

Crowdfunding for CSOs

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– Regional Actions project*

Eastern Partnership Civil Society Facility – Regional Actions

Goal: to promote the role of civil society actors in the six EaP countries (Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine) in reforms taking place in their countries

Funded by the European Union

Implemented by a consortium led by GDSI Limited (Ireland)

Duration: 2017-2020

Details: <http://eapcivilsociety.eu/>

01

Mapping studies and research

for a better understanding of civil society organisations in the partner countries and their problems

02

E-learning courses and webinars

to strengthen civil society capacity and local impact

03

Hackathons to develop new ICT tools

to enable broader participation of civil society in decision making processes

04

Better communication

for high-impact civil society work to improve the image of civil society work and learn how to communicate it better

05

Civil Society Fellowships

for future leaders in key sectors to enable them to drive changes

Webinar

During the world economic crises, people, startups, and nonprofits turned to alternative finance

But **crowdfunding** is much more than finance

What is Crowdfunding

Crowdfunding (public funding, from crowdfunding, crowd - “crowd”, funding - “funding”) - cooperation of people (donors) who voluntarily pool their money or other resources together (today - through online sites) to support projects of other people / organizations (recipients).

- Fundraising for various purposes.
- Initially must be declared: purpose, amount of money needed, calculation of all expenses.
- Information on fundraising should be open to all.
- Two principles: “all or nothing” and “keep what you raised”.

*Simply put,
crowdfunding is
raising small
amounts of money
from a large
number of people.*




Crowdfunding is Not a New Concept

- 1713 - Alexander Pope introduced the rewards-based crowdfunding model for his translation of Iliad and pitched the idea to his readers.
- 1884 - Joseph Pulitzer's campaign to fund a base for the Statue of Liberty is one of the most famous historical crowdfunding campaigns, with 160,000 backers.
- 1997 - British rock band Marillion raised \$60,000 online for their tour in the United States, establishing the modern (online) crowdfunding campaign.



Crowdfunding Today

Have you done any of the following in the past month?

-  Helped a stranger, or someone you didn't know who needed help?
-  Donated money to a charity?
-  Volunteered your time to an organisation?

\$35 billion - global crowdfunding market in 2015, according to the World Bank

\$100 billion - global crowdfunding market in 2020, according to the World Bank

<https://www.cafonline.org/about-us/publications/2019-publications/caf-world-giving-index-10th-edition>

World Giving Index – EaP

Moldova: No. 80 (26%) in the World, 91 (41%) in helping stranger, 80 (20%) donated money in charity and 72 (16%) volunteered.

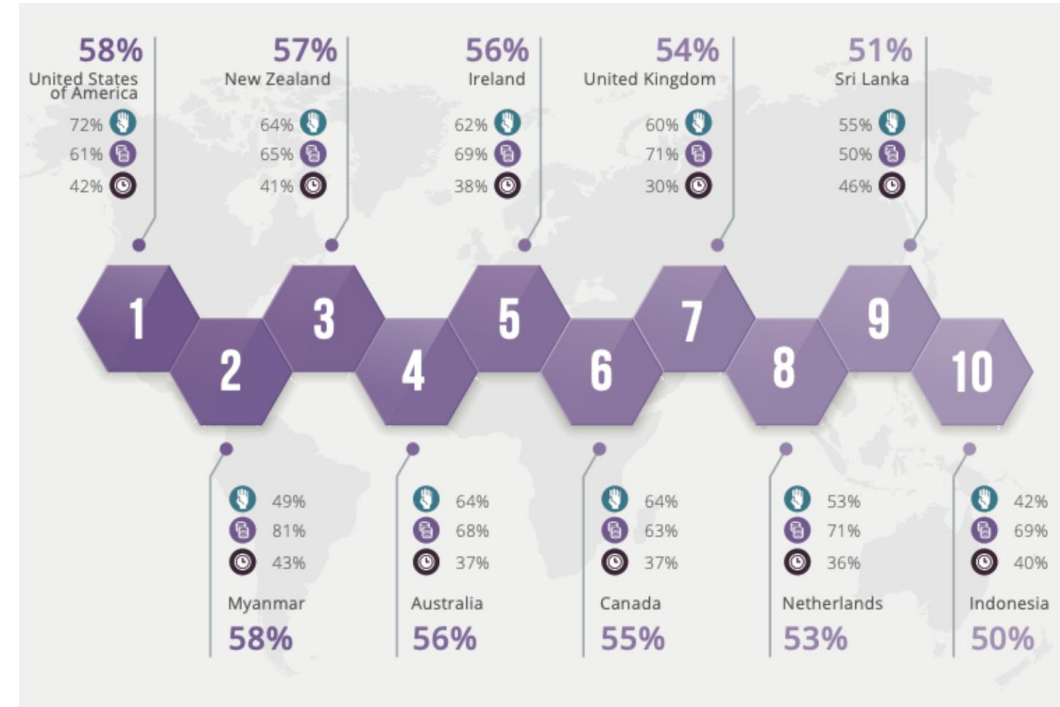
Belarus: No. 92 (25%) in the World, 118 (32%) in helping stranger, 96 (18%) donated money in charity and 40 (25%) volunteered.

Azerbaijan: No. 99 (24%) in the World, 99 (38%) in helping stranger, 102 (14%) donated money in charity and 57 (20%) volunteered.

Ukraine: No. 101 (24%) in the World, 111 (35%) in helping stranger, 90 (18%) donated money in charity and 62 (19%) volunteered.

Georgia: No. 112 (21%) in the World, 88 (41%) in helping stranger, 124 (6%) donated money in charity and 68 (18%) volunteered.

Armenia: No. 114 (21%) in the World, 64 (46%) in helping stranger, 119 (10%) donated money in charity and 114 (8%) volunteered.



