

Sustainable, Strong Growth in 2017

THE CONTEXT: HUNGARY'S HOSTILE POLITICAL ENVIRONMENT

The Roots and Wings Foundation (R&WF) yielded strong results in 2017, despite operating in an increasingly hazardous political context. The atmosphere in the non-profit sector is volatile and uncertain. According to Freedom House, the quality of democracy in Hungary is among the worst in the European Union, while Transparency International reports growing corruption. NGOs are demonized by the Hungarian government, making it difficult for many to secure funds and legitimacy.

PROGRESS: SUSTAINABLE DEVELOPMENT

In 2017, R&WF's income reached €280,000, mostly from foreign foundations, but with a growing proportion from Hungary. Two new directors were added to the R&WF board, expanding capacity and knowledge. R&WF gained public beneficial status making it more transparent and providing a tax advantage to corporate donors. The R&WF's two major activities in the year were the Community Foundation Support programme (CFSP) and the Giving Circles programme.

CFSP: INCREASING VISIBILITY AND IMPACT

The start-up phase of the 'first' round of community foundation (CF) building has successfully ended. Four CFs became firmly established in 2017, and three of those grew in size and impact. For instance, **Pécs Community Foundation** made its first small grants to support civic activism at the neighbourhood level. Community foundations were recognized with prestigious national prizes: **Ferencváros Community Foundation** received the Civic Prize for the best fundraising event (for its **Swimathon**), while **Tézerő Community Foundation for Our City** in the city of Miskolc was named the best community initiative in the country.

The CFSP provided a one-year general purpose grant to each of the four CFs, and inspired them to step up their local fundraising with a challenge grant.

Media attention increased awareness of the CF work and helped to get key messages about CFSP to supporters. 2017 saw CFSP raise €17,000 from Hungary (up from €5,000 in 2016) and further investment was made to prepare the CFSP for the future.

We are now preparing the ground for expansion. The second call for potential CFs will be announced in mid-April, 2018. We will be looking for local people interested in building cohesive and vibrant communities. We plan to choose eight organising groups, with a tentative deadline for selection completion of November, 2018.

We have finalised CFSP's strategic plan for 2018-2022, aiming to develop eight fully-fledged CFs reaching about 1 million people with a growing, positive impact on their communities; and to build a diverse and inspiring movement of individuals, groups and organisations around CFs that can act together based on joint values and a cohesive vision.

GIVING CIRCLES: SETTING A THREE-YEAR COURSE

R&WF focused its 2017 efforts on Giving Circles (live crowdfunding) among community foundations. It worked closely with Tézerő CF (Miskolc) to organise the first-ever Giving Circle outside Budapest. This raised €7,500 for three local projects.

As a national partner of the London-based **The Funding Network**, R&WF has set a three-year vision to expand the Giving Circles programme. It is on our conviction that Giving Circles are an effective way to strengthen trust between people wishing to contribute to social change, as well as to highlight and mobilise resources for less popular but important issues.