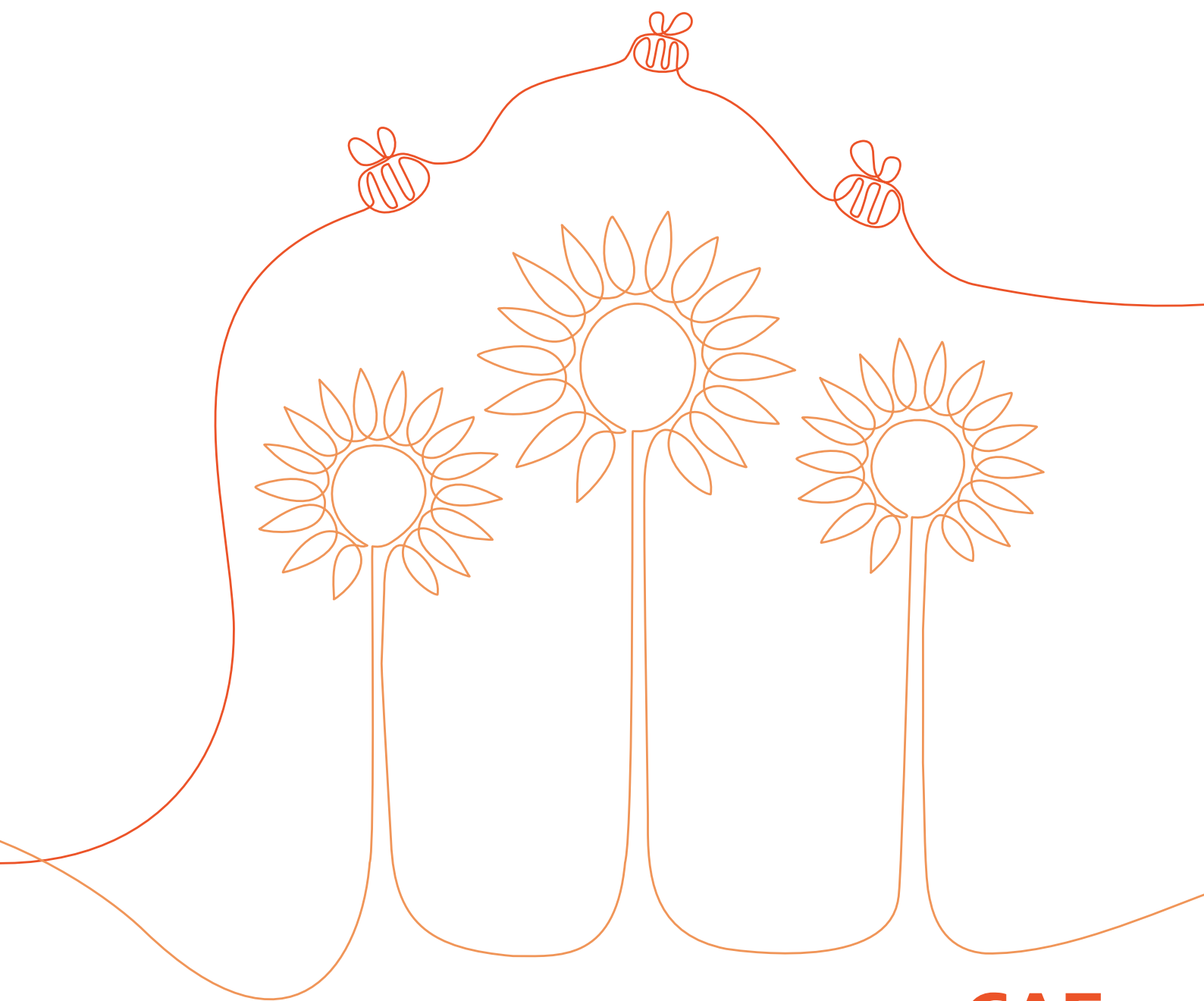


WHEN SIZE MATTERS

*The phenomenon of community foundations
in small towns and rural areas of Russia*



When size matters: The phenomenon of community foundations in small towns and rural areas of Russia

Larisa Avrorina & Yulia Khodorova – Moscow: CAF Russia, 2017. – 32 p.

This research paper considers a phenomenon in local philanthropy development in small industrial and non-industrial towns, single-industry towns and rural areas in Russia known collectively as ‘rural funds’.

The goal of the research was to analyze the current state and activities of community foundations (hereinafter – CFs) working in small towns and settlements, explore the characteristic features of this type of foundation and the role they play in local community development as a unique phenomenon of local philanthropic activity in Russia.

The research was carried out as part of the Programme for Development of Community Foundations implemented by CAF Russia and funded by the Global Fund for Community Foundations.

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INTRODUCTION

The non-profit sector has been rapidly developing in Russia since the late 1990s. New formats of civic engagement and access to information on the forms and approaches to implementation of social projects gained mainly through international donors' programmes have combined to shift the community life landscape.

The first Community Foundations emerged in large industrial centres – the Togliatti Foundation (1998) and the Foundation for Development of Tyumen (1999). They later became flagships and experimental spaces for local philanthropy development along with a CF in Chaikovsky, a small town in Permsky Krai (1999). These CFs were able to demonstrate that the model can effectively deal with local issues and develop social initiatives.

The early 2000s saw the development of private and corporate charitable foundations; state programmes that supported certain areas of NGO project activities also emerged. This activity all took place in the regions that had available resources for such development.

It is easy to talk about and develop local philanthropy where there are financial and human resources in place. One needs to carry out a needs assessment, attract resources from socially responsible businesses (corporate and private donations) and start implementing the programmes. It is essential that there are people who can articulate the most topical issues, and explain to the community why it is important to deal with them and how it will improve the quality of their life. It is also important to have the necessary structures in place where professionals work.

What if there are no resources or if they are too scarce? What if the communities are located in remote territories, sometimes hundreds and thousands of kilometres away from regional centre and capital cities? There, where the usual things that make people's lives in big cities interesting and exciting are absent, it would be at least strange to mention philanthropy development.

Many small towns and settlements in Russia were excluded from the changes brought about by the Perestroika movement. This is especially true for the 'back country', which is mainly represented by non-industrial rural areas (almost 40% of the Russian population lives in remote and rural areas). **The people who live in remote territories are often unaware of the resources available and the opportunities to attract these resources to deal with local issues.** NGOs are almost never present in small towns and rural settlements. NGO Resource Centre also usually work in regional centre and mainly support and develop NGOs while paying little to no attention to community development.

These territories require new development models, primarily aimed at increasing people's engagement in dealing with local issues. The CF model has proven to be the most useful and easily adaptable for these communities.

CAF Russia started to work in the field of local philanthropy development in such territories as part of the Local Self-Governance and Civic Engagement in Rural Russia project, supported by the World Bank. The project was implemented in 2003–2005 in three regions of Russia: Permsky Krai, Adygeya Republic and Penzenskaya Oblast. The regions differed in terms of social and economic development, the level of maturity of the NGO sector and the experience in implementation of charitable programmes. At the time we did not mention local philanthropy development as we were attempting for the first time to find and attract local resources to deal with social issues. One of the key objectives of the project was to develop civic activism and engagement to help resolve local problems.

At the beginning of the project, the objective seemed quite ambitious and we were not completely confident we would actually be able to develop local philanthropy in these types of communities. The project was only successful in one of the three regions, Permsky Krai, where it laid the foundation for development of rural CFs in Russia.

Today there are 70 active CFs in Russia, and over half of them belong to the ‘rural funds’ type. These are rural foundations and foundations located in remote non-industrial territories. There is almost no funding there, and no big businesses. However, the successful experience of pioneers from Permsky Krai and CFs from other regions initiated dissemination of the model to various regions of Russia.

Besides, over the last ten years there has been a significant breakthrough in development of the internet and information technologies which has allowed remote and underdeveloped territories to gain access to the common information space. Access to best practice and real-life case studies accumulated by CFs has become a substantial stimulus for development of the model and an inspiration for local activists in small towns and settlements.

Over recent years it has been the ‘rural funds’ that have seen the greatest developments. They can be considered the main drivers of success for local philanthropy development in Russia.

This research is an attempt to understand the reasons for such impressive growth and development of ‘rural funds’ (hereinafter – the small CFs), evaluate the role that foundations of this type play for the development of civil society and local philanthropy in peripheral regions, and analyse how they differ from the foundations in big cities. To do this, we will be using the findings of our previous research on community foundations carried out in 2012–2013.

This research was carried out as part of a project supported by the Global Fund for Community Foundations in June – November 2016. The initial information on the activities of small CFs was obtained from the reports and applications submitted by the participants of CAF Russia’s Programme for CF Development, open-access websites and publications, etc.