<https://www.cafonline.org/about-us/publications/2019-publications/caf-world-giving-index-10th-edition>

Global Philanthropy in EaP Countries

Country	Easy of Operating	Tax Incentives	Cross-Border Flow	Political environment	Socio-Cultural Environment	Overall Score
Armenia	3.83	2.75	3.5	3.5	3.5	3.42
Azerbaijan	4.07	2	3.5	3	4	3.31
Belarus	2.5	2.15	1.6	2.75	2.5	2.3
Georgia	4.5	4.0	4.0	3.8	3.0	3.86
Ukraine	4.6	3.9	3.9	3.9	3.7	3.97

Global Philanthropy Indices

GLOBAL PHILANTHROPY ENVIRONMENT INDEX | GLOBAL PHILANTHROPY RESOURCE FLOWS INDEX | NEWS & EVENTS | ABOUT



<https://globalindices.iupui.edu/>



Crowdfunding Side Effects

GOOD PR

If you have successful campaign everyone will talk about it in the community. Your own fundraising campaign becomes interesting for the media.

LEGITIMACY

You want to contribute to the change of society. The only right way to do it is to have the support of your community.

SOCIAL IMPACT

Community funding also brings much greater engagement to your supporters and greater involvement. As a result, your social influence grows.

Crowdfunding Side Effects

TRANSPARENCY

There is no legitimacy and trust without transparent work. In crowdfunding, transparency is key. You need to inform your supporters about the results.

TESTING & LEARNING

In such a dynamic and complex world, there are no simple solutions and easily predictable results. This is a good way to test your idea and if the community finds it important.

EFFICIENCY

You don't have to wait for months for a donor decision. In crisis situations, people react quickly and support the non-profit sector. Still you need to plan your campaign in advance.

Crowdfunding Characteristics

01

Campaign owner

02

Platform

03

Backers

04

Time limited

05

Specific goal

06

Concrete project

Types of Crowdfunding

Donation-based

Funders donate without expecting monetary compensation.

Common donation-based causes include philanthropy, medical expenses, and disaster-relief.

Global Giving, GoFundMe, local platforms

Reward-based

Funders receive a token gift of appreciation or pre-purchase of a service or product.

Through the rewards system, individuals and businesses raise money by offering a product or service in exchange for a campaign contribution.

Kickstarter, Indiegogo



Types of Crowdfunding

Lending-based

Funders receive equity instruments or profit-sharing arrangements.

Mainly used for funding of startups.

Kiva

Equity-based

Funders receive equity instruments or profit-sharing arrangements.

Funderbeam, Crowdcube

Civic crowdfunding

In combination with participatory budgeting, involves the implementation of crowdfunding campaigns by local authorities for projects of public interest in the local community.

Spacehive

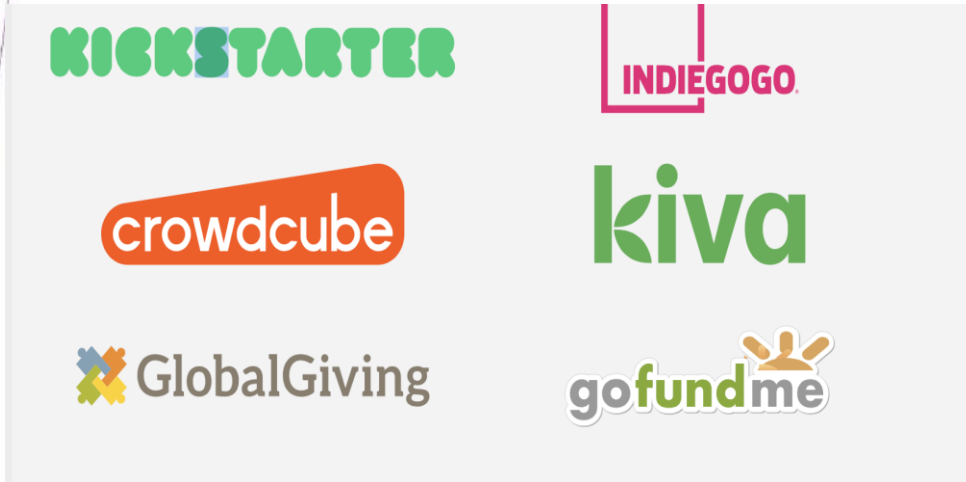


International Platforms

Webinar

Eastern Partnership

Important Platform Policies



Useful information on prices and type of platforms could be found on [FUNDLY](#) and [Entrepreneurs Guide – Fees on Crowdfunding platforms](#).

01

Fixed (all or nothing) vs. flexible funding goal

02

Donation-based or reward-based?

03

What are the platform fees and transactional costs?

04

Is there good support, education, and mentoring?

05

What kind of campaigns are there?

GlobalGiving


- Fees: the platform fee is between 5 and 12%, transactional costs 3%.
- Funding: soft launch \$5,000, afterward flexible.
- Advantages: Matched giving, mentoring.
- Ongoing projects in EaP countries:

Armenia 12, Georgia 2, Moldova 8, Ukraine 22

At the moment 499 projects for Covid-19 response.

Human rights, education, environment, health, arts and culture, local development, etc.

