil, which has one of the highest standards of living in the country. A third community foundation is in development in northeastern Brazil, aided by the W.K. Kellogg Foundation.

### **Jamaica**

Jamaica has one small community foundation, the Walkerswood Community Development Foundation founded in 1999. It grew out of the social mission of the Walkerswood Caribbean Foods Corporation,

which has its roots in a cooperative farm and the self-help movement of the 1940s. In the mid-1970s Walkerswood started producing jerk pork that was sold locally. Since that time it has grown into a multi-million dollar food and tourism business that employs 160 people and exports 85 percent of its 23 products made from locally grown produce. In addition to its food processing plant, it also supports 3000 farmers and seasonal workers. The Walkerswood story is built around an innovative mutual self-help concept, of which The Walkerswood Community Development Foundation is a part.

## Mexico

The Centro Mexicano para la Filantropía (CEMEFI) reports that there are 17 community foundations in Mexico. This number is less than the 19 that it reported in 2005. Mexico has had a wide variety of community philanthropy models. The decline in numbers in Mexico is a sign of the maturing of the community foundation field. As the community foundation movement has progressed and regularized, it became clear that some foundations and organizations, which once were considered to have many of the characteristics of community foundations, have developed in different directions and so are no longer counted. The numbers of community foundations are expected to increase, given the interest expressed in a number of communities. There are at least five community foundation initiatives underway. The Community Foundations Group, a group of 13 community foundations, meets under the auspices of CEMEFI to work on issues they have in common. In 2007 the Community Foundation Group finished its endowment building project. Every community foundation in the Group now has at least US \$100,000 in permanently endowment funds, and they continue to focus on increasing their endowments. A major challenge for Mexican community foundations is the lack of accounting standards that has hindered transparency of operations. There are several initiatives underway to develop accounting standards for the nonprofit sector as a whole in Mexico and, in the short term, for community foundations.

## Puerto Rico

The Puerto Rico Community Foundation (PRCF), the oldest community foundation in the Caribbean, was established in 1985. It was created with significant funding from five large overseas foundations, with the Ford Foundation taking the lead, and donations from corporations operating on the island. It channels funding for community-based organizations from US federal government agencies and local government funds. It also receives substantial funding from local foundations and corporate giving programs. More recently, its fundraising strategy has begun to focus on individual and family donors.

## St Lucia, BWI

The National Community Foundation of St. Lucia (population: 172,885) was launched as an independent foundation on 1 August 2002 by an act of the St. Lucia Parliament. The foundation was created at the initiative of the National Insurance Corporation, the government corporation under the Ministry of Finance responsible for administering old age pensions and social security benefits. The foundation has received substantial support from the National Insurance Corporation, through transfer of its scholarship program to the foundation. It has also received donations from corporations, foundations and individual donors on the island. In 2007 the National Community Foundation received a grant from the WINGS Global Fund to conduct an evaluation of the impact of its work. The evaluation was concluded in September 2007. Considerations of the report's recommendations are underway.

## Uruguay

Serious consideration of establishing a community foundation is currently underway in the city of Colonia (population 20,000). The Latin American Center of Human Economy in Montevideo has received funding from the W.K. Kellogg Foundation to foster local development in Colonia. The effort to



include community foundations as part of this project is being led by a former CUNY International Fellow.

### US Virgin Islands

There are three community foundations in the US Virgins Islands. Each has a different outlook and focus for its grantmaking. The largest is the Community Foundation for the Virgin Islands, with an endowment of over US \$5 million. It is based on the island of St. Thomas and makes grants throughout the US Virgin Islands. The St. Croix Community Development Foundation is best known for its focus on the problems of community and economic development, as evidenced by major town revitalization initiatives such as the rehabilitation of the Sunday Market Square in downtown Christiansted. Both of these community foundations have been active internationally and played a role in forming the Association of Caribbean Community Foundations. The St. John Community Foundation is a smaller foundation that focuses its grantmaking on local projects on the island of St. John.

## **4.3 Europe**

### Azerbaijan

The New Shamakhi Foundation is based on a strong women's rights organization that has decided to convert into community foundation. The community foundation will operate in the regions of Shamakhi, Aghsu, Khizi and Ismayilli, situated in the north-eastern part of the country. The population of these 4 regions is engaged for the most part in an agrarian economy. In comparison with other countries of the Southern Caucasus (Armenia and Georgia), Azerbaijan has limited access to funding opportunities. The New Shamakhi Foundation has received a grant from the WINGS Global Fund for a study tour of established community foundations and dissemination of the community foundation concept.

