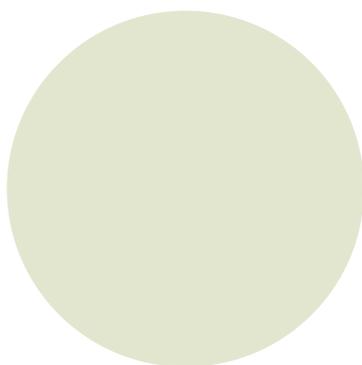
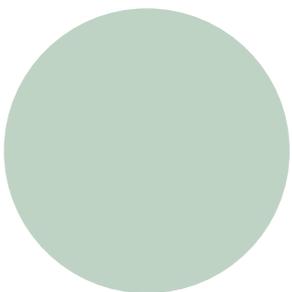
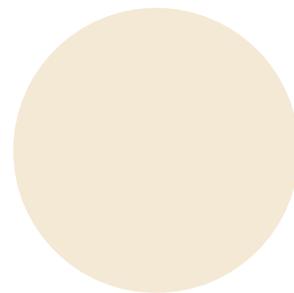
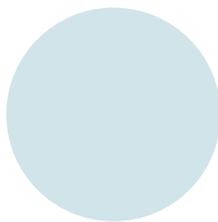
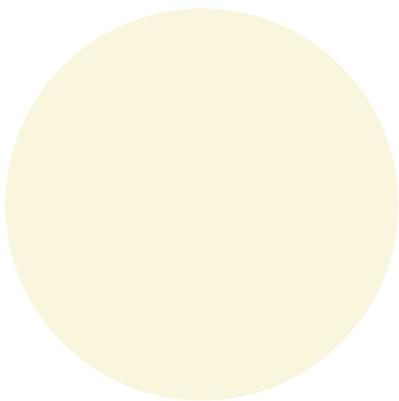
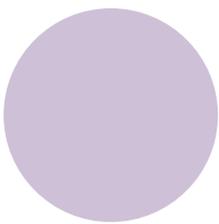




A GUIDE TO COMMUNITY  
FOUNDATIONS IN HUNGARY



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## Dear Reader,

You have probably read about Hungary, whose government has, in just nine years, successfully dismantled the democratic framework built in the previous two decades since democratic changes in 1989. This has turned our country into one of the most frequently discussed and analyzed examples of a populist, authoritarian, illiberal state. You are probably aware already what this shift means for civil society and the non-profit sector: government-sponsored efforts to undermine the credibility of NGOs, growing fear in and around the non-profit sector to touch critical issues, and a shrinking space for independent civic action. You may know of Hungarian NGO leaders who, despite the intimidation and existential threats, stand up for human rights, give voice to those who are difficult to hear, or simply work with people at the grassroots level. (If you are not familiar with the situation in Hungary, please read on as this publication provides a good summary of the state of affairs.)

What you have probably not heard about is the journalist who became involved in creating a virtual playground to build bridges between people in the middle of Budapest; the university professor in the city of Pécs who did not think much of philanthropy while she was teaching, but retirement changed her mind; or the businesswoman in Miskolc who started fundraising for local charities as nobody else wanted to do it. The middle-aged women leading, along with young water polo stars, a high-profile campaign against breast cancer. The charismatic national community leader whose mission is to turn neighbours into cohesive communities in his hometown. Or the homeless person who raised €400 for a photography course for poor people.

This publication tells you their stories.

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**It shares people's love for their communities and how they work to improve their communities with energy, skills, money and time, and above all the courage to do so in such a challenging context.**

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This is what community foundations in Hungary are built upon.

The Roots & Wings Foundation supports financially and professionally the established community foundations and new initiatives to start additional community foundations (yes, these are underway against all the odds). Our foundation is a behind-the-scenes support organization set up in 2014 which is an essential building block of the vibrant community foundation scene.

We have had a decade, then, of experience of community foundations in Hungary. It is time to consider how far we have come. Most importantly, because of the efforts of the people presented in this publication (and many more local heroes), the concept of community foundation has become more widely known and is regarded as an engaging and effective mechanism to mobilize local resources for improving communities.

As shown by data and oral evidence, the Hungarian community foundations in existence today are:

- credible, locally supported organizations;
- strengthening local trust and identity;
- providing visibility and credibility to local people and issues; and
- inspiring people to find joy in community work.

Has everything gone well? Not always. When we started, we had bold and big dreams of what we could achieve quickly, both in 'soft' impact and in hard numbers. We learned the hard way to manage our expectations! In the past year, we have spent some time reflecting on whether our dreams were too ambitious, if our programme implementation could have been better, or if the worsening context should have encouraged us to shut down our programme and do something else. We want to be open about what went wrong and about our mistakes, since these are also an integral part of our story and of our learning.