<https://www.globalgiving.org/>




CHILDREN | ARMENIA

Support Youth Living with HIV

by Charentsavan Resource Center Charity

This project will build a day center for young people in the Yerevan region of Armenia, offering support services, recreational activities, and... [read more](#)

€7,516 raised of €21,537 goal



TECHNOLOGY | ARMENIA


ICT as a Tool for Young Voices

by St Gregory's Foundation

We offer a home and vocational training for up to 20 homeless teenagers in Tbilisi. In the last 10 years, 400 children and teenagers have participated... [read more](#)

€24,683 raised of €29,685 goal

€ DONATE



HEALTH | MOLDOVA, REPUBLIC OF


Support 150 Tuberculosis Patients in Moldova

by Speranta Terrei

Speranta Terrei brings TB drugs and community support to the doorsteps of tuberculosis patients, finding them on the street or in dilapidated... [read more](#)

€83,197 raised of €122,284 goal

€ DONATE



CHILDREN | MOLDOVA, REPUBLIC OF

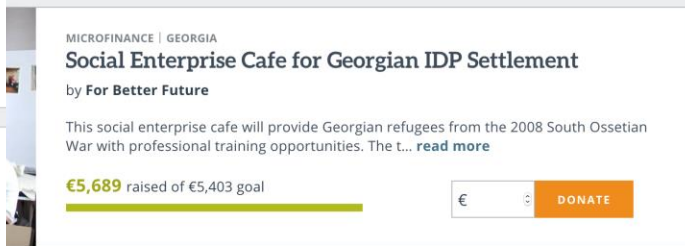
Educate young Moldovans in personal health

by ChildAid to Eastern Europe

This project will educate 60 teenagers across rural Moldova on local youth issues, namely sexual health and rights, traffic safety, discrimination... [read more](#)

€2,234 raised of €4,082 goal

€ DONATE



MICROFINANCE | GEORGIA

Social Enterprise Cafe for Georgian IDP Settlement

by For Better Future

This social enterprise cafe will provide Georgian refugees from the 2008 South Ossetian War with professional training opportunities. The... [read more](#)