### Belgium

The King Baudouin Foundation (KBF) is an independent, national foundation in Belgium, established in 1976 to honor King Baudouin on the occasion of his 25<sup>th</sup> anniversary as king. Donors can set up funds in the foundation to carry out their charitable purposes. Under its Centre for Philanthropy, it has established two regional funds, the Community Foundation for West Flanders and "A Heart for Limburg" community foundation for the region of Limburg. Both were established with major support from a single funder, in each case a corporation. The difficulties of establishing a community foundation with a sole funder and a top down approach, has led the King Baudouin Foundation to support community foundation initiatives that have broad local support and a bottom-up approach. Two such initiatives are currently underway.

### Bosnia and Herzegovina

There is one community foundation in Bosnia and Herzegovina, the Community Foundation Tuzla (formerly the Community Foundation Simin Han). A second community foundation is reported to be in development in Mostar. The vast majority of the funding for Community Foundation Tuzla continues to come from foreign donors. Only about 6 percent comes from local donors, both corporate and individual. In 2007 Community Foundation Tuzla received a grant from the WINGS Global Fund for consultant support to develop the grantmaking and asset development capacities of the foundation.

### Bulgaria

Community foundation development in Bulgaria proceeded in four stages beginning in 1997. The first two showed only limited success. From 2001 through 2006 Counterpart International implemented a

five-year program with funding from USAID to develop community foundations, at the end of which 9 community foundations had been established. In 2005 the community foundations established within the Counterpart program formed their own membership association – the Association of Community Foundations in Bulgaria (ACFB). Beginning in 2006 the Trust for Civil Society in Central and Eastern Europe (CEE Trust) stepped in to provide follow-up assistance to the ACFB members through matching grants for re-granting purposes. The program is planned for three years, continuing until mid-2009. In 2007 the ACFB members started building their endowments with the support of an organizational development grant from the WINGS Global Fund. A total of 12 community foundations have been established since 1997, which cover about 30 percent of the country and 25 percent of the population. External funding has been essential for helping to establish new community foundations in Bulgaria. The lack of external funding is hampering the ability of ACFB members to extend support for the formation of new community foundations.

### Czech Republic

The community foundation concept began to receive serious consideration in the Czech Republic beginning in 1995. One of the local promoters of community foundations was the Regional Fund Foundation, which in 1997 became the first community foundation in Ústí nad Labem. It later changed its name to the Community Foundation of the Euroregion Labe. From 1998 through 2004 there were several initiatives that had the goal of establishing community foundations, which unfortunately did not succeed. At the end of 2005 a new program was launched to build community foundations in the Czech Republic. This effort was financed by the CEE Trust and administered by a Czech foundation based in Prague, the VIA Foundation. Four organizations are participating in this community foundation development program: the existing community foundation in Ústí nad Labem; two local foundations that are transforming into community foundations, and one civic association involved in establishing a community foundation. In late 2006 this group established the Czech Association of Community Foundations (AKN).

### Estonia

The Baltic American Partnership Program Estonia (BAPP Estonia) reports that 3 community foundations have been established in Estonia. BAPP Estonia is one of the initiatives of the Baltic American Partnership Fund, a legacy foundation established in 1999, jointly funded by the Soros Foundation and USAID. The Fund and its in-country programs had a life span of 10 years and are scheduled to shut down at the end of December 2008. The financial sustainability of the nonprofit sector is a long-term challenge that will remain after BAPP departs. An exit strategy is being formulated for ways to consolidate key institutions and infrastructure that can play a leading role in further civil society development.

### Germany

It is a little more than ten years since the first community foundation was established in 1996 in Gütersloh, the hometown of the Bertelsmann Foundation. Germany reports the establishment of 190 community foundations. It now has the second largest number of community foundations after the United States, surpassing Canada. The German community foundation movement continues to expand rapidly. As German community foundations are city-based, there is the potential for significantly larger growth in the future. The community foundation movement in Germany is well served. Not only has it received significant support from the Bertelsmann Foundation and other German foundations, but it also has good support structures in place. There is a Community Foundations Affinity group within the Association of German Foundations (Bundesverband Deutscher Stiftungen). The Association also supports a Community Foundations Initiative, which has developed a standards certification process that

all German community foundations must go through every two years. The savings bank industry has also sponsored a separate community foundation initiative, the Aktive Bürgerschaft, which began promoting and supporting community foundations in 2002, as part of the local mission of the savings bank industry.

### Ireland

The Community Foundation for Ireland (CFI), the only community foundation in Ireland, was established in 2001. It came about when the government and other NGOs were looking for new mechanisms to raise independent funding for the community and voluntary sector. Beginning in 1994 Ireland experienced significant growth, and for the first time in its history had a considerable number of individuals with independent wealth. In 1998 a government agency commissioned a paper on the prospects for a community foundation in Ireland. The government subsequently issued a challenge grant of €1.3 million to the private sector to establish a community foundation. The community foundation was funded entirely by the business sector in its set-up phase. Strong links to a number of corporates in particular led to substantial funding from that sector. By the end of 2007 the endowed assets of the community foundation had grown to €20.2 million. The Community Foundation Network (UK) provided significant support for the development of the foundation. CFI also connected with a broad range of community foundations through its involvement with the Transatlantic Community Foundation Network.