As this publication talks to audiences far beyond our borders, I'd like to mention that

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**Hungarian community foundations have benefitted from being part of a fertile international ecosystem that blends professional support, trust and solidarity.**

---

Czech, German, Polish, Romanian and Slovak community foundations and their support organizations welcomed us as long-awaited members of this international family, and made us feel immediately comfortable. Non-domestic funding has always been crucial, and from the beginning we have had an incredible, diverse group of funders, including our first major funder, the C. S. Mott Foundation; the European Community Foundation Initiative which has always been ready to connect us with partners in Europe; and the Global Fund for Community Foundations which supports community philanthropy in all its richness. What is common to each of our donors is that they give us their trust and perspective on the world, along with time and space to reflect and act while not letting us take our eyes off our big-picture goals.

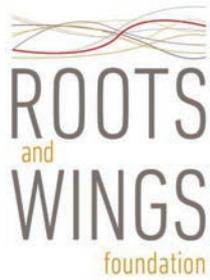
As I write, the results of Hungary's local elections in October 2019 are still recent. It is too early to tell what they will mean, but it is clear that a large part of Hungarian society is sending a signal to the reigning political powers that they want a change from the illiberal course in place since 2010.

This is a significant albeit small chink of light for civil society. It opens a window of opportunity for community foundations to demonstrate potential and contribute to change at the local level: strengthening the culture of democracy by enabling participation and taking responsibility for decisions taken, working with and celebrating diversity by bringing different social groups together; advancing social justice by empowering those in difficult situations with the active support of the whole community; building a sense of a cohesive community by addressing issues important to many; and, last but not least, building a vibrant local society through supporting grassroots civic activity.

While we are young compared to community foundations elsewhere, we now have a decade of experiences, joys and disappointments that we are eager to share. We also still have hope. Our experience shows that persistence and growth are both possible even in a shrinking, hostile space for civil society. We are here for the long haul. We are determined to stay patient and keep our eyes on the goal. As a support organization, our role is to do anything in our power to enable communities and community foundations to maximize their potential.

*Stay with us!*

Tamás Scaurszki  
Roots & Wings Foundation





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# FACTS & FIGURES

## COMMUNITY FOUNDATIONS IN HUNGARY



Funding local people and civic groups

Providing visibility and credibility for local people and issues





Strengthening local trust and identity

Finding joy in community action





Reaching and engaging people in multiple ways, teamworking



Hungarian community foundations are supported by the Roots & Wings Foundation.

Infographics: [Infotandem](#)