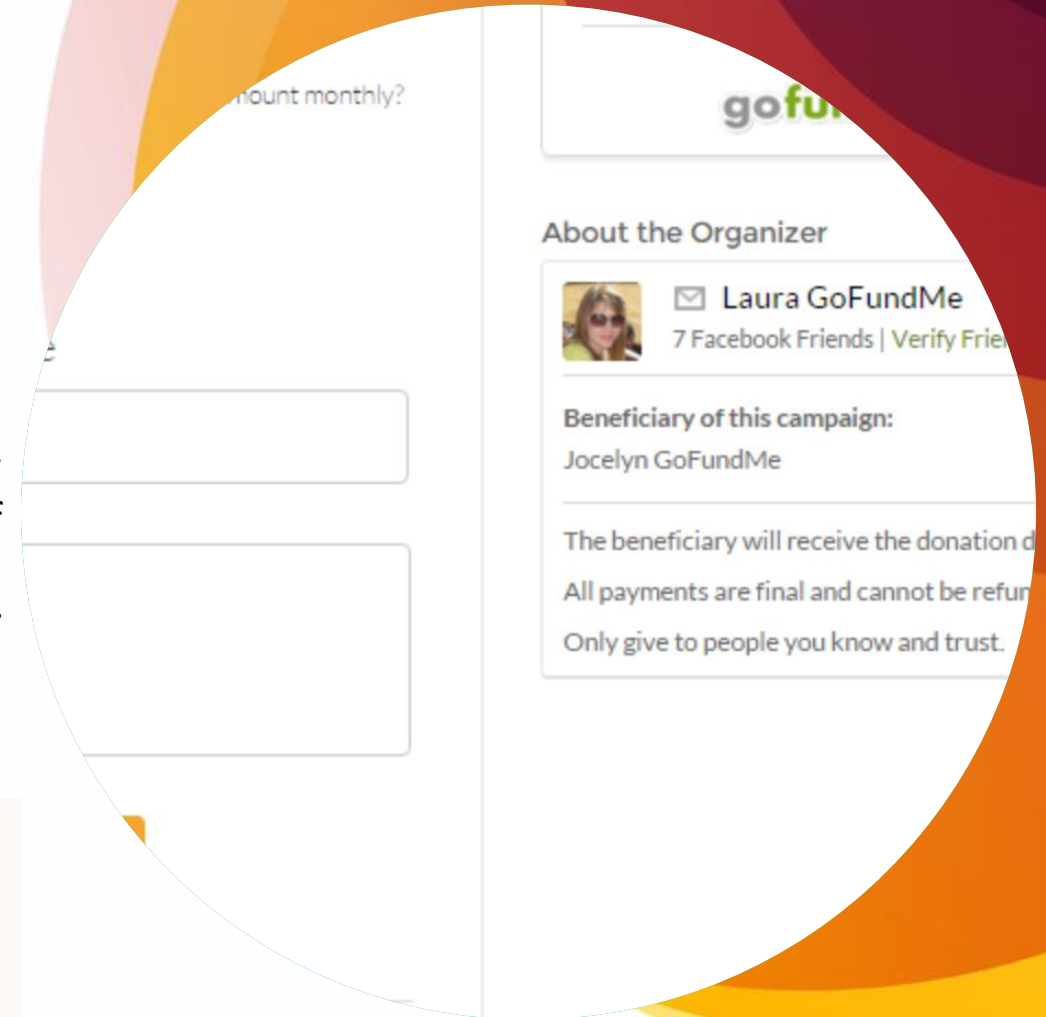
€5,689 raised of €5,403 goal

€ DONATE

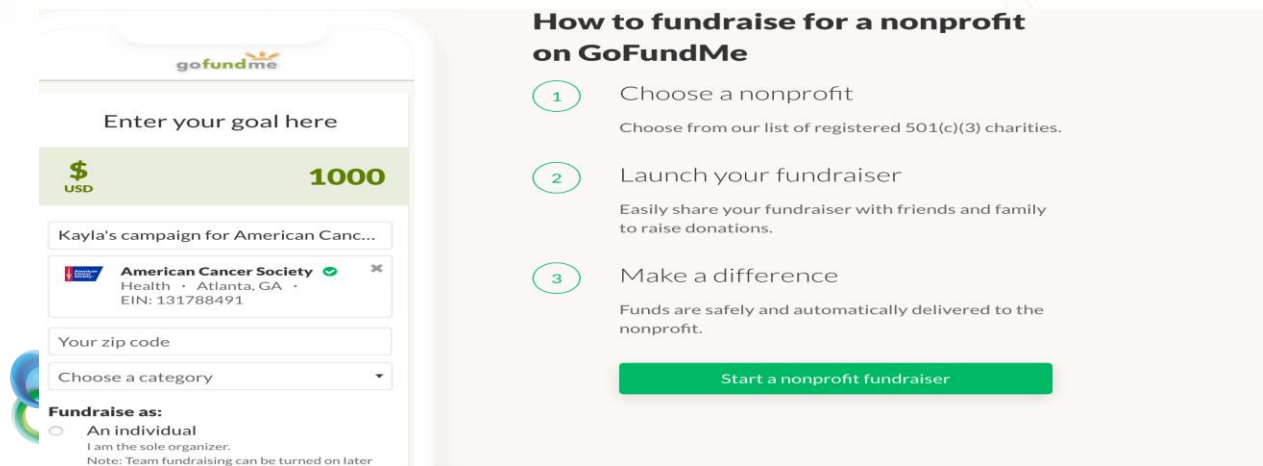
GoFundMe

- Fees: platform fee 0%, transactional costs 2.9% + \$0.3
- Funding: flexible
- Advantages: individuals as fundraisers

GoFundMe operates in 19 countries, but there is a possibility to raise funds for almost anyone in any country. However, if that person is in a country where GoFundMe don't operate yet, the campaign owner will be personally responsible for delivering the funds outside of GoFundMe and outlining a transparent withdrawal plan on your campaign story.

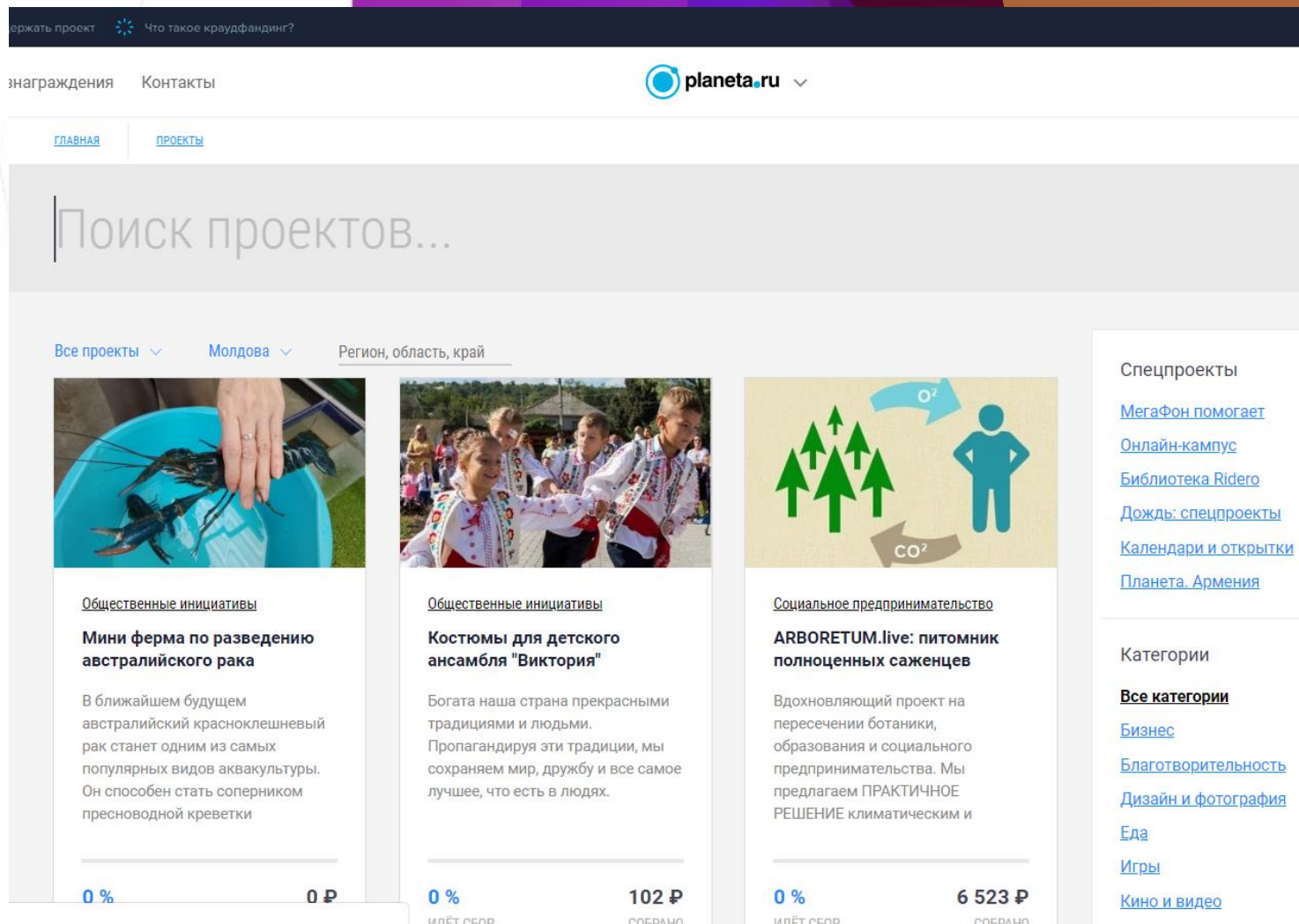


<https://gofundme.com/>





Planeta.RU

- For individuals and legal entities from any country with a bank account
- Projects: related to creative or social activities, including business projects and social entrepreneurship.
- Minimum 50% of the declared amount.
- Fees: 10% of 100% of the collected amount, 15% of 50%-99.99% of the collected amount, 5.9% of charity projects.