### Italy

Community foundations were introduced into Italy by the Cariplo Foundation when it decided to establish a network of local partners in the communities in Lombardy, where the Foundation operates, and to promote a culture of giving as a way to foster the local non-profit sector. The Cariplo Foundation is a savings bank foundation, which resulted from the privatization of the savings bank industry. As a savings bank foundation it has the duty to give back to the region that was the source of its wealth. Italy reports that there are now 22 community foundations in Italy. The area in the north around Milan, which is served by the Cariplo Foundation, is now nearly covered by community foundations. Several other savings bank foundations have also helped establish community foundations in the north around Venice and Liguria. The development of community foundations in Italy has now broken out of its original territory and community foundations are being explored and promoted by a foundation based in Rome.

### Kazakhstan

Enbekshikazakh Community Foundation, the first community foundation in Kazakhstan, was registered in July 2007. Its establishment was aided by the efforts of the Eurasia Foundation of Central Asia (EFCA) and Philip Morris Kazakhstan Ltd (PMK) to promote the community foundation concept. Enbekshikazakh is a rural district close to Almaty, the largest city in Kazakhstan and the major commercial and financial center. A research study done in 2005 found that even though the philanthropic sector was not well developed, there was great potential for growth, especially for corporate philanthropy. The community foundation recently received a grant from the WINGS Global Fund for institutional development and grantmaking.

### Latvia

The Baltic-American Partnership Program Latvia in 2001 initiated a program to promote the concept of community philanthropy and the formation of community foundations in Latvia, as a response to the reality that foreign donors were leaving the country, and there are no sustainable sources of indigenous funding in Latvia. As a result of this program, two community foundations were established: the Talsi Region Community Foundation (2003) and the Lielvarde Community Development Foundation (2003). Due to the positive results of these foundations, the concept of community foundations became popular and 4 additional foundations were established by the end of 2007. In 2006 five community foundations

established the Community Foundations Movement (CFM), a support structure to promote philanthropy and community engagement in Latvia.

### Lithuania

The very first, and still the smallest community philanthropy organization in Lithuania (Papile Neighbourhood Support Foundation), was established in 1998 with advice and assistance from Lithuanian-Americans. The community foundation concept was introduced to Lithuania by the Baltic-American Partnership Program Lithuania beginning at the end of 2000. Following an introductory seminar about the concepts of community philanthropy and community foundations, community meetings and forums were organized that resulted in the formal registration of two community foundations in 2004: the Samogitia Community Foundation in the west of Lithuania and Utena Region Community Foundation in the northeast. In the course of 2004 and 2005, 4 more community foundations were established. There is an informal Association of Community Foundations, but the lack of an organization to support the development of community foundations after BAPP shuts down is a cause for concern.

### Macedonia

The first community foundation in Macedonia was established in Stip in 2007. Community Foundation Stip is part of the philanthropy program of the Local Community Development Foundation Stip, a former NPO support center that has transformed into a foundation. LCDF and the community foundation have received support from the Foundation Open Society Institute Macedonia (FOSIM), USAID and recently from the WINGS Global Fund.

### Moldova

Moldova was one of the countries piloted by the World Bank's Community Foundation Initiative through its grantee the Moldova Social Investment Fund (MSIF). The goal of the project was the establishment of two community foundations. A competition was held in 5 medium-sized towns to select agencies interested in implementing community foundations, and several training sessions were held for each of the initiative groups. At the same time the UNDP was working on a project to develop civil society capacity. After negotiations with MSIF, UNDP and the Soros Foundation Moldova, it was decided to join forces and implement the project through UNDP. Initiative groups were chosen, and five community foundations have been established in each of the towns: Cahul, Bălți, Orhei, Ungheni and Soroca in 2007. In order to become acquainted with the community foundation concept and the development of community foundations, a study tour to Slovakia was undertaken in 2007. Representatives of the community foundations attended 2-3 day workshops and received training in community foundation management and local fund raising.

### Netherlands

The community foundation concept was introduced to The Netherlands in 2000 when the first Community Foundation Global Status Report was brought to the attention of researchers at the Vrije Universiteit (VU) in Amsterdam. The VU group found the concept interesting enough to start an experiment attempting to promote the concept in the Netherlands. A few interested private foundations were found to financially support the project and it began in September 2001. Between 2000 and 2004, a group of university researchers began projects in 10 to 15 different cities. About 10 community foundations have been officially established, and a separate support organization, Platform Gemeenschapsfondsen, has been established. The main obstacle to community foundation development is the fact that community philanthropy is generally considered unnecessary in a nation that maintains a strong social welfare state.