## COMMUNITY FOUNDATIONS IN HUNGARY NEW CENTRES OF LOCAL ACTION

**BUDAPEST**  
Registered, 2011  
Community:  
**55,000 people**




**PÉCS**  
Registered, 2016  
Community:  
**150,000 people**



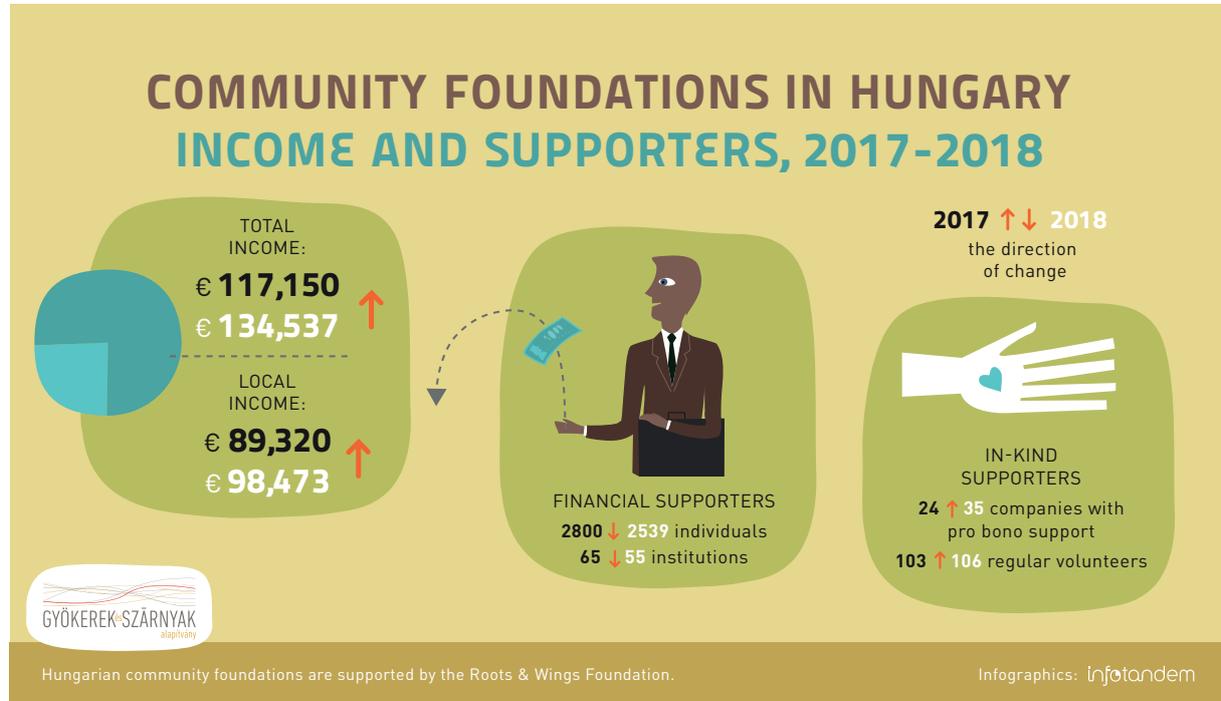

**MISKOLC**  
Registered, 2016  
Community:  
**161,000 people**

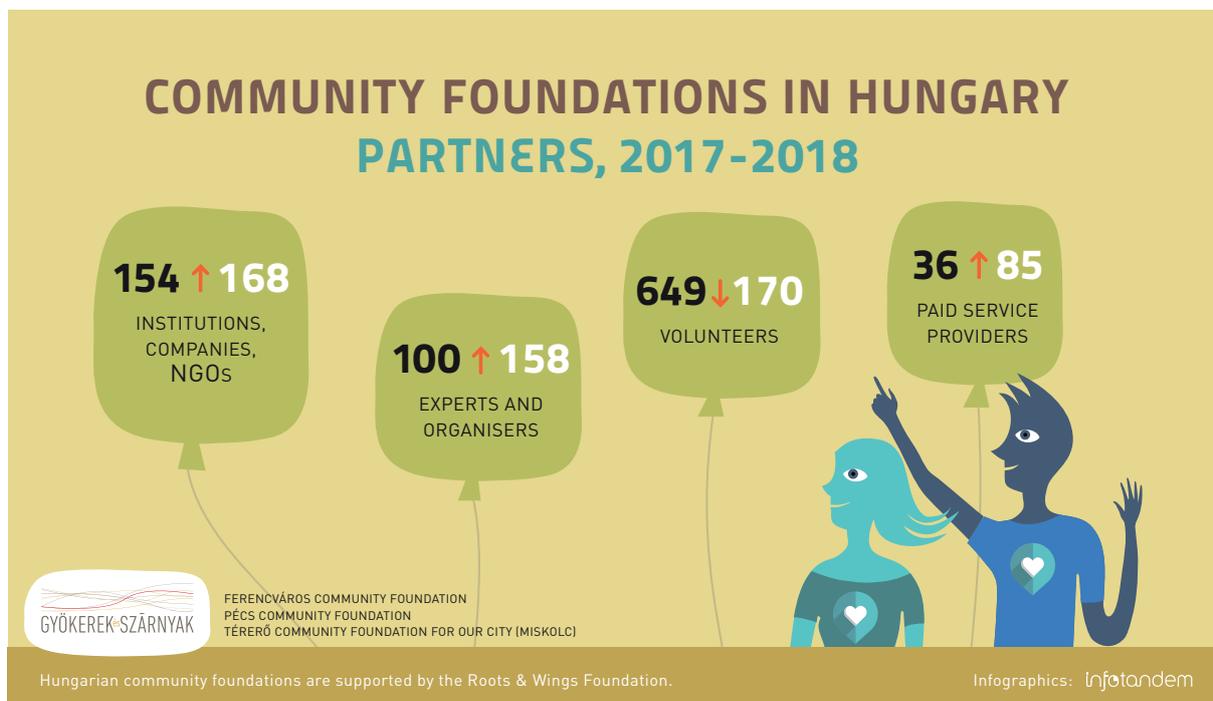
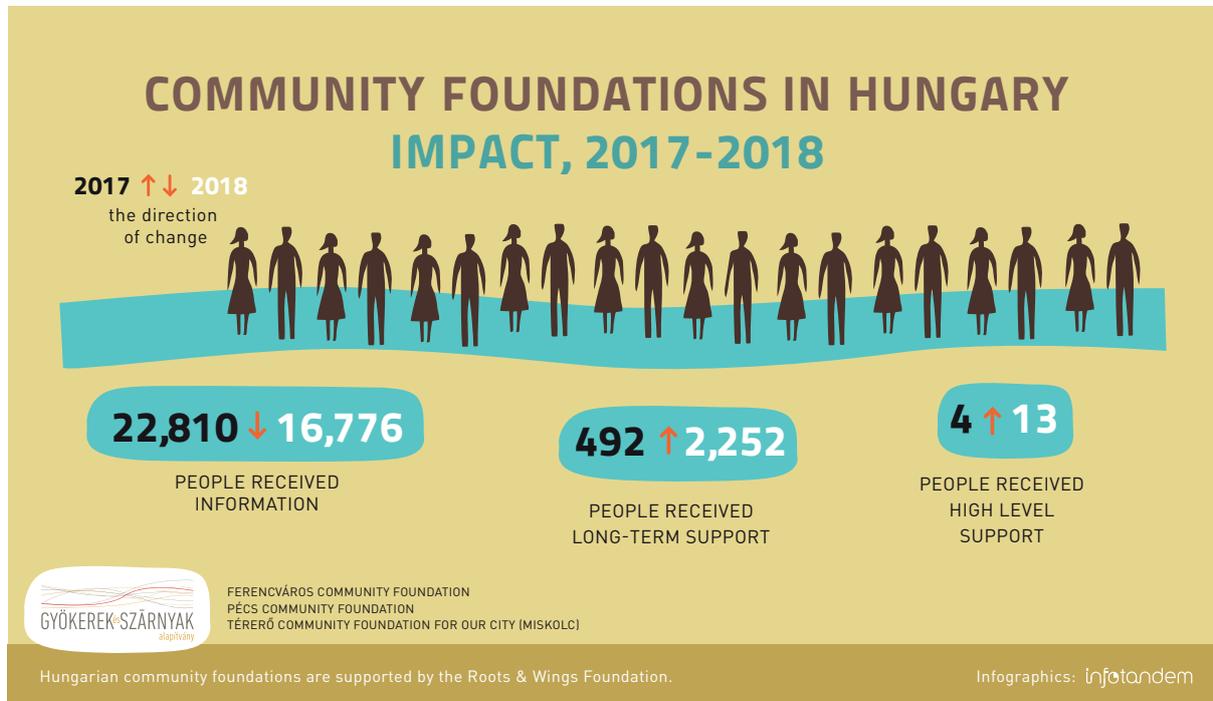