The screenshot shows the Planeta.RU website interface. At the top, there's a navigation bar with links like "Поддержать проект", "Что такое краудфандинг?", "Награждения", and "Контакты". The Planeta.RU logo is on the right. Below the navigation bar is a search bar with the text "Поиск проектов...". Under the search bar, there are filters for "Все проекты", "Молдова", and "Регион, область, край". The main content area displays three project cards. Each card has a title, a description, and a progress bar showing the percentage of funds collected and the amount raised. The first card is about a mini-farm for raising Australian crayfish. The second card is about costumes for a children's ensemble. The third card is about a social entrepreneurship project called ARBORETUM.live. On the right side, there's a sidebar with links to "Спецпроекты" (Special projects) and "Категории" (Categories).

Поддержать проект  Что такое краудфандинг?

Награждения Контакты  planeta.ru

ГЛАВНАЯ ПРОЕКТЫ

Поиск проектов...

Все проекты Молдова Регион, область, край

Общественные инициативы

Мини ферма по разведению австралийского рака

В ближайшем будущем австралийский красноклешневый рак станет одним из самых популярных видов аквакультуры. Он способен стать соперником пресноводной креветки

0 % 0 Р

Общественные инициативы

Костюмы для детского ансамбля "Виктория"

Богата наша страна прекрасными традициями и людьми. Пропагандируя эти традиции, мы сохраняем мир, дружбу и все самое лучшее, что есть в людях.

0 % 102 Р

Социальное предпринимательство

ARBORETUM.live: питомник полноценных саженцев

Вдохновляющий проект на пересечении ботаники, образования и социального предпринимательства. Мы предлагаем ПРАКТИЧНОЕ РЕШЕНИЕ климатическим и

0 % 6 523 Р

Спецпроекты

[МегаФон помогает](#)

[Онлайн-кампус](#)

[Библиотека Ridero](#)

[Дождь: спецпроекты](#)

[Календари и открытки](#)

[Планета. Армения](#)

Категории

Все категории

[Бизнес](#)

[Благотворительность](#)

[Дизайн и фотография](#)

[Еда](#)

[Игры](#)

[Кино и видео](#)

Local Platforms

Webinar

Eastern Partnership

Armenia

Ayo! <https://weareayo.org/>

- Fundraising platform of Fund of Armenian Relief to support local development projects
- 100% free, all raised money go to projects. No administrative or processing fees are deducted.

ONEArmenia <https://onearmenia.org/>

- Support grassroots organizations to implement innovative projects that accelerate job creation in agriculture, tech, tourism, and made-in-Armenia products.



Azerbaijan

<https://wish.az/>

- Platform supports new business and startups and charity for social assignments, personal needs (funds for medical services, treatment, social assistance).
- Users can also become volunteers on the site and participate in the social projects of the company. 12 charity projects implemented so far. No commissions for charity projects. For other projects – from 5% (for 70%-100% raised amount) to 10% (for 20-40% raised amount).
- 'Keep what you raised' if you raised more than 20% of the goal amount.

<https://toxum.org/>

- Supports projects in the field of culture, education, and environment.
- 'Keep what you raised' principle
- The total commission (platform commission + transaction fee + taxes) is 10%



Charity

Your donation can make others happier. Help and find the joy of making someone happy



Support

Each of us must morally and materially support the people who need us



Health

Let's support each other for a healthy and prosperous future, people and world



Startup

Let's help each other to create successful business projects and thrive together with these projects



Georgia

Fundraiser.ge started one year ago.

- Supported areas are business, ecology, social campaigns and education.
- Campaign last at least 10 days and a maximum of 60 days.
- The platform service fee is 0% in case of social/charitable projects and 5% for other successful projects. Up to 10% Bank fees.
- Keep what you raised' for social projects, and 'All or nothing' for other projects

← Save Tbilisi's Club Culture



 The Cultural and Creative Industries Union of Georgia

Belarus - Ulej

- Fees: to launch the project is free, and commission is charged for unsuccessful projects; for successful projects, Ulej charges up to 11% (9.5% is Ulej's commission, and 0.5 or 1.5% the bank fee);
- All-or-nothing model.
- Statistically, around 40 % per cent of all projects succeed in collecting the required funds.
- For beginners, the platform offers crowdfunding training resources.
- Support for media, literature, design, urban initiatives, Covid-19 crisis, focus on innovation and public benefits.

АВТОЛАВКА #STAYHOME

Покупка и доставка недельного набора продуктов для одиноких пенсионеров.
Поможем пожилым людям Лиозненского района Витебской области остаться дома.



МОО "Взаимопонимание"
Автор
Написать сообщение

5 903 BYN 105%
НЕОБХОДИМО 5 600 BYN

213
БЭКЕРА

5 дней
ОСТАЛОСЬ ДО ЗАВЕРШЕНИЯ
Срок — 29.05.2020, 14:17

Поддержать

Добавить в избранное

Поделиться: vk f g

<https://ulej.by>

Belarus - Talaka

- A platform for gathering the project team, to find co-founders, assistants, experts, partners and sponsors for the project.
- One of the essential conditions for projects here is their social importance.
- First, people declare their readiness to support the campaign. At the next stage, these “promises” materialise into donations.
- According to Talaka.by, around 80 per cent of “promised” donations turn into real money.
- Has all options: ‘all or nothing’, ‘keep what you raised’ and ‘membership’
- Talaka’s fee is 7.5% + bank charges (2% for cash withdrawal, 1.5 for transfers from out banks’ cards). If the amount raised is over BYN 5,555, 13% of income tax is to be paid



Видеоуроки по МАТЕМАТИКЕ

Создание видеоуроков по математике (для начала для 4-9 классов) и в дальнейшем создание сайта со свободным доступом ко всем материалам.

