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COMMUNITY
FOUNDATION
INITIATIVE

RE-THINKING APPROACHES TO COMMUNITY FOUNDATION MOVEMENT BUILDING IN THE BALKANS

IMPRINT

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About the "Balkan Re-think" Action Research Initiative

This report is the product of the broader Balkan Re-think Action Research initiative, implemented by the European Community Foundation Initiative (ECFI) and Association Konekt Skopje.
The aim of the initiative was to reflect on the achievements and challenges in developing the community foundation movement across five Balkan countries, implemented together with four partner organisations: Partners Albania (Albania), Trag Foundation (Serbia and Bosnia & Herzegovina), Workshop for Civic Initiatives Foundation (Bulgaria) and Konekt (North Macedonia).

Based on the findings of the national reports and a regional workshop, ECFI published the synthesis report Re-thinking approaches to community foundation movement building in the Balkans, which draws the landscape and maps out new paths for the future development of community foundations in the region.

All national reports annexed to the synthesis report are available here.

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EXECUTIVE SUMMARY

The development of civil society throughout the Balkans has been shaped by the region's complex political and social transformations since the 1990s. Civil society has consistently struggled with sustainability, political hostility, and financial dependence on foreign donors. Country assessments conducted by community foundation support organisations (CFSOs) in Albania, Bosnia & Herzegovina, Bulgaria, North Macedonia and Serbia provide evidence to show how working against a turbulent political headwind has stifled efforts to make the case for community foundations (CFs) and to achieve their potential. Across Europe community foundations have proven to be adept in crises. In a situation of political, social, and economic turmoil, their resilience will be tested, but they have shown themselves to be anchors for civic engagement and empowerment at the local level. A rapidly changing political and economic context, in particular the intensified repression of civil society and restrictive funding environment (including smear campaigns through to 'foreign agent' law), has called for a 're-think' of the approach to supporting the nascent field and if / how to continue to build the movement.

Analysis of the state of development of the field and the role of support organisations utilising the 4Cs framework (Capacity, Capability, Credibility, and Connections) was used to identify challenges and opportunities in order to draw learning and make recommendations with regard to further development of the community foundation movement in the region. This captured both the advances and the vulnerabilities: capacities are present though still fragile; capabilities in fundraising and communication are advancing, even if unevenly; credibility is firmly rooted in transparency but requires continued reinforcement in a culture of distrust; and connections are vital but remain inconsistent across sectors.

A number of paradoxes have emerged. There exists both fragility and resilience, high credibility but low sustainability, and limited capacity but extraordinary commitment and creativity. Nascent community foundations have prevailed because credibility is their greatest asset and they have carved out legitimacy in a culture of scepticism. They have demonstrated creativity and persistence in starting to build financial capacity in a very challenging environment. They have been eager to develop the wide range of capabilities necessary to perform the multi-skilled roles of a community foundation – in order to become a genuine asset to their communities providing financial support to civil society organisations, and being a platform for civic facilitation, action and solidarity. Connections sustain community foundations through trust, solidarity, and collective identity. Local grantees, boards, and civic partners provide the relational infrastructure for survival.

The key conclusion is that resilience, while essential, is only the foundation. Resilience is driven by personal values and community embeddedness which explains why newly established community foundations endure despite systemic weaknesses. The next step is to transform episodic successes into durable systems. Embedding professional staff roles, ensuring sustainable funding streams, and cultivating digital literacy will

be critical. Equally important will be boards embracing renewal, codifying ethical boundaries, and systematically evaluating their effectiveness. These shifts are achievable and already underway in many foundations, signalling a trajectory of growth. Institutional consolidation will require stable staff, operational funding, and digital literacy if these organisations are to move beyond survival toward long-term sustainability. It will be necessary to mitigate and prepare for 'burn and churn' within community foundations, noting that an accelerated development process comes with risks associated with over-promising. In all contexts, and particularly in the early stages of development, the role of a support organisation, whether financial, technical, or motivational, has been critical. CFSOs are viewed as both a helping hand and a partner, enabling CFs and empowering them to contribute to and benefit from the development of a broader community foundation movement.

The report offers recommendations for future movement building in the region. Given the level of investment required and the current conditions, the immediate focus of CFSOs remains on consolidating and strengthening the recently established CFs and building momentum for the emerging movement. There remains a firm belief that if teams are resourced to execute, if donors stay for the long haul, CFs can transform credibility into scaled impact. There is an appetite to build on a culture of sharing knowledge, experience, and resources at national and international levels.