To obtain data for comparison purposes, focus groups were held at conferences and seminars with representatives of small CFs from Siberia and Volga Federal District where the majority of foundations of this type are located. In addition, the CFs were invited to fill in a survey (24 questionnaires returned and processed) and 15 in-depth interviews were held with heads of small CFs. Almost all 50 ‘rural funds’ were involved in the research.

PRE-REQUISITES AND CONDITIONS FOR EMERGENCE OF CFs IN SMALL TERRITORIES

Programmes for support of CFs in rural areas and small towns

Since 2003, CAF Russia has been implementing the Programme for CF Development.

The goal is to support emerging CF initiatives and to develop new projects and approaches within existent community foundations, contribute to the professional development of CF staff, increase the CFs' expert potential, develop the formation of horizontal liaisons between CFs with various levels of development, and replicate best practice and the most successful social technologies.

Within the Programme, projects such as Local Self-Governance and Civic Engagement in Rural Russia supported by the World Bank and a number of initiatives by businesses to develop CFs in the regions were implemented. The goal of the World Bank project was to develop civic initiative and self-governance in rural areas, which included exploring the potential and resources needed for development of rural philanthropy. As a result of a joint effort by the Programme for CF Development implemented by CAF Russia and the World Bank Project, **the first foundation in Russia to develop rural civic initiatives was founded in 2005 in Permsky Krai.** The Sodeistvie Foundation became the experimental flagship for development of CFs in rural and non-industrial areas.

Programmes by large industrial companies – such as SUAL-Holding and YUKOS – significantly influenced the development of the CF model in the regions of Siberia. Irkutskaya Oblast is an industrial territory and one of the first regions to pass the law on local self-governance. The companies supported the CF model as a new tool for development of the regions of their presence to increase civic activism, diversify their expenses and involve other stakeholders in resolution of social issues. **This is how the first community foundations emerged in small industrial towns in Irkutskaya Oblast – Angarsk (2003) and Shelekhov (2005).**

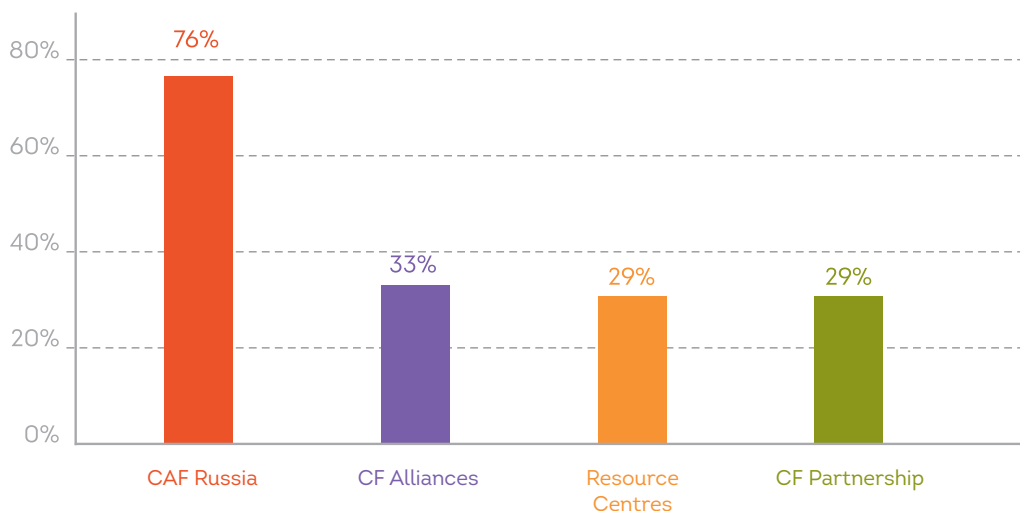
The history of CFs in small towns and rural areas dates back to the period when these projects were implemented. The first experiment in Russia aimed at creating CFs in remote rural areas far from the central cities and large industrial plants in the absence of state policy aimed at support and development of such territories took place in Permsky Krai. Thanks to the companies' efforts, the first CFs in small industrial towns emerged in Siberia.

The Sodeistvie Foundation was also the first one in Russia to establish a CF Alliance, which is a legally registered association of community foundations, in Permsky Krai. This form of association enabled the CFs to work out a shared development strategy, create channels for the exchange of experience and best practice, and eventually gave start to networking projects.

It is important to note that the Programme for CF Development at CAF Russia introduced a new area of activity aimed at supporting CF initiatives in remote and rural areas. The ‘Start Up’ nomination was introduced for organisations wishing to establish CFs while at the same time large existent CFs were encouraged to replicate and disseminate the model in rural and remote territories.

The CF Partnership was established in 2006 and this additional resource helped to unite strong sustainable and highly professional CFs with emerging CFs in new regions. The consultations provided by the CF Partnership contributed much to the development of new CFs.

Picture 1. CF support organisations



Centres for CF Development

The experience accumulated by CFs in big cities, the efforts by CAF Russia’s Programme aimed at supporting new initiatives and the development of liaisons, the exchange of best practice among community foundations, the involvement of Resource Centres that set new priorities in the field of local community development and the broadening of the spectrum of programme activities combined to result into a wider geographic spread of CFs.

The Siberian Centre for Support of Civic Initiatives (SCSCI, Novosibirsk), with its network of partners in big Siberian cities from the Urals to Transbaikal, played a substantial role in the spread of CFs in the Siberian Federal District. For a number of years, the Centre had been implementing a programme aimed at community development in a number of regions, which laid a solid foundation for the emergence of new CFs. **Garant Centre in Arkhangelsk** and the CF of the same name were involved in development of new CFs in the North-West Federal District. **Razvitie Foundation (Rubtsovsk)** is actively developing CFs in the South of Siberia. **The CF in Tyumen,** one of the first to be established in Russia, is actively supporting the spread of the CF model in various towns in the Urals.

The Sodeistvie Foundation (Perm), considered the resource centre for rural philanthropy development in Russia, is the leader in Volga Federal District. In 2015, Nina Nikolaevna Samarina, Head of the Foundation, got the international [Olga Alexeeva Memorial Prize](#)¹ for the role she played in rural philanthropy development.



“The big idea is to get everyone excited about the CF model. It all begins with personal contacts, with the leaders. I meet people at various events, the activists come to visit, I provide advice and consultation and step by step we go hand in hand: write the charter, work out areas of activity, design programmes. We sit down to think together which business representatives could become trustees. We do a lot of consulting; today there are a lot of activities in rural areas. This is our work.” – Nina Samarina

When several CFs emerge in one region or in neighbouring territories with similar social and economic conditions, a strong group of leaders who have substantial experience in CF model development encourages CF association in regional and interregional alliances, which in turn stimulates CF development in remote rural areas. **The first CF Alliances started working with the support of CAF Programme for CF Development in 2009–2010.**

Today, the following **inter-regional CF Alliances** are working successfully: North-West CF Alliance (Karelia Republic, Arkhangelskaya, Pskovskaya, Kaliningradskaya and Murmanskaya Oblasts, and Saint-Petersburg), Ural CF Alliance (7 regions of Ural Federal District), Altai CF Alliance (Altaisky Krai and Altai Republic). Besides, **regional CF Alliances** exist in Permsky Krai and Irkutskaya Oblast (the Alliance is currently developing to include Buryatia Republic).

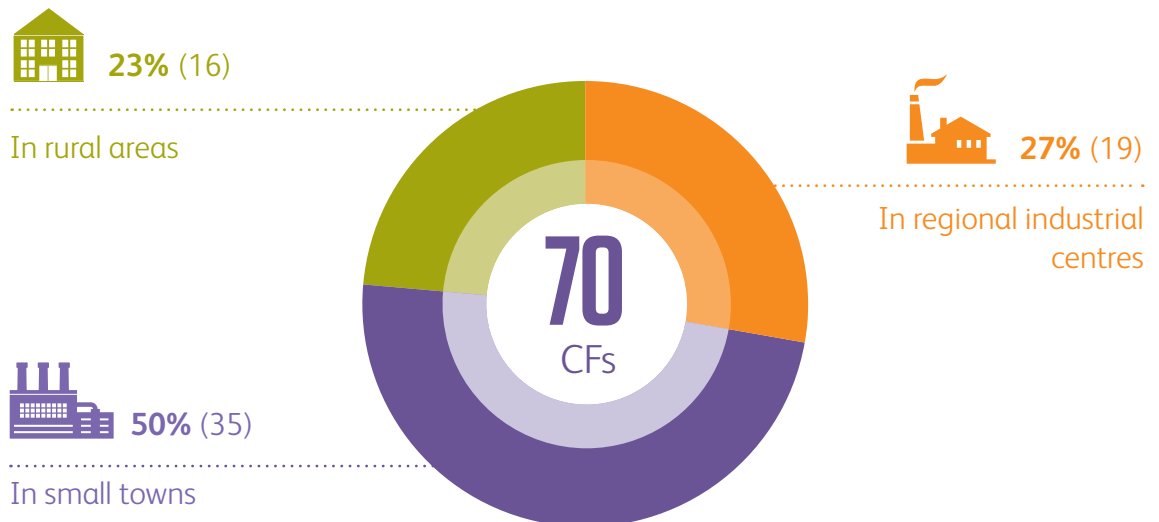
The Alliances have become the tool for interaction of CFs with other NGOs and local authorities to implement joint projects aimed at social development of territories. Thus, the territories accumulated and developed the potential, expertise and best practice of CF work to further disseminate them in small towns and rural settlements.