2000 BYN needed

♥ 3 | 👤 2 | 📊 4% raised | 📋 2 tasks



Гаварун — мультфільмы па-беларуску (на Youtube)!

Рэгулярны выпуск забаўляльнага і адукацыйнага кантэнту для дзяцей на беларускай мове: мультфільмаў, аўдыякніг, песень, відэаролікаў!

3800 BYN per month needed

Перакладчык

♥ 44 | 👤 43 | 📊 24% are raised | 📋 6 tasks



Анлайн-фестываль дакументальнага кіно

Наша мэта – паказаць актуальнае беларускае дакументальнае кіно шырокаму колу гледачоў як у Беларусі, так і за яе межамі.

SMM-спецыяліст

♥ 29 | 👤 29 | 📋 4 tasks

<https://www.talaka.org/>

Belarus - MolaMola

- There are more than 1,530 fundraising campaigns on MolaMola.
- 'Keep what you raised'
- MolaMola's and the partner bank's commission is 5% + BYN 0.4 from each payment

STEP 1

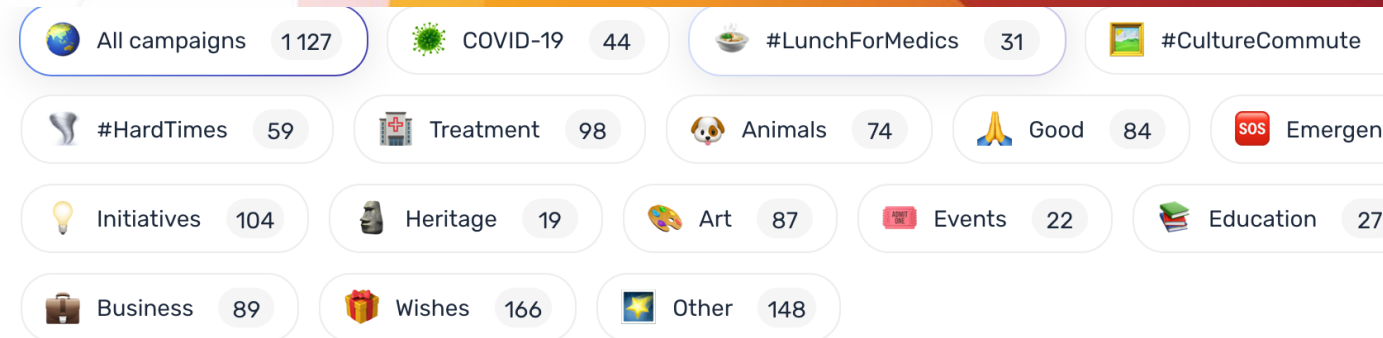
Launch MolaMola campaign

Start raising funds in 15 minutes after filling out a few fields and telling your story.

STEP 3

Get direct transfers from backers

The more active you are in promoting your campaign, the more people know about the fundraiser goal and the more transfers you get. The money get to your card in real time.

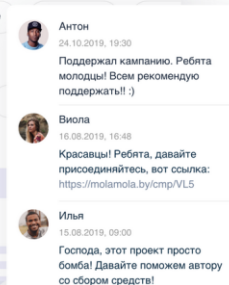


Социальные сети

Facebook ВКонтакте

Мессенджеры

Telegram Viber

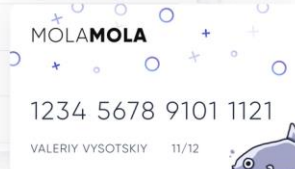
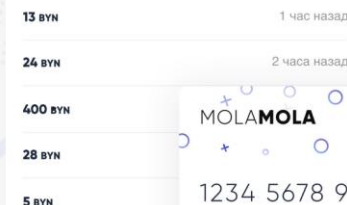


STEP 2

Spread the word about your campaign

Share the campaign link on every social media and messenger. Ask your friends to spread the word about the fundraising.