It is recognised, however, that there is potential to expand the field, in particular in regions that currently lack such local philanthropic infrastructure, when local energy, resources, and supportive conditions converge. Donors, however, hold the key to whether this movement flourishes or falters. Their support is indispensable, especially those willing to invest flexibly, patiently, and with a long-term perspective. This is not just an investment in institutions, but in the long-term democratic and social fabric. Any organic development in the meantime (which may become more likely as the awareness and impact of CFs become more visible) would be encouraged and supported where possible.

The partnership model that developed and implemented this action research exemplified the principles ECFI promotes: co-creation, reflexivity, and mutual trust. ECFI remains committed to transforming the current momentum into a sustainable regional movement of community foundations.

INTRODUCTION

COMMON CHARACTERISTICS UNIQUELY PLACED

Community foundations are independent philanthropic entities that operate in a defined territory and act as a bridge between those with initiative and ideas that address needs and aspirations, to those with resources that can bring them to life.

Each community foundation is uniquely shaped by local tradition, culture, history and the socio-economic and political environment within which it functions. They mobilise and invest human, technical, and financial resources in a specific geographical area, serving as catalysts, convenors, collaborators and facilitators to solve problems and develop solutions to important community issues. Above all, they have 'skin in the game' and 'staying power', and are committed to building cohesive, resilient communities. Their proximity enables them to have the empathy to act appropriately and urgently where necessary, addressing the here and now, but to have a long-term perspective. Utilising their profound knowledge (and community wisdom) of the place, and the systems that impact on it, they can tackle complex and persistent contemporary issues comprehensively, and seek to bring about transformational change. They thus can move beyond being fixers to become healers, and to play a leadership role.

To do this, they have to develop the confidence and credibility to present themselves as more than merely transaction agents but as relationship builders and catalysts. This requires the building of trusted relationships with philanthropic donors, implementing partners, and other relevant stakeholders. Trust has to be built and maintained. Building social capital in all dimensions - bonding, bridging and linking, requires constant attention and investment. It is evident that in order to develop the community foundation field and to help community foundations achieve their full potential it is necessary for support organisations to invest in building financial capacity; knowledge and skills; connections; and credibility, i.e. the 4 Cs, in their own organisation and in the community foundations they are supporting.

PILLARS OF LOCAL DEVELOPMENT DEMOCRACY, AND RESILIENCE

Community foundations are vital pillars of local development and social cohesion. They can hold civic space, tackle polarisation, promote inclusion, and take or invest in appropriate action at local level that is cognisant of the dynamics of the intersections and compound effects of global issues that impact on the lives of people in the locality. Who they are and how they are perceived is as important as the activities they undertake – their presence can act as a catalyst and an enabler. Even in the USA, where the original concept was born, only more recently, and with some learning from Europe, are community foundations being seen to hold some promise for unleashing social imagination and for civic renewal based on association, a culture of citizenship and trust. They should therefore be seen to be essential in a healthy local social, cultural, economic, environmental, and political ecosystem.

THE EVOLUTION OF THE COMMUNITY FOUNDATION MOVEMENT IN EUROPE

Community foundation movement building started in Europe in the late 1970's, largely based on a donor-oriented approach which originated in the US in the early 1900s. A 21st century European model emerged which was, at least initially, much more community-oriented. This was particularly relevant where there was a weak or an absence of civil society and no contemporary culture of philanthropy. This however required sustained and systematic investment. Romania offers a good example of what is possible – starting from scratch in 2005, but with vision and commitment, there is now a field of 15 sustainable and highly impactful community foundations, covering the majority of the country. Piecemeal approaches and dependency on foreign donors have proven to be risky and in the worst case, counter-productive. It has always been a case of having the right people, in the right place, at the right moment. The development of civil society throughout the Balkans has been shaped by the region's complex political and social transformations since the 1990s. Civil society has consistently struggled with sustainability, political hostility, and financial dependence on foreign donors.

Working against a political headwind can stifle efforts to make the case for community foundations and to achieve their potential. Where community foundations fail to reach their potential and where trust breaks down, especially with donors, there is a risk that credibility in the approach and the people involved can be lost and there may be little prospect of recovery. Despite the challenges, two pioneering community foundations, Tuzla in Bosnia and Herzegovina, and Shtip in North Macedonia, were established some 20 years ago, each in its own unique circumstance. The Bulgarian experience (where of 13 established, 5 remain active) highlights a broader tension within community philanthropy in post-major-donor environments. Here trust endures as social capital, yet institutional intermediation increasingly struggles to find its place amid new, more direct and digital forms of giving. It also demonstrates the significance of structured sustained support and network facilitation.