Hungarian community foundations are supported by the Roots & Wings Foundation.

Infographics: [Infotandem](#)





# HUNGARY: A GROWING ECONOMY, A CLOSING SOCIETY

**In 2010 Viktor Orbán came to power for the second time with a two-thirds majority in Parliament and fulfilled his promise to create a new social and economic order in Hungary.**

In the electoral system he created, citizens have since twice rewarded this effort with a two-thirds majority in Parliament (2014 and 2018). It was back in the era of socialism when Hungary last saw such a concentration of political and economic power, which promised to be lasting: those in power enjoy the support of a renewed economic elite, with foreign capital and EU funds flowing in. On the other hand, **the government's position is maintained and strengthened by a culture of fear, isolation and compliance.**

Following the 2008 crisis, from 2010 the Hungarian economy started to recover. First, the economic downturn came to a halt, and then in the middle of the decade GDP growth expanded to the 2–4 per cent range. In 2018 the economy grew by 4.8 per cent and then by 5.2 per cent in the first half of 2019. Although the latter two figures appear to be strong when compared to data from other EU countries, overall, economic growth over the last ten years has been lagging behind that of other EU member states in the region. Economic growth has also been beneficial in relation to other important macroeconomic indicators: gross average earnings increased by 58.6 per cent between early 2014 and the end of 2018, while unemployment declined from 11.9 per cent at the end of the crisis to 3.6 per cent by the end of 2018. Growth has been driven primarily by industrial exports to Western Europe and, secondly, by buoyant domestic demand.

**Behind the appealing macroeconomic data there is, however, a highly polarised society** in which differences between the narrow elite, the weakening middle class, and the masses of people living in poverty are hardly decreasing, or even increasing. Since 2010, the Central Statistical Office has not carried out minimum subsistence calculations, so they have been carried out year after year by the research firm Policy Agenda instead: in 2018, 30 per cent of Hungarian society (about 3 million people) lived in households where household income did not amount to the subsistence minimum. Also, the calculated that in 2017, 53 per cent of the population (about 5 million people) lived below the minimum social standard that would allow them to make a decent living and some savings.