Платежи



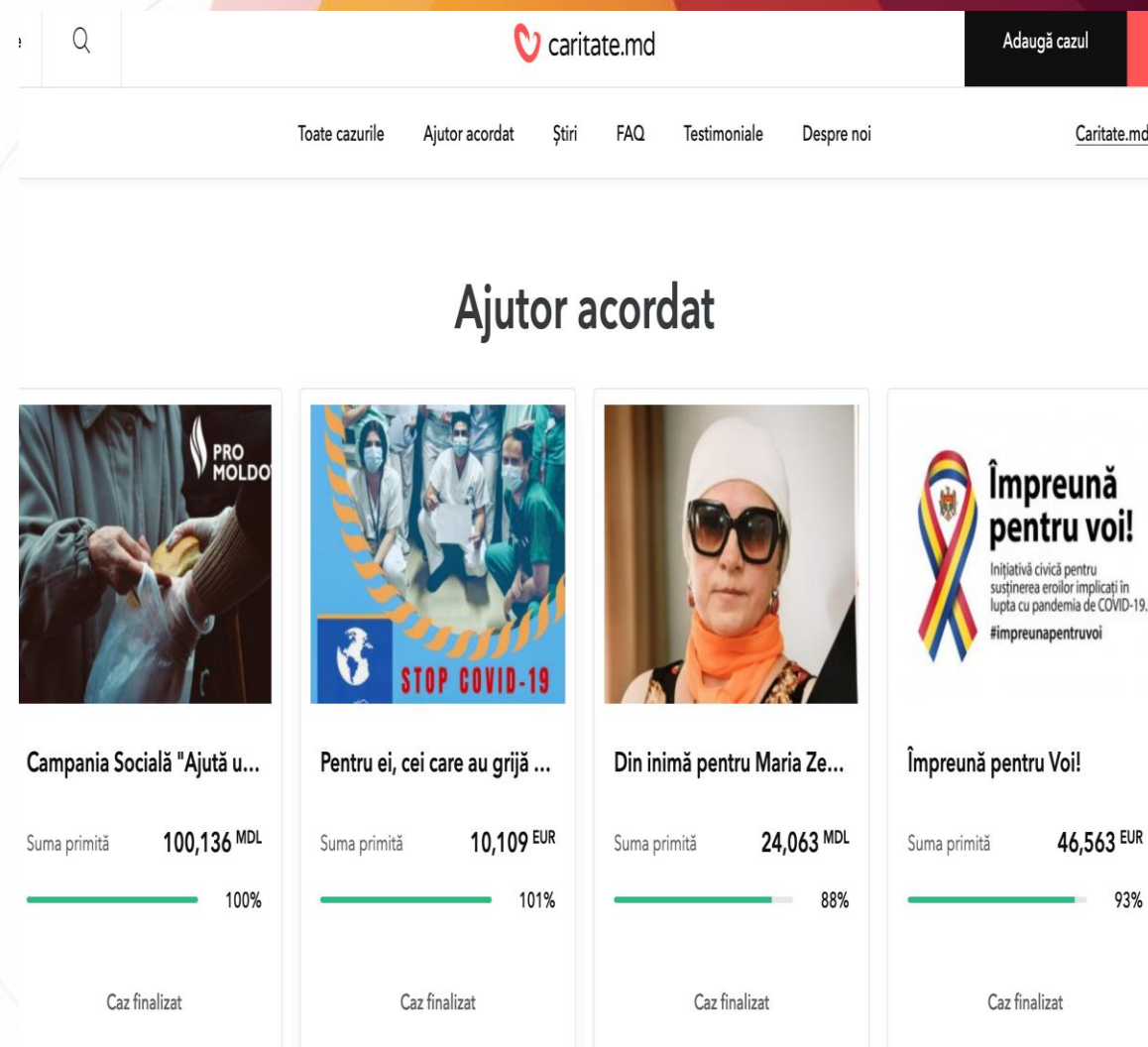
Moldova - Sprijina

- **Sprijina** encourages people to raise funds for innovative and entrepreneurial projects, nonprofits, charitable events or personal needs such as coverage of cost and medical emergencies, educational costs or other personal events.
- “All or nothing”
- 3.5% of the amount collected if the collection objective is reached;
- 5% of the amount collected, if the collection target is not reached. Collected money go to another project or to Sprijina.md
- 4% - commission for payment processing



Moldova - Caritate

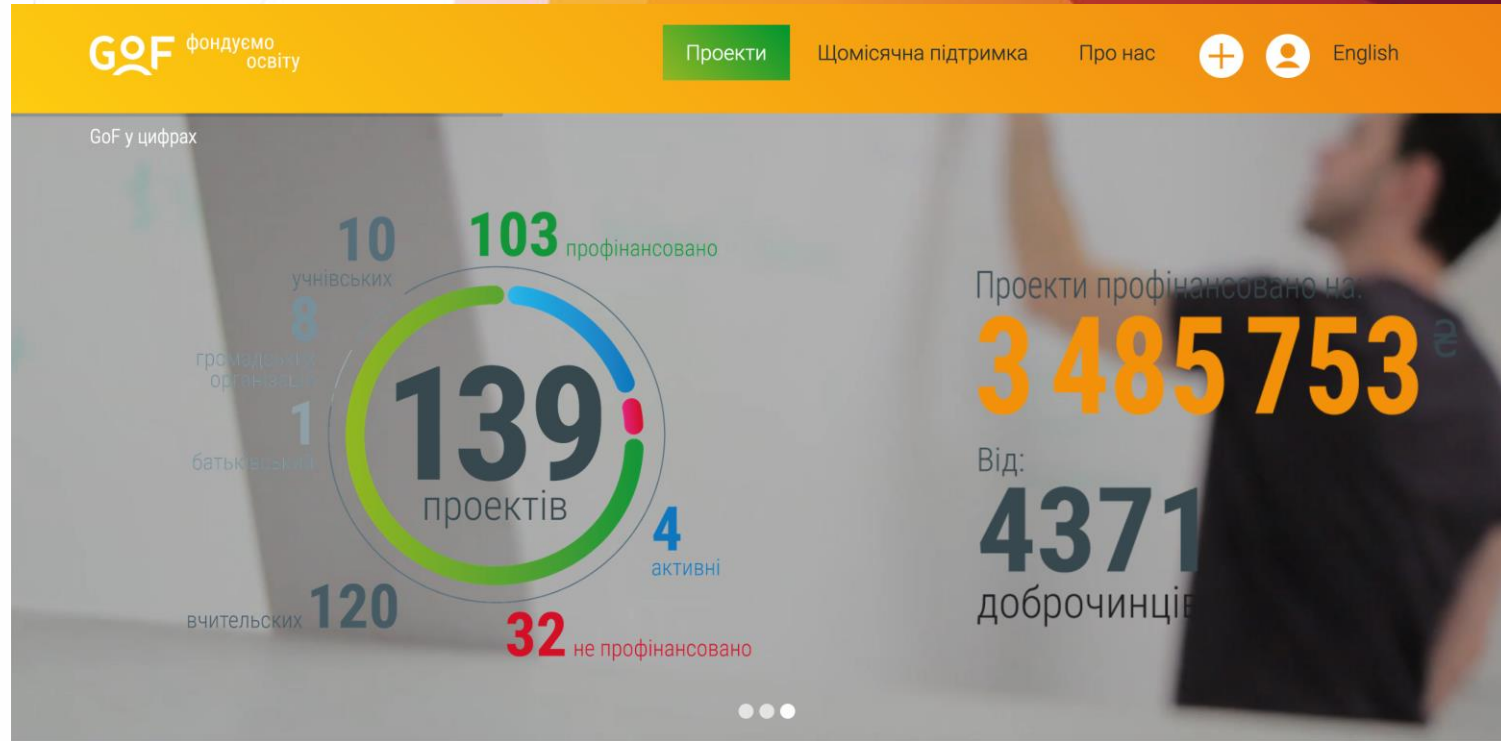
- **Caritate** raises funds for social projects in different spheres of life - from projects of specific targeted assistance in agricultural sphere, education and arts to assistance for people who are in various difficult situations.
- Caritate.md is free platform, i.e. Caritate's commission is 0%
- 'Keep what you raised'
- Provide non-financial assistance such as (legal, psychological, medical, maintenance, transportation, etc.).
- Fees and commissions related to bank operations are approximately 0% - 1.5% of the amount collected, plus bank fees for transactions depending of the bank (1.5 % - 3.5 %).