## Poland

The Community Foundations Development Program was the first program initiated by the Academy for the Development of Philanthropy in Poland (ADPP), after intensive training and study visits to the US and UK. Working in cooperation with local communities, the first community foundation in Poland was established in 1998. Ten more were established in 1999. In 2001 the National Community Foundation Network was established, bringing together representatives of the 12 existing community foundations. At the end of 2001 cooperation began with 5 new communities, which then formed community foundations. By 2004 ADPP was working with 20 community foundations from all over the country. There is one additional community foundation that is not a member of the National Community Foundation Network. In addition, there are 15 community foundations under development, which should be established in the next 2 years. Businesses and local authorities are the two most significant types of donors to community foundations in Poland; individual donors provide relatively small amounts.

## Romania

The Association for Community Relations (ARC) began researching the community foundation concept in 2005. Late in 2005 it carried out a feasibility study in eight cities and started follow-up facilitation in four of them. In the city of Cluj, where ARC is based, ARC's role has been more pro-active. In other cities its role has been to support community leaders to better understand the roles of community foundations. The formation of the community foundation in Odorhei was assisted by a Peace Corps volunteer with an interest in developing philanthropy; his efforts were merged with ARC's. Two community foundations now exist in Romania. The Odorhei Community Foundation was registered in late 2007 and the Cluj Community Foundation in early 2008. A community foundation initiative is under way in a third city, Alba Iulia, and is likely to be registered in 2008.

## Russia

The Charities Aid Foundation (CAF) had been active in the UK promoting the development of community foundations there. CAF's Russian branch (CAF Russia) began promoting the community foundation concept in Russia in 1994, just three years after the fall of communism. In spite of its strong efforts, it took CAF Russia four years before the first community foundation in Russia, the Togliatti Community Foundation, was formed in 1998. It was a major accomplishment in a country whose traditions of individual philanthropy had been crushed under the Soviet regime. What CAF Russia discovered was that community foundations cannot be imposed from the top down. In order to be successful they need to be formed from the bottom up in order to build trust.

Russian society has traditionally been divided into sectors. The ability of community foundations to bridge and link the public, private and non-profit sectors was the key to their success. The founders of the Togliatti Community Foundation included local banks and chemical enterprises and a car manufacturer. Togliatti soon became the model for the fast growing community foundation movement in Russia. Giving by corporations in Russia remains strong. However, there are reports that interest in and donations by individuals and families are increasing. There are several organizations in Russia that support community foundation development, including CAF Russia, and the national community foundation association, the Community Foundation Partnership, which was established in 2001. With more than 30 community foundations in Russia now, the community foundation concept has proven its ability to adapt to a variety of philanthropic environments, even ones that appear to be inhospitable.

Generally, the legal and fiscal regulations in Russia are not favorable for the development of community foundations. In spite of the positive impact that community foundations have had, it is not certain how the

increasing distrust of the nonprofit sector on the part of the national government will impact the future development of community foundations in Russia.

### Serbia

The Resource Center for Development ALFA, Serbia has received a grant from the WINGS Global Fund to serve as support organization to emerging /transitioning community foundations in Serbia.

### Slovak Republic

The first community foundation in Slovakia was formed in Banská Bystrica in 1994. The Healthy City Community Foundation of Banská Bystrica also has the distinction of being the first community foundation formed in Europe in the post-communist era. The community foundation concept was brought to the city from the US by a member of the board of an NGO that transformed into the community foundation. In 1996, 3 more community foundations were established, two of which were transformed from civic organizations. Between 1996 and 2003, 8 more community foundations were created, receiving substantial support from the Open Society Foundation and Foundation Ekopolis, which had funding from the Charles Stewart Mott Foundation. Some Slovak community foundations have received grants from the WINGS Global Fund. However, local fundraising is now the key to financing the operations and activities of Slovak community foundations. The Association of Slovak Community Foundations was started in 2003. The Association is run by the CEOs of the Slovak community foundations on a volunteer basis. However, in the summer of 2007 the Association received a grant from the Mott Foundation, which allowed it to hire a part-time coordinator to focus primarily on strategy planning processes and building better awareness of community foundations with the public.

### Slovenia

Four community foundations have been established in Slovenia with the assistance of the Umanotera Foundation, a partner of the Trust for Civil Society in Central and Eastern Europe (CEE Trust) from 2004-07. Since 2007 CEE Trust has been providing direct follow-up support to the community foundations in the form of matching grants for re-granting. In the near future, the CEE Trust will award a capacity building grant to one of the community foundations that will serve them all.