In the Western Balkans, the conditions for a structured approach to developing the movement only emerged within the last five years or so. With international funding, support organisations were able to implement programmes that provided essential initial investment of time and resources in building social capital and creating momentum to underpin the establishment of community foundations. With sufficient nurturing they can mature into sustainable institutions, capable of 'paving their own path', woven into the social and economic fabric of the locality. There is evidence from the national assessments that demonstrates that, even in a difficult political and economic environment, grassroots activism is vibrant, and philanthropy has grown as a mechanism of resilience. The CF model resonates strongly with local communities and shows potential as a sustainable infrastructure for civic participation. However, there is also evidence that in the absence of sustained support and the right conditions for growth, the life of a CF is extremely perilous.

THE NEED FOR A RE-THINK

A rapidly changing political and economic context, in particular the intensified repression of civil society and restrictive funding environment (including smear campaigns through to 'foreign agent' law), has however called for a 're-think' of the approach to supporting the nascent field and if / how to continue to build the movement. The Balkan Re-think action research project was initiated by ECFI in collaboration with Konekt in North Macedonia and extended with support from Porticus to include support organisations in Albania, Bosnia & Herzegovina, Bulgaria, and Serbia. It set out to consolidate progress made to date in relation to community foundation development and to consider challenges and opportunities and explore options for further expansion in Balkan states. This report has been informed by national level consultations, desk research and analysis, and an international gathering, involving all partners along with representatives from the community foundation field in each country. It also draws on other relevant research and commentary. The research process, key findings and recommendations are presented below.

4Cs AND RESEARCH PROCESS

The action research set out to assess the state of development of the community foundation field in each participating country, and the role of national support organisations. It was led by relevant national support organisations – Konekt (N. Macedonia, and overall project co-ordination), Partners Albania (Albania), Trag Foundation (Serbia and Bosnia & Herzegovina), Workshop for Civic Initiatives Foundation (Bulgaria). ECFI provided assistance in development of the methodology, in preparation for and implementation of the 'C Change' gathering in Skopje in late October 2025, and drafting of the final report.

The action research process was built around the 4Cs framework which considered the dimensions below to assess needs within the Community Foundation (CF) ecosystem and the role of Community Foundation Support Organisations (CFSOs).

Capacity – the availability of resources that enable CFs to function effectively and sustainably as philanthropic institutions;
Capability – the current and aspiring skills and competencies within CFs that contribute to organisational development and action;
Credibility – the trust, transparency and legitimacy that CFs hold in the eyes of all stakeholders;
Connections – the networks and relationships with civil society actors, resource holders / donors, peers and partners and others in the philanthropy and local development ecosystem.

Following the desk research and structured interviews in the field and within CFSOs, each partner prepared an initial assessment to be presented at a gathering of all partners which also involved community foundation representatives from each country. This provided for sharing and consolidation of learning and enabled a deeper dive into the challenges and opportunities, including cross-fertilisation of ideas, relating to each of the 4Cs.

Following this important event, country reports were finalised, and this synthesis report was drafted. National reports with detailed descriptions of the context, assessments of the state of the field, lessons from respective CF development processes, illustrated by examples and evidence from practitioners, along with relevant national conclusions and recommendations are provided in the annex.

KEY FINDINGS AND RECOMMENDATIONS

Each CFSO has developed and implemented a process that is contextually specific. This ranged from fostering the creation of new organisations through open calls to working with selected existing ones as a platform for community foundation development.

In every situation the role of a support organisation, whether financial, technical, or motivational, has been critical. They have:

- provided an essential institutional 'incubator' fostering early-stage development;
- promoted a culture of giving and introduced new ideas and practices e.g. participatory processes, personal donor circles, crowd funding platforms, youth-led grant-making schemes, connecting with the diaspora, fundraising events, etc.;
- helped create a favourable operating environment for community foundation development;
- made connections with relevant stakeholders, including national level donors;
- raised awareness of and made the case for community foundations and demonstrated philanthropic potential at local level;
- facilitated national and international exchange have been greatly valued in particular by those at the early stage of development to learn from practice but also as a source of solidarity.

CFSOs are generally viewed as both a helping hand and a partner. The relationship is two-way where CFs contribute to and benefit from the development of a broader community foundation movement.