¹ <http://www.alliancemagazine.org/wp-content/uploads/2013/07/2015-Olga-Prize-Supplement.pdf>
<http://www.alliancemagazine.org/blog/meet-nina-samarina-from-russia-another-of-this-years-olga-prize-finalists/>

GEOGRAPHY OF SMALL CFs

The geographic spread of CFs in small settlements is quite broad. **Today, CFs function in 29 constituent entities of the Russian Federation.** All regions are different in terms of socio-economic conditions and financial opportunities, culture and civil society development.

Picture 2. Number of CFs in Russia



At present, there are 70 CFs in Russia, 19 of them working in regional industrial centres. And 51 CFs, 73% of the total number of CFs, work in small towns (35) and rural areas (16).

For reference, the 2014 research by CAF Russia contained data on 45 CFs, half of which were represented by small CFs (23, or 51%, including 5 rural CFs and 18 CFs in small towns).

The majority of small town CFs are located in Siberian Federal District, where there are 18 CFs out of 24.

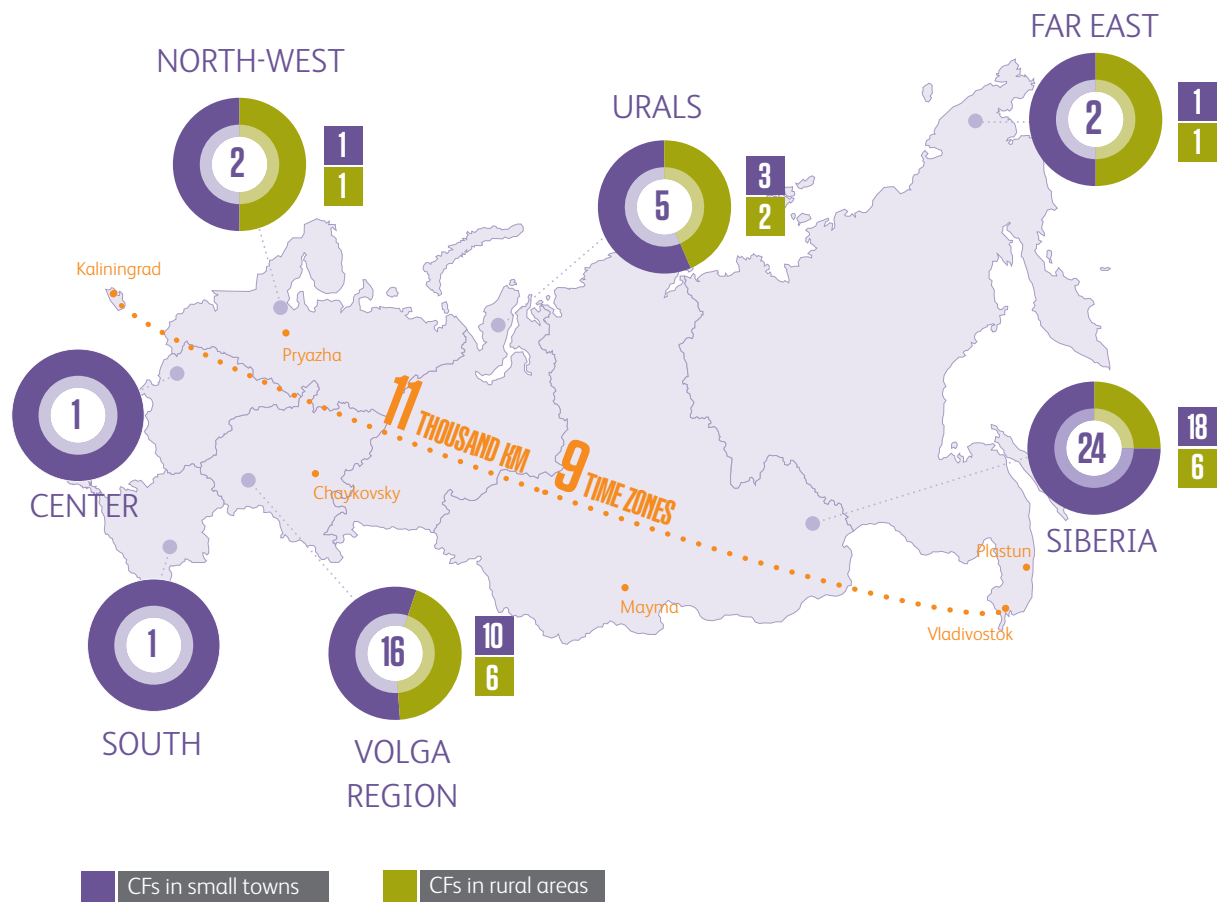
The proportion of CFs in small towns and regional centres has changed compared with the 2014 research². Over the recent years, the number of CFs in small territories has increased considerably.

12 new CFs were established in small territories in 2014-2016:

- In Karelia Republic – Melnitsa Foundation for the Support of Civic Initiative Development in Pryazhinsky District; in Pskovskaya Oblast – Dobry Gorod Pskov Charitable Foundation for Local Community Development.
- In Altaysky Krai – Foundation for the Development of Slavgorod Municipality; Istoki Charitable Foundation of Rebrikhinsky District.
- In Irkutskaya Oblast – Blagodat Charitable Foundation for the Development of Kirensky District; Foundation for the Development of Arts, Crafts and Spirituality in Yeniseisk Municipality.
- SvetLitsa Foundation for the Support of Civic Initiatives in Nadym, Yamalo-Nenetsky Autonomous District.
- CFs in Otradnensky settlement, Otradny Municipality, Samarskaya Oblast and Zarechny Municipality Penzenskaya Oblast.
- Two new CFs in Permsky Krai and Nashe Vremya Charitable Foundation for the Support and Development of Communities in Golyshtanovsky District, Tyumenskaya Oblast.

² http://www.cafussia.ru/page/mestnaya_filantropiya_nacionalnogo_znacheniya

Рис. 3. Geography of small CFs



Due to the prerequisites outlined above, the majority of small CFs are concentrated in Siberian (24 CFs) and Volga (16 CFs) Federal Districts. In some regions, the density of CFs is very high: today, there are 13 CFs in Permsky Krai, and 10 CFs in Irkutskaya Oblast.

The most remote CF (from Moscow) is located in Plastun Settlement with a population of 4,500 in Primorsky Krai. Pryazha Settlement with a population of 3,500 founded in 2014 in the north western Karelia Republic is **the smallest settlement where a CF works**. Rural CFs work in settlements with populations ranging from 3,500 to 14,000.

ROLES OF CFs IN THEIR COMMUNITIES

Development of Local Self-Governance

CFs in remote territories far from regional centres often perform local self-governance functions and work in close connection with the local authorities. The emergence of CFs is often initiated by the local administration representatives. Municipal authorities implement programmes to support NGOs and look for local partners. Municipal officials often lack knowledge and experience to work with social projects, NGOs and initiative groups. Unlike NGOs, the CF model has the advantage of being able to influence a broad range of community development issues, and the development of territory in general.

As a rule, **CF leaders are well-known personalities in their communities who have the authority and reputation**, which encourages people to trust the CF. Involvement of local community members in the CF's projects helps them better understand the foundation's activities.

Besides, CFs have the potential to attract additional funding to deal with social issues through development of local philanthropy and fundraising from local sources, as well as through active involvement in various regional and federal grant-making programmes. CFs are members of different regional and federal networks, which enables them to exchange information and technologies effectively, which means making new resources available for local communities despite the current crisis in the economy.