### Spain

The Bertelsmann Foundation in Germany has been an active supporter of the global community foundation movement. The head of Bertelsmann AG, Reinhold Mohn, first learned about community foundations in the US. He helped found the first community foundation in Germany, Stadt Stiftung Gütersloh in 1996. In 2005 its sister foundation in Spain, Fundación Bertelsmann, decided to realign its priorities. Under the leadership of Liz Mohn, the chair of the foundation's board, it began to focus on strengthening civil society in Spain. One of its main projects is the promotion of the community foundation concept and support for the development of community foundations. There are many foundations and associations in Spain whose missions are to develop their own communities in towns, cities and regions around the country. However, none was formed explicitly as a community foundation. In 2007 Fundación Bertelsmann identified an existing foundation, Fundació Tot Raval in the Raval district of Barcelona (established in 2002), as the first community foundation in Spain. Fundación Bertelsmann is currently reviewing other existing foundations to see if they also are operating as community foundations.

## Turkey

One community foundation was recently registered in Turkey, the Bolu Community Foundation, in western Turkey, northwest of Ankara. It was facilitated by the Social Investment Initiative of the Third Sector Foundation (TUSEV), which aims to promote community foundations in Turkey, as well as other new approaches to enabling philanthropy, social investment and strengthening of the non-profit sector in Turkey. The community foundation movement in Turkey is at an early stage, yet it shows great promise and continues to attract the attention of the public, private and non-profit sectors, as well as the international community. The Social Investment Initiative has received support from the Tashman Fund, Charities Aid Foundation and the WINGS Global Fund for Community Foundations.

## Ukraine

The Ukrainian Grantmakers Forum (UGF) recently began to promote the community foundation concept in the Ukraine. It has received a grant from the WINGS Global Fund for Community Foundations to map community foundation development there, and will develop the capacities of emerging community foundations by facilitating joint trainings with regional specialists. UGF has identified a total of 7 community foundations in the Ukraine, 3 more than the 4 reported in 2005.

## United Kingdom

There are 56 community foundations in the United Kingdom. Approximately 95 percent of the country and 95 percent of the population now has access to a community foundation. The first community foundation in the UK was established in 1976. However, the community foundation movement began to receive more attention with the formation of the Community Foundation for Northern Ireland in 1979. The national association of community foundations, Community Foundation Network (CFN), was established in 1992 to support the development of community foundations and provide technical assistance, and a platform for learning and exchange of ideas. CFN also has served as a conduit and manager of national government funding to community foundations for needs in local communities. For the fiscal year ending 31 March 2007, UK community foundations made £75 million in grants (ca. US \$ 148,000,000); received £91,700,000 (ca. US \$180,500,000) in donations; and total endowments were worth about £160 million (ca. US \$315,000,000). In March 2008 the Leeds Community Foundation received the single largest donation ever made to a UK community foundation – £10,000,000 (ca. US \$19,900,000) for a donor-advised fund. As the first country outside of North America to establish community foundations, the success of community foundations in the UK gave funders confidence that the concept could be adapted to create viable models in other countries and giving cultures.

## **4.4 North Africa and the Middle East**

### Egypt

Two community foundations have been established in Egypt in the last three years: the Community Foundation for South Sinai and the Maadi Community Foundation (Waqfeyat al Maadi al Ahleya). The Maadi Community Foundation functions along more traditional community foundation lines than the Community Foundation for South Sinai, which has adopted a community development approach for its initial stage of development.

The Community Foundation for South Sinai (CFSS) was registered in South Sinai in November 2006 after some eighteen months of activity to identify a form of governance appropriate and acceptable to the social and political circumstances of Egypt. The current board members are its founder donors and supporters: two British, two Egyptian and one Bedouin. In the South Sinai, although there are religious

traditions and precedents with which the community foundation model is compatible, planned giving is virtually unknown. The NGO sector in general is weak, under-resourced and dependent on government ratification for every step it wishes to take. CFSS's key constituency is the marginalized Bedouin population of the area. Its most important task to date has been to research local needs and resources, and to build trust in the community, becoming a recognized part of the local landscape. Its grantmaking is focusing on supporting Bedouin culture, generating sustainable work opportunities, and providing solutions to issues identified by research. The driving force behind the formation of CFSS is the former CEO of the Derbyshire Community Foundation in the UK.

The Maadi Community Foundation was established in a suburb of Cairo in May 2007 after an effort led by a well-known researcher on philanthropy, who is also a development practitioner in Egypt. She was an International Fellow at the Center for Philanthropy and Civil Society at the City University of New York, and was named the Ashoka Social Entrepreneur for the Arab Region for her pioneering efforts in change-driven philanthropy. After studying the form and function of community foundations, her approach to adapting the community foundation concept to Egypt was to revive and modernize the traditional Islamic civic endowment structure, *al waqf*, using a secularized approach, in order to connect the community foundation to a deeply rooted endowment practice that could ensure sustainability and perpetuity. The Maadi Community Foundation is the first community *waqfeya* that is independent from the government's Ministry of Waqf or Endowment, making it truly a community foundation. The Board consists of active residents of the neighborhood, including business people, university professors, and development practitioners, women as well as men, from diverse religions and age groups. They are committed to bringing about structural change in how foundations operate in Egypt.