The picture is further complicated by the fact that about 500–600 thousand Hungarians live abroad (most of them in the UK and Germany); their foreign employment not only improves Hungarian labour market statistics, but the monthly remittances they send back home are of increasing importance to the national economy as well.

At the other end of the labour market, workfare was introduced by the government in 2010, parallel to an almost complete dismantling of the social assistance system. Between 2013 and 2017, an average of nearly 200,000 people (and probably not many fewer families) lived off workfare,

which is well below the minimum wage and is typically given by village and small-town mayors as a grace – and has thus become a symbol of predictable misery and political dependency. However, as a result of the labour shortages accompanying economic growth, a significant number of workfare workers have found jobs in the private sector, reducing the number of those on workfare to 125,000 by the end of 2018.

**The education system, the most important means of reducing social disparities, does not fulfil its function but rather preserves inequalities.** According to the results of the 2015 PISA survey, the performance of Hungarian students in every category is in the weakest quarter of OECD countries and is continuously declining. In fact, there is no area where Hungarian students are at least even relatively good. According to the survey, among the 35 OECD member countries family background in Hungary is a clear and crucial determinant of children's school performance. The government's decision to lower the age of compulsory schooling from 18 to 16 – so that more and more young people without the basic knowledge and skills required for the labour market would join the ranks of vulnerable employees or the unemployed – has not done much for reducing social disparities either.

Nevertheless, Hungary is clearly performing 'well' in the area of corruption. According to Transparency International's (TI) Corruption Perceptions Index, by 2018 the country had become – following a decline that is unprecedented in the EU – one of the most

corrupt member states of the EU, alongside Romania, Bulgaria and Greece. For the average Hungarian, news about corruption is commonplace and by now almost uninteresting. We have had the chance to follow step by step as Lőrinc Mészáros, a gas mechanic, and more importantly the Prime Minister's childhood friend, turned from an average blue collar worker into the owner of road and railroad construction companies, power plants, IT companies, newspaper publishing companies, hotel chains and huge areas of land. According to Forbes magazine, Mészáros was the richest Hungarian in 2018 with an estimated wealth of €1.1 bn.

TI pointed out in its report that in 2018 Hungary achieved the lowest score in the field of political rights since 1989 indicating a decline in the rule of law and democratic institutions. This is in line with the findings of the **2019 Freedom House report which changed Hungary's 'free' status to 'partially free,' following several years of decline that is unprecedented in Europe.** According to their assessment, the Hungarian rating has plummeted because Viktor Orbán significantly weakened the institutions of democracy since he came to power in 2010, severely curtailing the room for opposition and independent media, while seriously undermining the rights of higher educational institutions, certain members of the private sector and asylum seekers. What this means for Hungarians is that all institutions that are in principle independent of the government (Hungarian National Bank, State Audit Office, Constitutional Court, Public Prosecutor's Office, National

Media and Infocommunications Authority, Public Service Television and Radio) are in actuality run by the Prime Minister's people and according to his rules. At the same time, opposition parties are fragmented, unable to pose political and intellectual challenges to the political system, and increasingly vulnerable economically. According to many political analysts, a large part of the parliamentary opposition has more interest in maintaining the system than doing real opposition political campaigning. While the economic elite as a whole, multinationals, a large part of the parliamentary opposition and many of the government-funded NGOs may be regarded as the pillars of the system, **NGOs that maintain their financial independence in their field tend to be Highlight critical of the government.**

The way the Government Information Centre responded to Freedom House's report is very typical of the state of affairs in Hungary today, so their brief statement is quoted verbatim:

---

» *"Freedom House is a member of the Soros Empire, it is funded by Soros, and it is now serving Soros's election campaign. Together with other Soros organizations, it is attacking Hungary because we Hungarians have decided that we do not want them to make our country another immigrant country."*

---



Demonstration for democracy in Budapest.



Close friends – Viktor Orbán and Lőrinc Mészáros.



Demonstration against the government in front of the Parliament.

## WEAKENING CIVIC SECTOR

The situation of the civic sector has changed dramatically since Viktor Orbán came to power in 2010. As with other sectors, the new government was determined to put its relationship with the civic sphere on a new footing. In order to achieve its political and power goals, the government reformed the legal and regulatory framework of the sector with the aim of fundamentally changing civil society's position within the social and political system.