The wide range of CF activities, their knowledge of fundraising technologies, their ability to use the undiscovered potential of the local community members and the opportunities they have to attract additional external financial resources make the cooperation between CFs and local administrations mutually beneficial.

In rural areas, the CF technology is often blended with the functions of local self-governance. Community members unite to deal with local issues, create a management infrastructure, a board, street committees to deal with socially important issues and improve the quality of life in the community, and the CF provides the institutional basis for these activities.



*“In today’s world more and more people choose to stay at home, which offers a variety of choices for both work and leisure thanks to the internet, technologies, and infrastructure that are now within easy reach. One’s place of residence is the environment where people want to feel comfortable and have more opportunities for self-fulfillment. Like it or not, your neighbours are the people you have a lot of shared interests with. This results into formation of neighbour communities. It is difficult to develop associations of residents, homeowners and tenants – territories are not always ready for such organised interaction, people do not understand at once what they are expected to do, the residents need to be inspired, encouraged and organised... Meanwhile, there are people who are ready to help their neighbours, to go out and meet others, to make friends, to exchange useful information and even to develop joint business ventures. To change the way people see their neighbours, to involve them into joint activities are the key objectives for the members of Altai CF Alliance when they announce their first grant competition”. – **Tatiana Bukanovich, Director of Razvitie Foundation (Rubtsovsk, Altaisky Krai)***



INITIATIVE GROUP IN MAKSIMOVKA

The Maksimovka residential area is located in the outskirts of Ufa and is considered remote and abandoned. As the residential area has very poor infrastructure, the Foundation carried out a needs assessment on a per-street basis. They analysed the state of buildings, roads, pavements, recreational facilities, playgrounds, lighting, water supply, etc. The area did not have a kindergarten or a pharmacy, the children's outpatient clinic was in a terrible condition, there was no rubbish collection, no accessible public transport and the roads were in a poor state.

There are 10,000 residents in the area, the majority of whom are pensioners. However, at the same time many active people are ready to come together and deal with local issues. The initiative group of four local pensioners signed a Protocol of Intention. The city and area authorities were notified that an initiative group was established in Maksimovka to bear the responsibility for renovation of the infrastructure that had been destroyed.

Street committees were formed to encourage and unite local residents, and chairpeople of the committees were trained. Competitions such as "Cozy enclosure" and "My

home street" were held to stimulate residents' engagement in the improvement of the area. Regular clean-up events were held by local volunteers to clean the waterfront of Maksimovskoye Lake and improve the environment.

As a result, local residents united and are now working together to deal with common problems related to area improvement; there is a working mechanism to initiate problem-solving, provide information to the street committee chairs and find opportunities to deal with an issue. Local pensioners are involved in these activities, which makes them feel important and in demand and provides opportunities for self-fulfillment locally. The appearance of the residential area improved significantly: the waterline is clean, a recreation area was organised, there is a system of rubbish collection and the roads were repaired. The most important thing is that there is now active community life in the area with celebrations, contests, performances, etc. The relationships among neighbours improved and there are now more reasons to socialise and spend time together. Thus, the quality of life in the previously abandoned residential area improved significantly.

Development of Public Spaces and Community Centres

Local improvement is a priority area of activity for small CFs (over 80% CFs surveyed). The foundations initiate and attract resources for multiple activities aimed at restoration and renovation of municipal buildings (libraries, museums, clubs, and sports objects), clean parks and improve public gardens and other public spaces.

At the same time, the role CFs play is not limited to physical renovation of infrastructure and local improvement. CFs implement social projects that give an impulse to further development of the public spaces, organise important community events. **The CF role is to stimulate community life, activities and create the environment for development of new ideas and initiatives.**

“We implemented the ‘Health Park’ project. There is a forest in the centre of our settlement, and for two years we were cleaning it and building the road. We put workout equipment in the field for people with special needs and organised a ‘health path’. Today all big sport events are held here. People started to practise Nordic walking. People started using this space: they do barbecues in winter, and go for a walk in summer. We would like to continue developing it – install lighting, put signs, maps, etc.” – Evgenia Lamovskaya, an activist from Sylva Settlement in Permsky Krai

Improvement projects require involvement of all key stakeholders, local administration and business representatives. That is why the CF has to act as a coordinator, initiator and operator of the process. CF is often the first community organisation that has public trust and can take up the responsibility for local improvements and bring about positive change.

An example of this is in **Plastun settlement (Primorye)**, where an important project aimed at renovation of a sports facility and a community centre was implemented under the slogan “Our support for the community centre”. The building of the community centre is the central architectural piece in the settlement, but it had remained unfinished for several decades. The Foundation was able to attract a significant partner, OAO “Terneiles”, to secure part of the funding, and raise the remaining funds to make the local residents’ dreams come true.

In **Pryazha settlement (Karelia Republic)** an open space was created for the local residents – a summer garden Kezaine Sadu. It was the first place in Pryazha created by the local residents themselves – some of them planted the flowers and trees, some brought the books and children’s toys. Today the place is used for events, leisure and communication among residents. The implementation of the project enabled to develop important consolidation mechanisms within the community, involve local residents in creation of shared values and implement a self-governance act within a small community.

Besides, in Pryazha the CF implemented a project aimed at building a skating rink. The project used funding from the republican budget within a competition for subsidies, the budget of Pryazha settlement, and the funding provided by local residents and small entrepreneurs. Today the rink is the centre of community life and a place for all manner of events.

Development of Civic Activities and Responsibility

Volunteering

CFs influence substantially the development of volunteering in their regions, and volunteers in turn are a valuable resource for CFs to use in implementing their programmes. Volunteer activities and public events are the most widespread formats for CF activities and up to 80% of small CFs use them.

For example, in **Chaikovsky (Permsky Krai)** the CF implemented a programme aimed at a revival of volunteering and youth involvement. The town has a well-developed sports infrastructure, and sports events are part of the city life and culture. Today, thanks to the CF, there are functioning youth volunteer groups in the town that take part in the sports events. Young volunteers from Chaikovsky took part in the Winter Olympic Games in Sochi and other international competitions.



“We work very actively with young people and volunteers. We have over 100 initiative groups of volunteers who take part in the foundation’s programme aimed at improvement of the town; they change its face and make the territory more attractive for the tourists. For instance, they helped create about 90 children’s playgrounds.” – **Mikhail Chernov, Director of Chaikovsky CF**

Volunteers are the key resource for community foundations. CFs therefore work actively to involve and motivate them.



RURAL ECO-CONTROLLERS IN PERMSKY KRAI

In Chastinsky District of Permsky Krai an ecological programme ‘Rural Eco-Controllers’ is implemented involving a lot of young people. The controllers inspect four settlements in the district that have the most acute environment problems – illegal timber extraction, unsanctioned waste disposals, wastewater discharge, etc.

During the inspections a group of district activists formed including young people and veterans. About 50 people took part in the ecological initiative ‘Clean Chastye’ aimed at cleaning recreational areas on the banks of Kama River in Chastinsky District settlements. Unsanctioned waste disposals were eliminated, the garbage was removed and taken to the recycling point and the oldest well of Chastinsky District was renovated.

Grant Competitions

Grant competition technology is aimed at developing civic activism and dissemination of project thinking. A representative of an initiative group from Udmurtia Republic said: “*Actually, people in rural areas are quite optimistic. They started to understand that there is little help from the state, that the problems emerge on municipal level, and we need to show people that there are other opportunities. At the end of August, I spoke in front of all libraries in our settlement and I have to tell you, it looks like they all live on islands. They generally do not know they can take part in competitions, create NGOs. The moment you tell them about it, they become so inspired, but you need to keep up this inspiration in the longer-term.*”

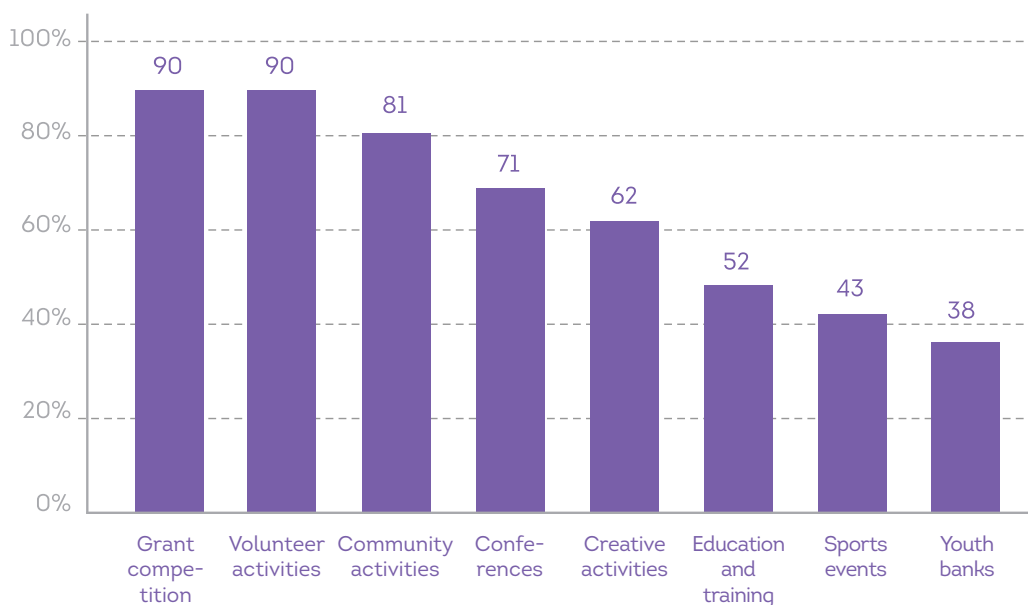
Despite the small budgets, **almost all small CFs use the grant competition technology** (90%) to support charitable projects and residents’ initiatives. Small CFs usually hold one or two grant competitions per year.