### Israel

The Jerusalem Foundation is a community philanthropy organization with many community foundation-like characteristics. It was established in 1966 by the legendary mayor of Jerusalem, Teddy Kollek. It is a non-political, non-sectarian, independent foundation, whose mission is to rebuild the city and improve the quality of life for all of Jerusalem's residents, regardless of ethnic or religious background. The Jerusalem Foundation draws heavily on giving from abroad, as do many Israeli nonprofits. It has a unique international governance structure, composed of nine international boards, in addition to the local Israeli board, to focus on fundraising for the foundation.

A new community foundation is reported to have been established recently in the city of Lod.

### Palestine

Dalia Association is a new Palestinian community foundation that was founded by members of the Palestinian community from the West Bank, including East Jerusalem, Gaza Strip, Israel, and the diaspora. Its board is diverse in terms of religion, gender, age, and politics, but united by its commitment to mobilize, invest, and distribute resources according to local Palestinian priorities using community-based decision-making. It was legally registered as a non-profit organization in Belgium in January 2007.

## **4.5 Sub-Saharan Africa**

### Ghana



Akuapem Community Foundation, the first community foundation in Ghana, serves the Akuapem Traditional Area in the Eastern Region of Ghana and beyond. The Akuapem Traditional Area spans two local government administrative units, Akuapem North District and parts of Akuapem South District. The Community Foundation was formally registered in April 2005. It grew out of the Akuapem Forum. The idea to turn the Forum into a community foundation began when the coordinator of the Forum met Dr. Juraj Mesik of the World Bank at a conference. Dr. Mesik introduced the community foundation concept, and it appeared to be the right fit. The Akuapem Community Foundation launched its endowment fund in June 2006. In 2007 the WINGS Global Fund for Community Foundations made a grant to the community foundation for organizational development activities.

## Kenya

The Kenya Community Development Foundation (KCDF), a national foundation, is the only community foundation in Kenya. KCDF was established in 1997 as a project of the Aga Khan Foundation with additional support from the Ford Foundation and other funders. In 2001 it was registered as an independent foundation. Founders were Kenyan development practitioners and scholars who were concerned about the issue of sustainability of community-based initiatives focusing on poverty reduction and social justice. The Kenya Community Development Foundation is currently involved in a major effort to build its endowment. In 2007, KCDF began working to meet the requirements of a challenge grant worth US \$3 million from the Ford Foundation. KCDF plans to raise an equivalent of US \$1 million, with at least US \$250,000 coming from Kenyan sources. There is great optimism that this challenge will be met, particularly in light of the fact that KCDF met a similar challenge in 2004-2005 when it raised the equivalent of US \$672,000 from Kenyan sources in less than three years. A successful result will make KCDF one of the very few African endowed foundations that will have the capacity to make grants in Kenya in perpetuity. Its endowment stands now at approximately US \$4,000,000.

The World Bank also is exploring the formation of community foundations in several local areas in Kenya.

## Malawi

There is a long-standing relationship between Scotland and Malawi, going back to the middle of the nineteenth century. The devolution of Scotland gave Scotland more control over its own affairs and governmental agenda. In anticipation of the G8 summit held in July 2005, and the Make Poverty History campaign that coincided with it, the Scottish Executive proposed an independent fund for Malawi. It has now been established as an independent foundation, the Scottish Malawi Foundation. The head of the Foundation is active in community development in Malawi, and also a board member of the Scottish Community Foundation. The Scottish Malawi Foundation decided one of the best ways to work locally in Malawi was to help establish, endow and work through community foundations in Malawi. The first community foundation in Malawi, the Mulanje Community Foundation, was established in May 2006 in the Mulanje area of southern Malawi. The conditions there were especially good – a geographic community, local experience managing endowment funds for a conservation trust, and well-known and trusted local leaders.

## South Africa

South Africa reports a total of 7 community foundations. The two oldest and most active internationally are the Uthungulu Community Foundation established 1999 in Richards Bay in Kwa-Zulu Natal and the Greater Rustenburg Community Foundation established in 2000. The Southern African Grantmakers Association (SAGA), which helped facilitate the early formation of community foundations in South Africa, shut down in 2006, primarily due to sustainability issues. Five community foundations formed a

membership association, South Africa Community Foundation Association (SACOFA), in late 2004 to share lessons learned and best practices.

### Tanzania

Tanzania is one of the countries chosen to pilot community foundations as part of the World Bank's own Community Foundation Initiative. In 2007 and 2008 community foundations were established in four urban areas: Kinondoni Municipality in Dar es Salaam; Arusha Municipality; Mwanza City; and Morogoro Municipality. Development efforts have been supported by the Tanzanian Social Action Fund (TASAF), a World Bank grantee.