The Hungarian government's populist approach claims a direct relationship with the individual's private sphere – it does not need or want the mediation of grassroots civic initiatives. Nevertheless, the political system does want to involve the civic sector in the realization of its plans; and the government imagines a partnership where the sector is firmly under its control. **The system does not tolerate any independent institutions, either in the economy or in the society at large – and this holds for the civic sector as well.** The effect of this is that organizations are only acknowledged as genuine NGOs if they manage public money and perform public tasks. In terms of the three most widely recognized functions of civic society – advocacy (including monitoring government activities at all times), community building and (public benefit) service provision – the government only recognizes service provision as a valid basis for cooperation. This is the area of activity where it wants to involve and integrate civil society as part of its vision for society.

In practice, this first required a systematic transformation of the entire legal environment. The intention of the legislature was to establish a code of conduct that

clarifies, guides, and addresses all issues that concern civil society – be they unresolved, problematic or new – and supports the government's plans. However, when the new law on NGOs was passed in 2011, many aspects were unclear, and it is no surprise that the eight-year-old law has been amended at least two dozen times since it was passed. The majority of practitioners in the NGO sector have not been able to follow the legal changes, and neither has the state administration itself. This has meant that **non-governmental organizations have been subject to long-standing legal uncertainty, making them vulnerable to the whims of the government in power.**

### Shrinking opportunities, less money

A key point in the legal re-regulation of NGOs was the redefinition of the concept of 'public benefit'. Previously, non-governmental organizations pursuing general social objectives could, subject to certain criteria, be recognized as public benefit organizations and have the opportunity to receive various tax benefits. In contrast to this, the new law on NGOs holds that 'public benefit' means specifically taking over state responsibilities. As a result, the proportion of non-profit organizations with public benefit status fell from 50 to 20 per cent.

The system of 1% donations from taxpayers' personal income tax remained unchanged after 2010. However, the main oversight mechanism for channelling budget money to the civil sector has been fundamentally changed. Before 2011, the National Civil Fund, a body consisting of NGO representatives,



Government campaign against George Soros, Budapest, 2018.

decided on how to allocate public funds. In its place, the government established the National Cooperation Fund, which has been in operation since 2011. Most of the decision-makers are appointed by the government, and the Chairman of the Board – also appointed by the government – can overrule any decision without having to give a reason. Many people see this institutional mechanism as leading to a politically biased distribution of public funds.

A positive development has been the establishment of an authentic public register of non-governmental organizations, and it is now a legal requirement for organizations to prepare public financial reports every year. As a result, the closure of inoperative organizations has begun, as the legislation has provided for the possibility of liquidation, compulsory liquidation and bankruptcy of non-governmental organizations.

At the same time, there has been regression in the opportunities for civil society organizations to participate in or comment on policy or legislative changes. In practice, civil society involvement has virtually ceased in the development of legislation and also in policies with implications for the funding of the sector. The system has become a facade, much like civil society engagement in the implementation of new laws.

At the local level, the centralising efforts of the government have resulted in the decline of local council autonomy and the partial nationalisation of local institutions. As a result, local authorities have significantly less money to support local civic initiatives. In addition, there is an increasing incidence of categorising NGOs operating in the municipalities based

on their political stance, and influencing or disabling organizations that are viewed as hostile.

New civil organizations, founded and funded directly or indirectly by the government, have also appeared and come to the forefront. They have been explicitly and openly engaged in supporting government policies, disseminating propaganda, and even attacking and discrediting government-critical civil rights and advocacy groups.

In 2014, following its election victory, the government sought to gain more influence over NGOs by launching an attack on the sector, with the aim of controlling major sources of funding not yet under the control of the government. The consequences of this have manifested in two ways, poisoning the operating environment of NGOs and passing restrictive legislation. Due to the government-sponsored media attacks and efforts to discredit and intimidate NGOs there has been a rise in prejudice against civil society, a decline in willingness to cooperate with civil organizations which are increasingly regarded as suspicious, and a growing fear in the sector.

In terms of legislation, as a first step in these very public attacks, the government initiated proceedings against members of the consortium managing the NGO Programme of the EEA Grants in Hungary (NGO Fund). NGOs receiving funding were also subjected to harassment by the state authorities. The campaign culminated in the passing of the Law on Transparency of Foreign-Funded Organizations, which defines a 'foreign-funded organization' as an association or foundation that receives at least EUR 21,900 in foreign funding in

a given year. Organizations in receipt of foreign funding were said to be directly interfering in Hungarian political life, and were mandated to label themselves publicly as 'foreign funded'. As a result, there are currently about 150 organizations on the list, including mostly charitable (Maltese Charity Service, Red Cross), animal welfare (Rex Dog Home) and cultural (Budapest Festival Orchestra) organizations, and even the Hungarian Automobile Club. There are hardly any organizations on the list which can reasonably be considered as intermediaries of foreign influence or engaged in party political activity.