“Our foundation became the ‘umbrella’ for all initiatives of district residents. All grant applications go through the foundation; the community activity increased.” – Nelya Turovets, head of a CF in Ilansky District (Kransoyarsky Krai)

Grant competitions may differ from scholarship programmes to support residents’ initiatives.

In **Shelekhov (Irkutskaya Oblast)**, for example, the CF holds a name scholarship competition. The competition’s objective is to support gifted students and pupils of the town’s educational institutions. Within the programme, legal entities and individuals set up one or more scholarships in their own name for the gifted youth. The monthly scholarship amount depends on the founder’s opportunities. The scholarship is awarded for an academic year and the founder chooses the educational institution where the scholarship will be awarded. Internal competitions are held within the selected institutions to award the scholarships.

Picture 4. CF formats of work





‘MY VILLAGE’

‘My Village’ competition is held in Perm Krai. The objective of the competition is to boost social activity of community members and overcome lack of integration between local self-governance bodies and residents in the territories of Perm CF Alliance. Today the competition helps to develop leadership and activism among rural residents, identify and accumulate successful experience and strengthen positive social change in rural areas. The competition is held among settlements and includes the following nominations: ‘The best settlement in the district’; ‘The most socially active village’; ‘The friendliest village’; ‘The most attractive village for tourists’; ‘The most sporting village’, and a nomination for children, ‘The village of my dreams’.

The best village is not just about buildings and roads, but first of all, about the people, its residents. One of the key requirements of the competition is the team spirit of people who care about their village, who are active and willing to develop their local community in the future. According to the statement on the competition, the applicants are required to demonstrate community support (by convening the residents or collecting their signatures).

Reviving and Establishing Traditions: Creative Community Work

As the financial and other types of resources available in small areas are limited, **small CFs use creative approaches to effect social change in their communities**, create new traditions, organise public activities and use celebrations as fundraising events.

Art fundraising: organising charitable performances and concerts, creating new events or restoring abandoned traditions, is one of the noteworthy creative technologies used by small CFs. These events establish new traditions, increase attractiveness of the territory for tourists and create a favourable environment for local residents who start to feel proud and become more interested in their motherland and its history. **Establishment of new traditions is an important element of community culture development and has a long-lasting effect on territory development by forming its image and brand for external audiences and attracting the attention of business and local authorities.**



“Our foundation works in the rural area where the majority of residents know each other, so the idea of fundraising using show or performance formats became very popular and evolved into a cause célèbre. Though we are a rural fund, we use resources not only from Maima but also from the capital of Altai Republic, Gorno-Altai, and other districts of the Republic. The income from the concert is used to support implementation of social projects.” –
Olga Volosovtseva, head of “Perspektiva” Foundation

The art fundraising technology first emerged in **Rubtsovsk, Altaisky Krai**; it is now widespread in other CFs. Within the programme ‘Rubtsovsk – a creative town’ **‘Razvitie’ Foundation** stages annual charitable plays involving the people who are well-known and respected in the local community – heads of organisations and institutions, representatives of business, authorities and the Media. The residents of the town give to the charitable programme ‘Rubtsovsk – a creative town’ when they buy tickets to see the performance.



ART-FUNDRAISING IN MAIMA

Maima Settlement (population 11,000) in Altai Republic in the South of Siberia 4,000 kilometres away from Moscow is another example. Perspektiva CF offered the local residents an opportunity to take part in a musical show, 'Two stars', featuring local community leaders: school-teachers, doctors, local administration staff and businessmen. They all acted as volunteers and rehearsed at night for several weeks. It was a challenge for the people to go on stage in a brand new role within a charitable performance for the local community. The show became the key event of the year for the local residents.

The experience of creating something new and unusual together was so successful that today charitable plays are shown on the stage of State Theatre in the capital of the Republic. More people wish to take part on the plays and thus support charitable projects. Most importantly, this form of activity uniting various social groups within the community gave an opportunity for many people to discover their new talents (some of the Foundation's artists have already been recognised at various international competitions), and

at the same time raised public awareness of charitable giving as a form of civic engagement.

There are no big companies in Maima, only small private business. It was quite difficult to attract funding for charitable programmes. Nevertheless, today there are local donors who support social projects on a regular basis. The income from the sale of tickets was used to form the grants fund to support youth social projects. This resulted into a creation of a youth bank of ideas and projects, which is a new phenomenon in the life of the settlement.

The rural fund did not only become the place where there is an opportunity to support and implement new projects and ideas born within the community, but also a place where a new type of relationships and communication within the community is formed. By using creative approaches to resource mobilisation and creating new traditions and events, the foundation provided an example of how the quality of life can be changed, and undiscovered community resources can be developed and used to deal with social issues.

Maima is not the only example, and its experience soon began to spread to other districts of the Republic. Creative events technology is used by other CFs in Russia as a tool for local philanthropy development to activate and accumulate local resources for social problem resolution.

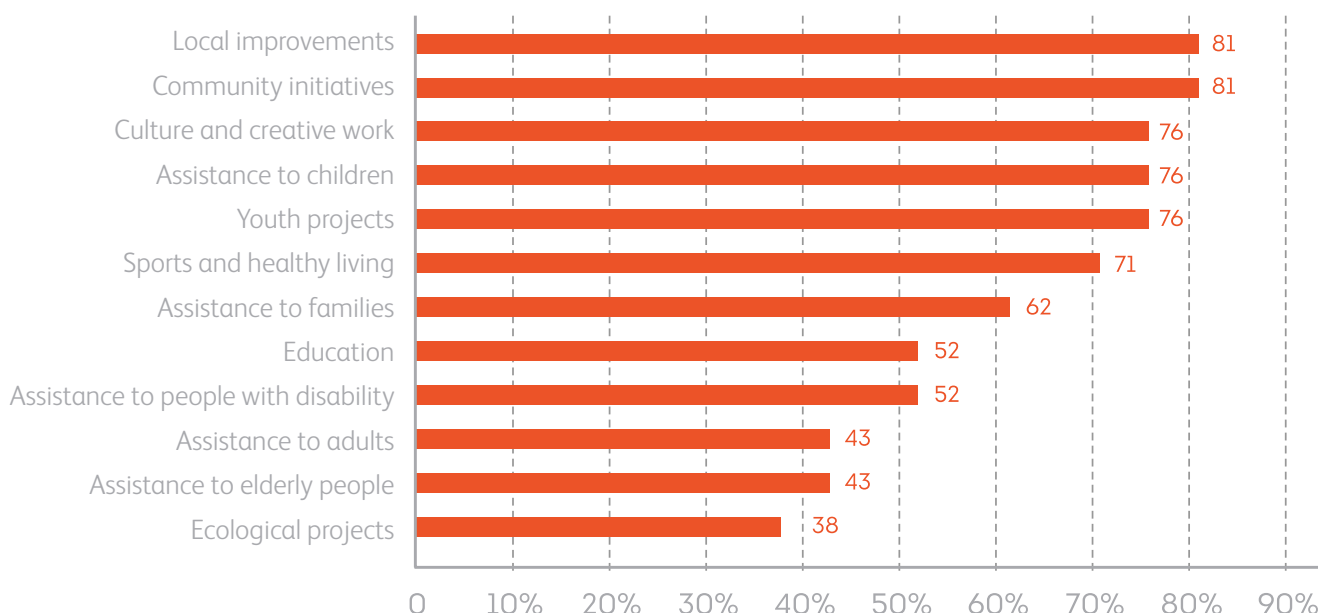
Pskov is now the place where annual rock music festival **Rock for Good** is held – the earnings from the concerts and advertising are used to implement a programme of assistance to children in need of expensive treatment and rehabilitation.