### Uganda

The Kanyacheli Community Foundation is the only community foundation in Uganda. It was tentatively registered in 2005, but has been developing slowly due to local conditions and difficulties in raising funds. It is proceeding slowly in order to build grass roots organizational structures and membership in the foundation. Its key mission is to improve the quality of life among impoverished rural and urban communities.

### Zimbabwe

The Community Foundation for the Western Region of Zimbabwe (CFWRZ), the only community foundation in Zimbabwe, was established in 1998, and covers the three western provinces of the country. The CFWRZ was founded initially with local funds raised from over 50,000 people according to a local giving tradition; it also received significant support from international funders. The foundation supports and mobilizes resources for development initiatives coming from the rural communities. The current hyperinflation has caused the foundation to be highly creative in how they maintain their endowment and meet community needs. Their endowment is in the form of a building, which protects its value from inflation; they are very active in supporting community groups that are addressing HIV/AIDS, and in supporting the nutritional and educational needs of children.

## **4.6 Asia and the Pacific**

### Australia

The community foundation movement in Australia began slowly. The first community foundation, the Victorian Community Foundation was established in 1983 by the ANZ Bank Trustees. The Tasmanian Community Foundation was launched in 1995 and the Melbourne Community Foundation in 1997. In 2000, the Foundation for Rural and Regional Renewal (FRRR) was established with one of its specific objectives being the support and development of community foundations focusing on rural and regional Australia. Funding came from the Australian Government's Department of Transport and Regional Services and also the Sidney Myer Fund, ANZ Bank and the Pratt Foundation. This initiative was in response to concerns that support and services in rural areas were declining and that people felt they did not have the ability to improve the conditions of their communities and the lives of people in need. Also in 2000, Philanthropy Australia, the membership association for philanthropic trusts and foundations, made the support and development of community foundations one of its principal objectives. After that time the growth rate quickened. As of March 2008 there are 30 established community foundations in Australia with investigations at various stages for a further 9, including one community foundation recently established in an urban area, which covers three districts of Melbourne. Today community foundations can be found in all the states and territories of Australia with the exception of the sparsely populated Northern Territory where the concept is under discussion.

## India

The Bombay Community Public Trust (BCPT), the first community foundation in India, was established in 1991 with the assistance of the Centre for Advancement of Philanthropy (CAP), based in Mumbai. Although the development of community foundations is progressing slowly, there has been a longstanding interest in applying the community foundation concept in the Indian context. The community foundation form in India has roots going back to the twelfth century, although these organizations were focused on communities defined by a common religion rather a geographic area. Organizations in India that promote philanthropy, such as CAP and Sampradaan – Indian Centre for Philanthropy (SICP), have taken an interest in promoting the concept. The Ford Foundation was instrumental in helping establish the Ahmedabad Community Foundation in 2000. More recently, community foundation development efforts in India have received support from the WINGS Global Fund for Community Foundations.

BCPT and Nav Maharashtra Community Foundation (Navam) are the two community foundations in India that were formed along lines most commonly seen in community foundations in the West. Navam was formed in 2003 and is based in Pune. In addition to BCPT, Navam and Ahmedabad, there are at least three more organizations in India operating as community foundations, which SICP has helped to establish in rural areas. SICP has received a grant from the WINGS Global Fund to provide support services to emerging community foundations. The Mewat Foundation Trust, one of the three rural foundations, has also received support from the WINGS Global Fund to build its initial capacity.

## Japan

The Osaka Community Foundation, the first community foundation in Japan, was established in November 1991. At the time the Japanese economy was flourishing, before the long recession of the 1990s. The Osaka Chamber of Commerce & Industry contributed 100 million yen to the original fund, after which the founding members followed. The foundation was inspired by a visit to the Cleveland Foundation. A second small community foundation, the Citizens (Shimin) Fund Kobe, was formed by a group of volunteers in Kobe in the wake of the Great Hanshin/Awaji earthquake under the newer less restrictive NPO laws. Interest in establishing more community foundations in Japan is growing on the part of practitioners and academics, as the economy has recovered after a long downturn.

## New Zealand

The forerunners of community foundations in New Zealand were established up to 16 years ago. One was an offshoot of a commercial trustee company (Wellington), one was a vehicle to fund specific community development activities around a community services village (Tauranga – Western Bay of Plenty) and one was a vehicle for corporate social responsibility established by the territorial local authority (Manukau). A major catalyst for the development of community philanthropy in New Zealand was a “generosity seminar” hosted by a New Zealand family foundation, The Tindall Foundation, in 2002. Attendees at the seminar were challenged to consider how they might “stitch generosity into the fabric of” New Zealand society. One of the most cohesive outcomes was the development of a fledgling community foundation movement. There are now 7 emerging community foundations at varying stages of development, and an existing statutory trust (Whanganui) that has plans to transform into a community foundation. The legal structures of the first three community foundations have all required revision in order to facilitate their development as true community foundations.