The next stage of this anti-NGO activity was the government-sponsored 'STOP Soros' campaign, this time in the name of fighting immigration. According to the law, a 25% tax is levied on funding that serves the purpose of informing and educating refugees, or is used to provide any information that puts migration in a positive light – these qualify as 'activities facilitating immigration.' It is not difficult to recognize the intention of the legislator, but unlike the previous piece of legislation, this one has not yet been implemented. To date no organization has 'reported' itself, and none has been subjected to the 25% tax.

The legislation was introduced alongside a fierce political and personal attack. Speaking on state radio in the spring of 2018, Prime Minister Viktor Orbán stated that György Soros had two thousand mercenaries who were working to overthrow the government and transform Hungary into an 'immigrant country'. At the same time he reassured listeners that the government knew these traitors by name. Then, in an article titled 'The Speculator's People,' the

pro-government weekly Figyelő (Observer) published a list of about two hundred names, including civil society activists, journalists and scientists whom they considered to be linked with George Soros. Several civil society activists on the list filed lawsuits against the newspaper, with the court ruling that the privacy of those on the list was violated and ordering a correction by the paper.

Summarising up, the last decade has seen a dramatic change in the operating environment of non-profit organizations in Hungary. New legislation and anti-civil society sentiment have led to growing mistrust of NGOs, which they experience on a daily basis across all aspects of their operations.

### Failures of government strategy

The impression from the new legislation and the public attacks is that the government intends to integrate the civil sector into its new political system. This implies the existence of a well-considered and coherent civil society strategy. But, according to analyses and data, no such coherent strategy really exists, and, on the whole, the government does not know how to relate to the 'civil society phenomenon.'

The Hungarian government model is a strictly hierarchical and centralized system, where the more informal and horizontally structured civil society is viewed as unpredictable and risky rather than a pillar of the system. While some NGOs have been formally incorporated into the system, the capacity of civil society as a whole remains largely untapped. For instance, service providing NGOs dealing with serious



social problems, for example homelessness, addiction, etc., are not receiving government support. On the other extreme are civil rights and advocacy organizations, often foreign-funded, which are critical of the government and bring the wrongs of the Hungarian political and economic system to the attention of the world and, more specifically, European decision-makers. Their actions and impact are extremely disturbing to the government.

In such an absolutist system, the independence of civil society, the 'fifth branch of power', can seem as dangerous to those in power as the other four. But while other social and economic areas, including the media and the judiciary, have been brought largely under the control of government, this has not been so successful with the civil sector, which is by its nature more amorphous.

### (Re)actions from civil society

What can NGOs do in this new setting? They can remain 'in opposition' or alternatively they can cooperate constructively with the authorities in charge, which have the exclusive power and responsibility to create the legal and business environment. However, in order for civil society to be able to influence, intra-sectoral cooperation is essential. But umbrella associations representing joint interests of NGOs have never properly evolved in Hungary. After 2010, there were hardly any forums left where NGOs could influence the course of events in a meaningful way.

As a survival strategy, NGOs were more likely to adapt to the new environment and the government agenda. Many NGOs have therefore conformed with the government funding regime. They have accepted, on the one hand, the decline in local government and central resources, and the fact that they have to exercise self-censorship and show loyalty in return. Similarly, the government attacks on the NGO Programme of the EEA Grants in Hungary did not provoke much resistance from the sector. In effect, there is a sense of resignation on the part of NGOs. As with other areas of society, sector-level solidarity, which has never really been common, has not manifested. In spite of this, in recent years a series of civil society actions and demonstrations have taken place. Among these, the demonstrations and campaigns against government propaganda defaming civil society were the most spectacular. However, over time, these initiatives faded as well.

As one solution, many have opted for 'silent work', taking as little state support as possible and retreating to the background. They have sought to secure the necessary resources by winning over domestic donors; in recent years we have seen many important and successful fundraising campaigns, including online. However, we have no exact picture of their macro-impact, and statistics actually show a decline in the share of private donations in recent years. **In this situation, the role of foreign funding is becoming more important, but this type of funding also carries risks: a foreign-funded organization can easily become the focus of government propaganda and excessive scrutiny.**

At the same time, at the local level the survival and activity of NGOs are ensured by their adaptability stemming from their everyday experiences and the existing and ever increasing social needs (e.g. for social services) as well as effective cooperation with local government.

### What is to be expected?

The most likely trend is increasing government control, meaning that the 'colonization' of civil society will continue.