Russian Mosquito Fest is now held in **Usolye (Permsky Krai)**. The mission of the festival is to develop and popularise the regional culture of Verkhnekamye in Permsky Krai.

The Festival of Blackberries and Blackberry Pie is now held annually in **Krasnovishersk (Permsky Krai)**. In 2016, the festival opened with a solemn ceremony of putting blackberries brought by all delegates into a common pot, where the ‘Global Jam’ was being cooked throughout the festival. The programme of the festival is always very full and includes concerts, sales, exhibitions of folk arts and crafts, a blackberry fair, cooking and traditional embroidery workshops, kettlebell lifting and even an open blackberry bakery where everyone can make their own blackberry pie. The focus of the festival is the competition of blackberry pies titled ‘Blackberry Happiness’.

There are interesting examples of revival of national culture and tradition and development of social enterprise models. The **‘Art village’ project in Pryazhinsky district** is aimed at the revival of traditional crafts of the Karelians. The project gives the craftsmen an opportunity to earn extra income and at the same time attracts tourists.

Picture 5. Areas of activity of small CFs





KARELIANS' CRAFTS IN PRYAZHA

Pryazhinsky District is one of the three national districts of Karelia, a land full of Karelian history, traditions and artisans. Thanks to the Pryazha Karelians' crafts project that started in June, 2014 over 100 residents of Pryazhinsky District learned to make traditional gifts and souvenirs. Workshops and courses in weaving, ceramics, embroidery, one- and two-needle knitting, crocheting, sewing, spinning, natural dyeing, and cooking were held in all settlements of Pryazhinsky District.

An 'Artisan Shop' was created at the Ethnic and Cultural Centre along with an online store 'Art village' to present and sell the goods made by the residents. The project became a way to support villagers and help them earn extra income and at the same time provided a space for the demonstration of traditional crafts and an opportunity for the preservation and development of local historic and cultural heritage.

ORGANISATIONAL DEVELOPMENT

CAF Russia's Programme for CF Development offering a broad spectrum of consulting support, financial and information resources for emerging foundations and initiatives can be considered the key resource for CF development in the country. Over the recent years, special initiatives for support of CF start-ups, training, exchange of experience, broadening the boundaries of knowledge and opportunities were implemented within the Programme. The CFs have access to analytical materials in Russian, can take part in webinars and Skype conferences, study best practice by other foundations, etc. Within the Programme, ongoing monitoring of CF development in Russia is carried out and best practice is replicated.

Social Activity Mapping

Social activity map is the new product developed within the Programme for CF development. The map is based on the data obtained through a survey of local residents asking them to evaluate the most acute issues and the possibility they can be involved in dealing with these issues.

This technology is very valuable because it enables assessing social capital within a particular community. **It is practical analysis, not only showing the problems local residents care about, but also providing information on how ready they are to deal with these problems, identify potential leaders and points of growth.** As practical experience of social activity mapping showed, simply the involvement of local residents and the fact that their opinion is taken into account motivates them to get involved in the problem-solving activities, which is already a new resource for community.

The map shows the rating of problems in the most sensitive spheres of life, such as public health, education, employment, etc. The most acute problems identified by the analysis, presentation of mapping results within the community for local residents and authorities and joint discussion of results help to establish a dialogue and use the available resources in a better and more effective way, develop horizontal liaisons in the communities. The map provides the local community with evidence and information that lays the foundation for future transformations, a new resource that helps foster initiatives and build relations, and systems to manage them.

The Sodeistvie Foundation in Permsky Krai developed the first social activity map. As a rule, there are no infrastructural NGOs able to carry out similar monitoring in remote territories. Therefore, in the initial stage of analysis the Foundation trained researchers – local teachers and librarians – who then carried out the survey on the ground. After that, professional sociologists hired by the Foundation processed the questionnaires.

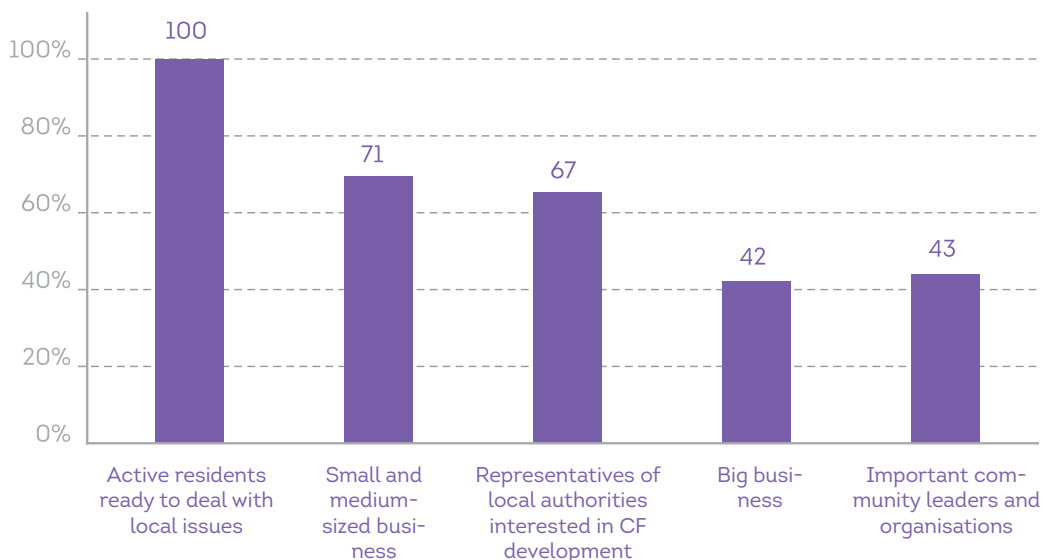
The practice of developing the ‘Social map of problems and points of growth’ in Permsky Krai also became a tool to assess the opportunities for creating community foundations in the territories that had never used this model for community interaction before.

This kind of research tool is currently actively used in a number of regions – Bashkiria, Kirovskaya, Archangelskaya and Nizhegorodskaya Oblasts, Altaisky Krai, etc.

Local Resources for Development of Small CFs

Every and all CFs in small towns and rural areas believe that the key resource for their development is the active residents along with small and medium-sized businesses (71%) and local authorities (67%).

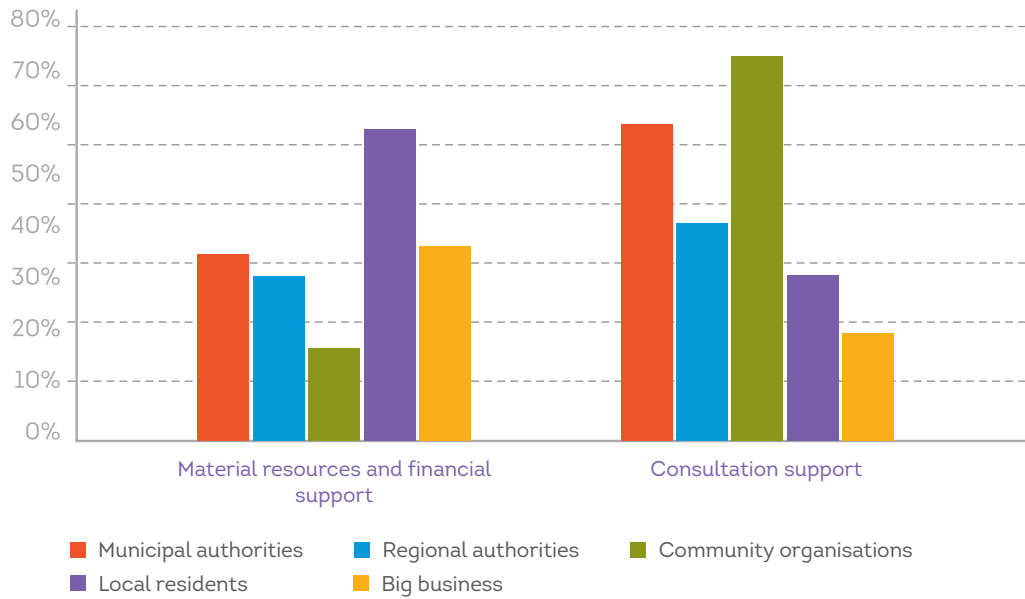
Picture 6. Local resources for development of small CFs



Municipal authorities, community organisations and local residents play an important role for emergence of CFs. Most often, they provide consultations (about 70% of CFs in this research had received consultation support). **Regional authorities are much less likely to support CFs.**

Local residents are the main source of financial support for CFs (over 60%), which shows again how important local community members are for CF development. Besides, almost half of CFs that took part in the survey received financial support from big companies.