While the 4Cs are inter-connected it is helpful to show the challenges identified in each aspect.

CAPACITY

- The availability of resources has been a constant challenge but is now even greater.
- There has been a dependency on foreign funding for CF development and by established CFs in order to provide resources for implementing activities.
- There is a propensity for donors to think in the short-term and to address immediate needs e.g. to address deficits in health or education provision, and not to recognise the role that a community foundation plays in both reaching relevant NGOs and in drawing on institutional memory and providing knowledge-based added value.
- Cuts in foreign and national public funding also impact on the work and demands of CFs adding to the un-met needs in civil society and the economic situation reduces the propensity for private and corporate donations.
- Human resources are minimal and stretched. A heavy reliance on volunteering combined with insecurity of any paid positions challenges personal and organisational resilience. Securing staff is considered essential for development and sustainability, and being effective in all of the Cs.
- There have been very positive reactions however to local fundraising where slogans such as 'from us to us', 'I love my city' have been well received. Lack of donor engagement and follow-up however dilutes momentum and can contribute to low donor retention. Donor fatigue was also mentioned as a barrier to local fundraising, especially when repeating appeals and when other causes (notably emergency appeals) are competing.

CAPABILITY

- Much of the capability building relates to acquiring resources – notably fundraising and donor development skills, but the multi-tasking nature of a CF requires honed capabilities in community mobilisation, acquiring and managing volunteers and other assets (including physical spaces), organisational and community leadership, languages, training of trainers, research, strategic planning, communications, digital skills and AI, financial management, systems thinking, legal compliance and governance. There is a need also to invest in soft skills such as team building, youth outreach and engagement, networking, relationship management, negotiation, public relations, and to be able to deploy these at local, national and international levels.
- Digital competencies remain a pressing gap, yet awareness of their importance is increasing, with some foundations beginning to experiment with new tools.
- Boards bring diverse professional expertise, though systematic renewal is still needed to sustain energy and expand networks.
- A strong culture of peer learning and long-term mentoring has been one of the most valuable assets, enabling foundations to build confidence and apply new skills over time.

CONNECTIONS

- In general CFs are considered to have a vital role as a bridge between public, private and NPO sectors, to increase visibility and to unlock potential.
- In the early stages CFSOs play an important role as connectors and multipliers, in particular outside the locality, e.g. with media, academia and relevant national and international institutions.
- The need for CFSOs and CFs to establish strong connections within civil society is a given – through established NGOs, schools, and the general public. Personal and grassroots ties are vibrant, and connections among CFs, initially facilitated by CFSOs and increasingly self-sustaining.
- Building relationships with key stakeholders in the private sector, from small local businesses and large corporations, is highly desirable but comes with the need to consider ethics and potential reputational damage.
- Views about connecting with government and local public bodies such as municipalities are mixed given concerns about politicisation and potential ethnic polarisation.
- Connections help build momentum around CF development – grantees and volunteers serve as powerful ambassadors.
- Board members play a critical role in connecting and reaching into different sectors and constituencies.
- Peer exchanges between CFs provide solidarity and hands-on learning, strengthening the sense of belonging to a wider movement, and contributing to collective advocacy.

CREDIBILITY

- Credibility was cited as one of the strongest assets of CFs, built through transparency, visible results, and consistent community presence.
- Support organisations know the range of issues that are essential to build and retain the credibility of civil society organisations – these apply to CFs as trust is their corner stone. Trust of a wide range of stakeholders has to be earned and any breakdown is potentially very damaging e.g. through sudden withdrawal of funding or cessation of activities.
- Perception is important and so credibility relies on effective communications and in generating a favourable narrative that demonstrates integrity and articulates impact. It was noted that demonstrating tangible outcomes and sharing positive stories reinforced credibility in the CF and the concept of philanthropy.
- Trust was highlighted as being all the more critical (and under scrutiny) in contexts where corruption was prevalent. The ability to demonstrate independence and high ethical standards is fundamental. Reputational risk should be taken into consideration in strategy and operations, most notably with regard to partnerships and donations. Personal visibility of board members, staff, and volunteers reinforces trust.
- Maintaining credibility requires persistence and repetition, but cumulative experience shows that over time foundations can move from being little known to widely recognised and respected community anchors. The challenge is to consolidate these practices that build and maintain credibility so that they do not rest solely on individuals but become embedded in systems that can endure organisational changes and external pressures.