<https://www.caritate.md/>

Ukraine - GoF

- Platform support project in the field of education.
- From 2020, the platform accepts projects exclusively from participants of the School 3.0 program or other educational programs and projects of the Center for Innovative Education "Pro.Svit" and educational projects of national importance in Ukraine.



<https://gof.org.ua>

Ukraine - Spilnikosht

- **Spilnikosht** on Big Idea platform is the first and biggest online crowdfunding mechanism in Ukraine.
- It helps people find financial support for their projects among colleagues and adherents.
- Spilnikosht emerged out of the need to support creative, media and educational initiatives, and develops in order to fund innovations in such fields as IT, renewable energy and social entrepreneurship.
- 'All or nothing'
- Total commission of the platform and banks / payment processing is

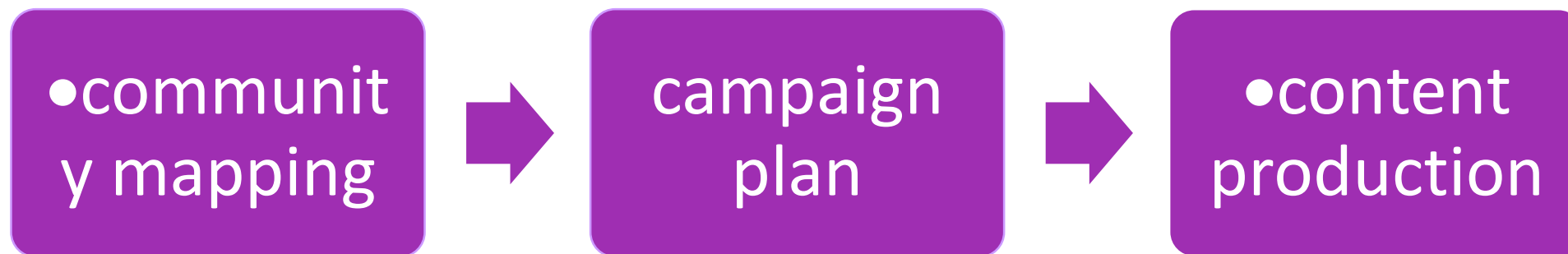


<https://bigggidea.com/>

Webinar

Important Steps and Tips

And some risks...



How does a campaign work?

01 Choose a crowdfunding platform

Look at the price and platform that is easy to use for you and your supporters

02 Set a goal and end date

How much money you need and when you need to raised it

03 Tell your story and add media

Add images and videos about you or the cause you are raising money for.



04

Promote your campaign

Let your friends, coworkers know about your campaign by sharing it via email, Facebook, Twitter, etc.

05

Monitor your campaign

You need to keep tabs on your campaign. Add updates in case you are still a little behind.

06

Acknowledge your supporter

Thank your supporters for their donation.

<https://blog.fundly.com/crowdfunding-tips/>

Crowdfunding Risks

REPUTATION

Although it can help promote an idea, initiative and project, failure to raise the target amount can have negative effects on the reputation of the organization with other donors.

INTELLECTUAL PROPERTY PROTECTION

Once an idea is launched, the platforms do not guarantee that the idea will not be stolen, so there is a risk that someone will take over the idea.

NO GUARANTEE

There is no guarantee that the project, idea, job will be realized or a success if money is invested. Ultimate success depends on many other factors.

Crowdfunding Risks

ABUSE

Given that there is rarely adequate legal regulation (the beginnings are in the United States and the EU, where the process of regulating this market began), there is concern that donated or invested money may be misused.

DONOR FATIGUE

There is a concern that donors will practically get tired if they are approached a large number of times. Given the prevalence of platforms, some of the topics may simply cease to be interesting or to attract attention.

Campaign Preparation Checklist



01

Define your idea

Is this really something that will get people interested?

02

Analyse other campaigns

Where were they launched? How much did they raise? In what time? What was the average donation?

03

Choose the right platform

Know their policies but also be aware of the campaigns that will surround yours.

04

Build your team

Make sure to have at least three people dedicated to this campaign.

05

Contact your community

It all starts with your personal and direct contacts. You can start growing when you cover all of them.

Webinar

**And now some tips and
experiences from our
guest speaker...**

Catalyst Foundation

Data empowering social good.

Since January 2015 we have recorded



256,026,337 €

value of donations



8,399

donors



15,760

recipient entities

Register now


Webinar


Questions and Answers


Are welcome...

Thank you for your attention!

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