Picture 7. Who supports CFs at the start-up stage

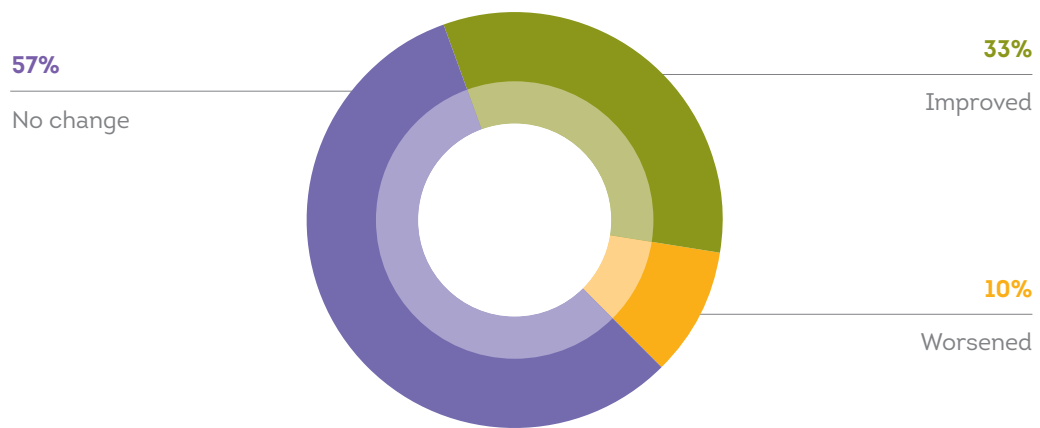


Material Resources and Financial Support

Small CFs demonstrate high level of resilience even in the current economic crisis. Only 10% of CFs surveyed noted that their financial situation worsened over the recent years. For over half of the CFs the financial situation remains unchanged and one third claim that it had improved.

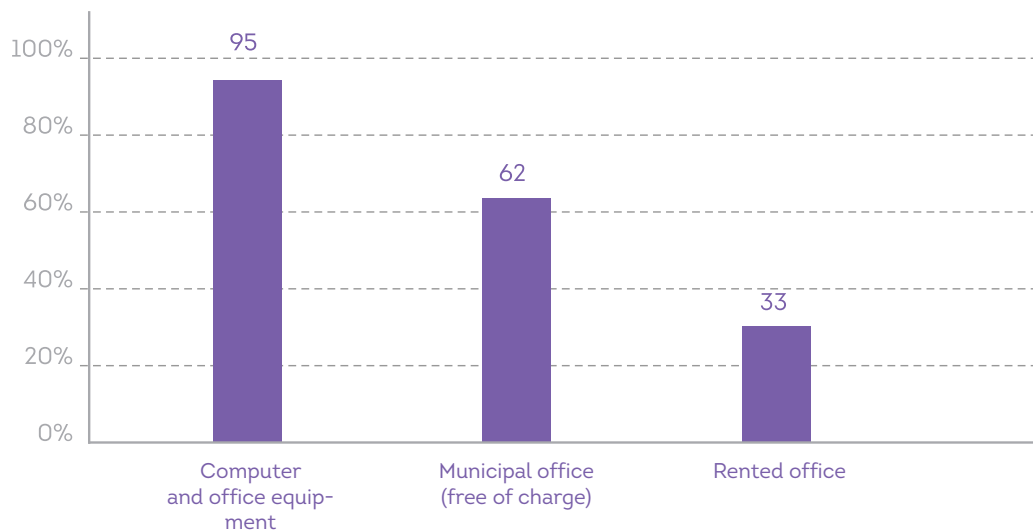
However, some of the CF leaders mentioned financial difficulties: *“We could afford to employ people for one year only and then had to close our payroll”*; *“The key challenge for us is very low level of income in the community and the loss of foundation’s partners”*; *“At present the most difficult aspect of our activities is to keep up the sustainable development of the organisation in terms of financial stability”*.

Picture 8. Has the financial situation for your CF changed over the last three years?



CF sustainability is linked directly with material resources the foundation has at its disposal. The minimal resources required for a CF to function are an office and office equipment. Over half of CFs surveyed (62%) use municipal premises free of charge and all CFs have the necessary computer and office equipment. **However, none of the CFs in this research owns its office.**

Picture 9. Material resources of the CFs



Business companies are the main source of funding (76% of CFs surveyed mentioned this source in their budget), 57% of CFs in this research get grants from NGOs and receive individual donations. 38% CFs received funding from the budget, and 19% got subsidies and grants from the state.

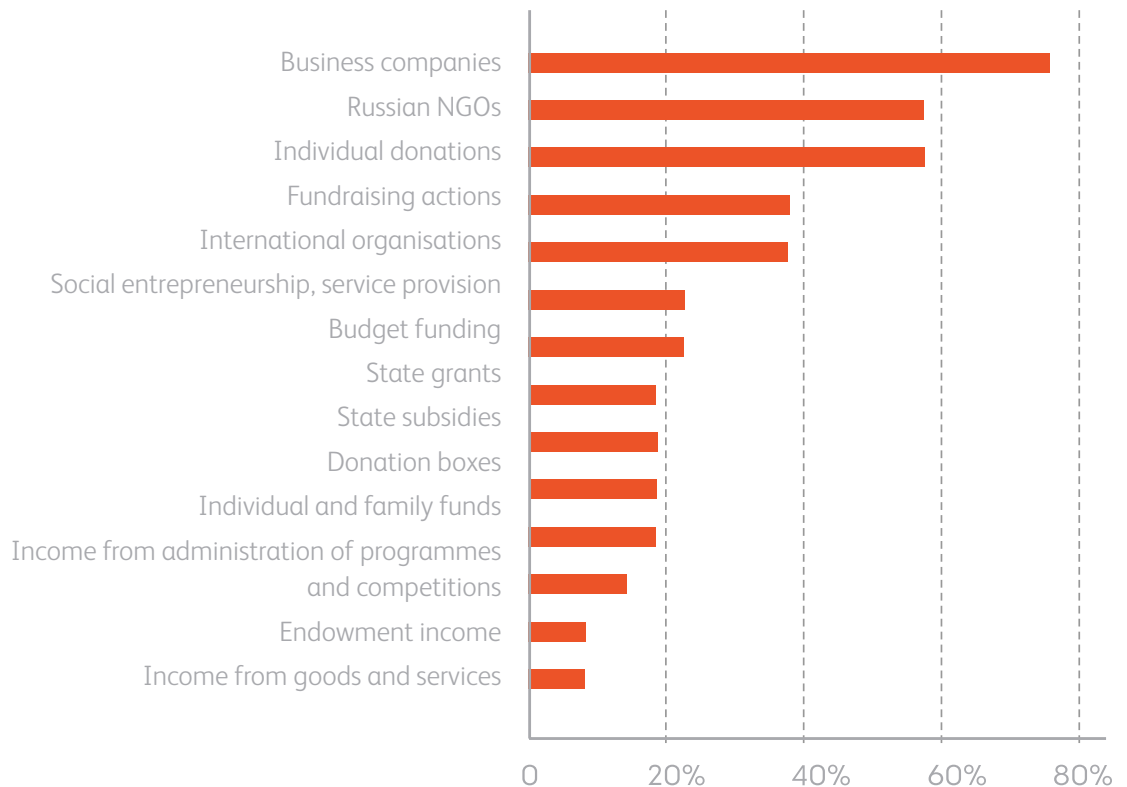
CFs are socially oriented NGOs, which allows them to take part in various programmes, competitions for subsidies and grants within state and regional programmes along with other NGOs.

In December 2015, a new foundation, Perspektiva, was established. It is the operator of presidential grants with the priority to support rural areas and small towns. However, the new organisation is currently just developing its priorities and strategy.

CFs also have the opportunity to take part in the grant-making programmes of big businesses and private foundations as grantees and regional programme administrators. For example, the CF in Pryazha Settlement (Karelia Republic) and a rural foundation in Sorokino Settlement (Tyumenskaya Oblast) received support from Timchenko Foundation for projects aimed at revival of folk arts and crafts.

It is harder for CFs to get foreign funding due to the Law on “foreign agents” and high risks it entails for NGOs, especially in the regions. However, 40% of respondent CFs listed international organisations among their funding sources.