RETHINK RECOMMENDATIONS FOR CF MOVEMENT BUILDING

1. Strengthen CFSOs as ecosystem anchors ensuring they have stable resources and time to mentor, connect, and advocate for the movement;
2. Have a vision for the development of the movement in the longer term and know what conditions are necessary to realise that vision;
3. Seek/help CFs attract investment in core capacity and leadership – multi-year, flexible funding that allows CFs to build reserves, retain staff, and professionalise operations;
4. Recognise national and local contextual specificities in relation to challenges and opportunities, but seek out synergies and explore potential collaboration;
5. Keep listening to those at the coal face within the field and be adaptable in the provision of appropriate support in order to address needs and nurture aspirations;
6. Constantly reiterate the core values and characteristics that community foundations adhere to and build a body of evidence of their impact;
7. While the primary focus has been on support for establishment and early-stage development there is a recognised role in supporting institutional consolidation and acting as a platform for the more mature for improving effectiveness and impact and / or helping create a national network;
8. Continue to foster a sense of solidarity and shared endeavour in the community foundation movement through formal and informal networking at national, regional and international levels – providing for shared learning, advocacy, and joint visibility;
9. Deepen European integration and links between Balkan CFs and European peers and relevant organisations and institutions, ensuring that local insights inform wider philanthropy and democracy agendas;
10. Support peer learning and mentoring for the exchange of knowledge and expertise at national and international levels in relation to the 4Cs;
11. Help make the case for and create a favourable enabling and operating environment through national and international level advocacy addressing necessary systemic reforms such as tax incentives, enabling public policies, and strategic investment in local philanthropy will help create the conditions within which CFs can thrive;
12. Develop connections and deepen partnerships with relevant stakeholders within philanthropic and local development ecosystems;
13. Support organisations must resist the lure of short project-based funding and commit to the slow, patient work of incubation, consolidation, and network-building when the time is right. Given the level of investment required and the current conditions the priority lies more in consolidation and strengthening of what exists. However, any organic development (which may become more likely as the awareness and impact of CFs becomes more visible) would be encouraged and supported where possible;

14. CFs themselves will have to define/ re-define their role and the value added they bring within a changing civic and technological environment, building on their relational rather than transactional functions. CFSOs should explore how they can help them do this.

If these steps are taken, the Balkans can emerge not merely as a region catching up with European philanthropy, but as a source of inspiration, demonstrating how community foundations, even in fragile contexts, can nurture hope, agency, and collective responsibility from the ground up.

ABOUT ECFI – EUROPEAN COMMUNITY FOUNDATION INITIATIVE

ECFI is an initiative committed to strengthening and promoting the community foundation movement in Europe. The initiative, hosted by the German Association of Foundations (Bundesverband Deutscher Stiftungen), collaborates with a range of partners inside and outside of the community philanthropy ecosystem to achieve this goal.

ECFI works with community foundations (CFs) and community foundation support organisations (CFSOs) primarily through facilitating and stimulating interactions to enable learning, knowledge-building and empowerment. ECFI is also engaged in the mapping and analysis of CF activities and in disseminating information that will facilitate development of the field. ECFI strives to be a central point of contact for wider engagement within the global community foundation movement.

ECFI'S THEORY OF CHANGE

ECFI believes in order to achieve long-term change in local communities (in relation to building trust and collaboration; enhancing the potential for self-determination and empowerment; and achieving social cohesion), that community foundations have an important role to play by building and utilising resources; convening and connecting people and organisations; and adding value through local knowledge and expertise.

ECFI'S APPROACH

ECFI's approach is to empower those operating in the community foundation field – community foundations themselves and the array of support organisations that operate at national and regional level. We aim to add value to their work through providing a European dimension, consistent with values of promoting local democracy and civic participation; fostering the establishment of productive international relationships and knowledge exchange; helping bring financial and non-financial resources into the field; inspiring and driving momentum for development of practice.

ECFI'S STRATEGIC PRIORITIES

Facilitate interaction and learning, and share new knowledge and fostering collaboration among CFSOs in Europe to strengthen the support infrastructure;

1. Inspire and facilitate growth in the CF field in Europe;
2. Stimulate CFs in Europe to exercise their community leadership role and collaborate on pressing issues, including inequality, migration and climate change;
3. Build and share knowledge about the CF field in Europe;
4. Leverage financial resources and other support for the development of the CF field in Europe;
5. Increase awareness and understanding of the SDGs and their relevance to the work of community foundations in Europe.

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