## Singapore

A new community foundation is being established in Singapore that will be like no other community foundation in the world. It is targeting high net worth individuals, who will each give a minimum of \$1,000,000 SGD (ca. US \$737,000) to establish a donor-advised fund. Grantmaking will begin after \$50,000,000 SGD (ca. US \$36,820,500) has been raised. The Community Foundation of Singapore is being facilitated by the National Volunteer & Philanthropy Centre (NVPC), the national body that promotes and develops volunteerism and philanthropy. NVPC is a non-profit, non-governmental organization that receives funding from the Ministry of Community Development, Youth and Sports. It works in partnership with non-profit organizations, companies and the public sector to facilitate and strengthen community giving through its promotion and networking efforts, public education programs, volunteer training and fundraising, as well as grants, research and publications.

### South Korea

The first community foundation in South Korea, the Beautiful Foundation, was established in 2000 as a national community foundation. Its mission is to create and promote philanthropy among the general Korean public as a way to establish a sustainable and systematic culture of giving at all levels of society. The Beautiful Foundation interprets its mission broadly. Not only does it make grants, do fundraising, and offer donors a wide range of options and events, it also has instituted a number of innovative practices to spread a culture of philanthropy more broadly in South Korea. It created a 1% sharing campaign for members who pledge to give 1% of their incomes. At the end of 2007 this fund had over 30,000 members. The Foundation also maintains a library of philanthropic literature, the first of its kind in South Korea. It supports the work of Gong Gam, a group of public interest lawyers that represent underprivileged people and grassroots organizations to protect their rights and interests. It funds research on philanthropy in Korea and around the world. It has opened nearly 60 charity shops that encourage recycling for charity; the money raised goes toward the foundation's grantmaking. The Beautiful Foundation has chartered two sister foundations in the US: one based in New Jersey and the other in northern California.

Reports of additional community foundations being established in Korea since the 2005 Community Foundation Global Status Report have not yet been confirmed.

### Thailand

The development of community foundations in Thailand has gone through several stages, with financial support and technical assistance provided by local and international organizations, foundations and funders. There are now four established community foundations in Thailand, and two more are expected to be registered in 2008. The Synergos Institute was involved in the early 2000s in helping to promote the community foundation concept in the region. In 2005 a local Thai organization, Friendship to Community Foundation, and a local foundation, Thai Health Promotion Foundation, came together to establish the Community Foundation Project, which focused efforts on developing community foundations in Bangkok, Rayong, Lampang and Udonthani. Community foundations in Lampang and Udonthani were registered in 2006. The Thai Health Promotion Foundation has since ceased its funding for community foundation development, and Friendship to Community Foundation shut down in 2007.

In the wake of the tsunami in 2004, the Bernard Van Leer Foundation made a grant to Synergos to support the development of a community foundation in Phuket. The Phuket Community Foundation was registered in 2007 and has progressed to the point where it is creating an asset development plan. Phuket also has received support from the WINGS Global Fund for organizational activities and from the Bernard Van Leer Foundation for grantmaking. The World Bank office in Thailand has also been involved in community foundation development in Thailand. It helped support the formation of a community foundation in Korat. The Korat Community Foundation is focusing on convening activities in

addition to fundraising for projects. In 2008 it is expected that community foundations will be registered in Satun and Songkla. Due to the lack of a national support organization for community foundations, it is not clear what direction the development of community foundations in Thailand will take in the future.

### The Philippines

The Association of Foundations (AF) in the Philippines was introduced to the community foundation concept in 2002 at the WINGSForum in Sydney, Australia. Intrigued by the possibility of transferring this type of community philanthropy organization to the Philippines, AF in 2004 produced a Community Foundations Primer, to differentiate a community foundation from the other types of NGOs and foundations in the country. It also began promoting the concept. Prior to this, in 1999-2000, the Catholic Archbishop of Lipa, Batangas had an idea for a way to improve the quality of life of all the people living within his Archdiocese. It was a community philanthropy organization that would seek small donations from a large number of people to address local needs. His original idea was to register this new organization as a cooperative. However, before registering the organization he realized that a cooperative could only provide services to its members. He coined the name Pondong Batangan Community Foundation, as a way to recognize that the foundation he was starting would be for all those living in the province of Batangas. "Pondo" refers to funds and Batangan indicates the province. After AF became aware of this home grown community foundation, it began looking to see if others existed, or if there were organizations that could become community foundations. AF now reports that there are four community foundations in the Philippines. The three others were originally NGOs, established in the late 1980s and early 1990s, and have recently transformed into community foundations.