Picture 10. Sources of funding for CFs

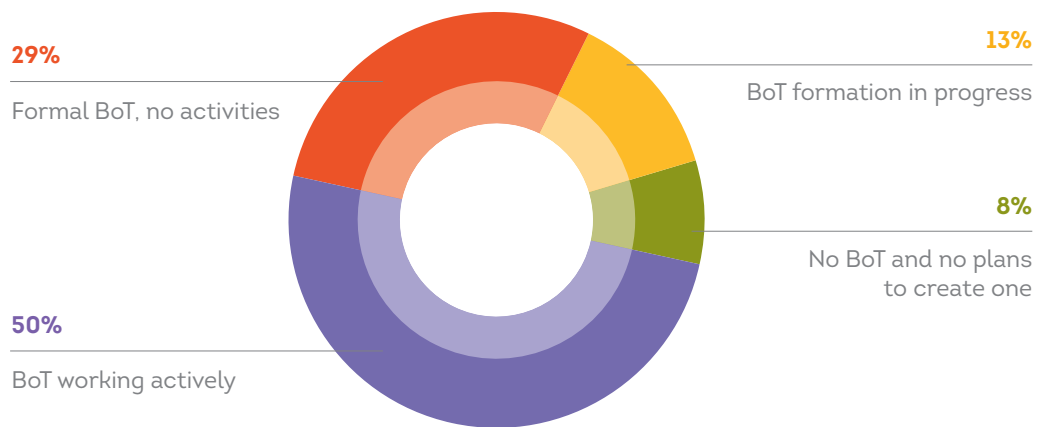


Management Structure

CFs in small towns and rural areas were in most cases established by small groups of people or single activists. **Small CFs usually have 1-2 paid staff members** (director and accountant) who often work part time. Most of the work is done involving many volunteers (up to 100 people at large-scale events).

An active Board of Trustees (BoT) that can act on behalf of a CF, raise funds and increase the CF's reputation in the community is a valuable resource. **The role of a BoT in small CFs is much more important compared with CFs in big cities**, as the CFs work in close cooperation with local authorities and business, which is characteristic of small communities. Almost 80% of small CFs have BoTs that include representatives of local authorities, business and communities. **However, only half of CFs surveyed claim that their BoTs work actively.**

Picture 11. CF Board of Trustees (BoT)



Interaction and Cooperation

The CF Alliances' policy aimed at dissemination of information on the opportunities offered by the CF model and best practice and involvement of new territories in their networking projects contributes to development of small CFs. The Alliances are actively working on the agenda for development of communities and local philanthropy. Regular meetings of the members of Alliances involving new organisations from remote areas, and potential CFs as well as cooperation with other foundations and organisations working in the territories of the Alliances contribute to broadening their contacts and laying the foundation for new initiatives, which results into creation of new CFs. In fact, CF Alliances and their cooperation with other charitable organisations and networking projects are a very important resource for CFs in remote territories.

Thanks to the spread of the internet and constant development of information technologies, the leading CFs can get in touch and communicate regularly with emerging CF initiatives even in the most remote areas providing consultation support and disseminating their experience and effective technologies.

In order to broaden the geography and enable CF development in remote areas, CAF Russia's Programme for CF Development has been supporting internships for new CFs provided by stronger and more experienced foundations for a number of years. Within this area of programme activity, the CF School project was implemented in 2015-2016 for initiative groups and emerging foundations. By the time this report was written, two CF Schools had been held: CF School in Permsky Krai and the first CF School for the regions of Siberia in Irkutsk. The format of the School is aimed at professional development of the participants, but it also encourages communication among representatives of various Alliances and contributes to replication and dissemination of best practice. CF leaders from various Alliances take part in the schools as experts and trainers in various aspects of CF activity.

Thus, there is interaction among CFs from various regions, conditions are created for development of new CFs, and best practice become accessible for a broad range of CFs.

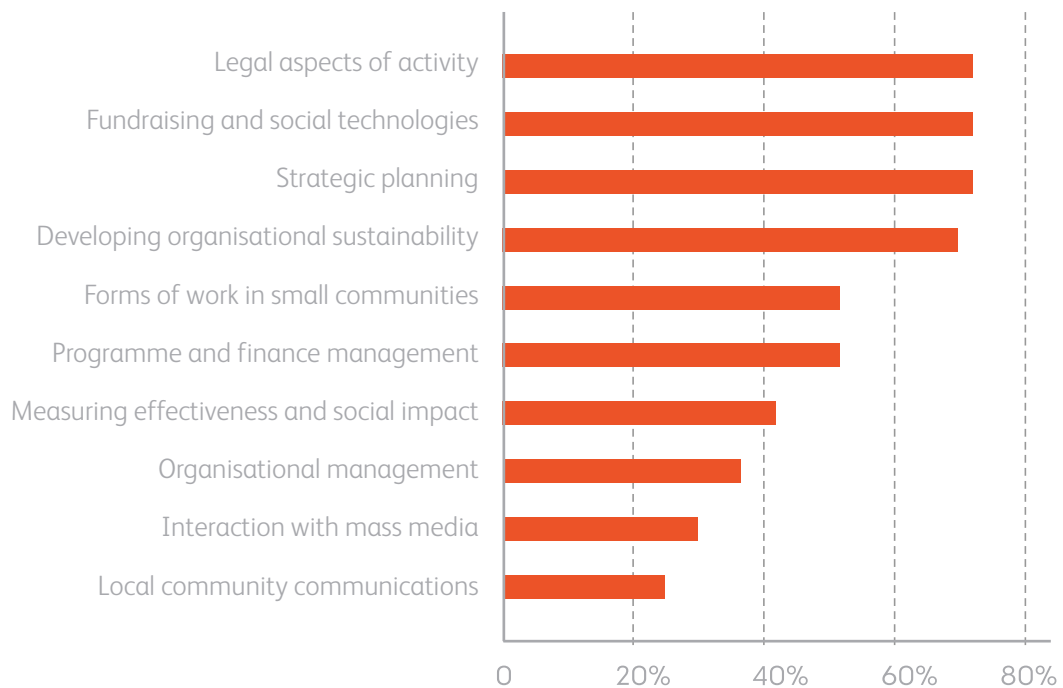


“Holding Schools for NGOs is necessary not only to enable colleagues to communicate, but also to deal with problems, get the necessary information, and share experience. New contacts give people the opportunity to implement new projects and become the source of inspiration. The content of the School was useful, we got a lot of important theoretical knowledge we can further apply in practice, as the experts were very skillful and the information was clearly structured”. – **Head of G. Shelekhov CF, Nadezhda Osipova, participant of the First Baikal CF School**

The Needs of Small CFs

Despite the comprehensive effort by CAF Russia’s Programme for CF Development, cooperation with CF Alliances and close ties with other big NGOs, CFs have an acute need in further organisational development. **Improvement of management quality, strategic planning and financial and legal literacy are in demand among small CFs.** Besides management, it is important to develop project management skills, explore social impact evaluation and master new fundraising techniques and skills to work with donors and communities.

Picture 12. The needs of small CFs



To satisfy the needs in organisational development, supportive events are needed – **seminars, trainings, federal and international conferences.**

“I would be very happy to take part in a practical school (work in small groups to develop local projects). One needs to see, understand and feel what a social project is, how fundraising works, what are the up-to-date communication technologies.” – Baikal CF School participant

“If we look back at how our foundations were created, what did we begin with? We began with meetings, then took part in various conferences, federal and international ones included. This is where you get the so-called inspiration. Then the initiatives form networks, establish contacts. This is everyday work that feeds the leaders so that they would know they are not alone and where to turn to, that every country has people of the kind.” – Participant of Perm CF School

CONCLUSIONS

CF development in rural areas and small towns is closely connected with new effective technologies to generate social change and attract resources. CFs as institutionally developed organisations, joining the interests of various groups of residents and encouraging activation and mobilisation of community resources are able to meet these expectations.

The characteristic feature of small CFs is that they actually become one of the elements in the local self-governance system. When representatives of local authorities and residents come together to discuss the most important problems within a CF, it promotes better interaction and cooperation. **CFs become an additional resource for territory development because they bring new knowledge and technologies to deal with social issues.**

When CFs take part in various grant-making programmes, not only do they attract additional external resources, but also they **create the motivation for remote territories to engage in new interesting and meaningful activities.**

CF projects aimed at supporting civic initiatives mobilise community resources previously unused and unaccounted for, which is especially important for the regions located far from central areas. **Special attention is paid to the development of volunteering across a variety of social groups within the community.**

CFs create a new type of responsibility for the development of territory and community and effective use of available resources.

Strengthening and development of CFs in small towns and rural areas is dependent greatly on the availability of infrastructural organisations, consulting and methodological centres, both on the national and regional level.



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