In parallel, the attacks on civil society organizations still trying to assert their independence will also continue. As the government considers all government-critical NGOs to be political 'enemies', it will undoubtedly continue to question their legitimacy and declare them to be political actors or foreign agents acting under the guise of civil society organizations. This, in turn, is likely to reduce the willingness of the public and corporate sector to financially support NGOs. In turn, this could increase their dependence on foreign sources, despite the government's continued efforts to deter foreign donors and gain control over the distribution of foreign funds.

Many experts agree that a third trend can be expected, as funding difficulties for the whole civil sector will worsen due to increasing centralization and declining cooperation. The lack of funds can affect the sector in another way as well: in recent years, especially in the private sector, salaries have increased substantially, which NGOs have been unable to keep up with. As a result, civil society has lost many professionals who are almost impossible to replace.

We are also seeing phenomena which give room for optimism: there are new energies in society, as evidenced by many successful civil society campaigns, popular and effective community initiatives, and the growing popularity of volunteering. There is hope that people will be trying to find new forms of social involvement, especially where they have been frustrated by the lack of success against government policies using traditional civil society techniques. Survey data from recent years show that citizens have retained some confidence in non-governmental organizations, especially locally and in comparison with public and political institutions. **More people are finding that participating in community-based initiatives enables them to have a direct impact on their own environment and contribute to solving local problems.**



Demonstration for the civic sector, Budapest, Heroes Square.

# COMMUNITY FOUNDATIONS IN HUNGARY

## Promoting community foundations in Hungary 2013–2019/ Successes and struggles within the Community Foundation Support Programme

The Roots & Wings Foundation aims to initiate profound social change in Hungary by supporting bottom-up initiatives that enhance individual initiative and responsibility, and strengthen trust and solidarity in society. We believe that community foundations are an excellent and proven tool to do so at the level of local communities, as they strengthen cooperation between different social groups and sectors, finance local development from local sources, provide opportunities for all members of local society to shape local affairs, and promote the idea of volunteering. Moreover, they do so as institutions, with a lasting impact.

In addition, the successes of the Ferencváros Community Foundation – which was established in 2011 as the first such organization in Hungary, without help from a support organization – have shown that the community foundation concept is viable in this country, despite the many sceptical voices. This is the reason why in October 2013 we launched the Community Foundation Support Programme, which focuses on starting up new community foundations and supporting existing ones.

Over the course of six years, our programme has sought out small communities of people showing a commitment to the community foundation concept, and in that time we have issued three calls for proposals (in 2014, 2018 and 2019). When selecting the winners, an important criterion for us was to start working with organizing groups

which bring new energies, resources and people to the Hungarian civil sector.

At the end of 2019, we are working with two full-fledged community foundations, the Rákosvidéke Community Foundation in the 17<sup>th</sup> district of Budapest is being set up, and we are supporting the establishment of three organizing groups in different parts of the country.

Since 2014 we have worked with a total of ten organizing groups based on similar principles. As an essential part of our support, they were given the chance to go on a study visit to a well-functioning community foundation in the Central European region, one that is well-embedded within the community. This was an opportunity for them to gain inspiration and refine their ideas. In the ensuing period the professional and financial support we provided was aimed at implementing the plans and ideas that motivated them in the best possible way.

As a result of our programme three new community foundations were created: the Danube Bend Service Community Foundation, which, after one year, embarked on its own journey, independently of our programme; the Térerő Community Foundation for Our City (Miskolc), which terminated its operation after two spectacular and successful years; and the Pécs Community Foundation, which has been developing steadily. (For details on the activities of these foundations, see pages 22 et seq. of this report.)



The team of the Community Foundation Support Programme.

We assist in the development of registered community foundations with a combination of financial and capacity-building support. In cooperation with the Ferencváros Community Foundation, we have developed a financial support structure for community foundations which is based on mutual trust, shaped by a dialogue among the parties, and builds and develops their capacity keeping in mind their interests and ideas. Our grants are based on an annual, possibly biennial, plan for a given community foundation, which is then thoroughly discussed with our team and is backed by professional and financial support and a fundraising challenge. We have successfully applied this support package with every community foundation that has signed a contract with our programme: more than half of the community foundations' income now reliably comes from local sources and their roots are growing stronger in their communities. They give out an increasing amount through grants each year and involve a significant number of volunteers, companies and NGOs in shaping local affairs.

**Our capacity-building support to community foundation aims to establish them as strong, credible, independent local organizations with vital links to the community foundation movement in Hungary, Europe and beyond.** Since 2017 we have run a knowledge management system with the goal of providing an accurate and up-to-date picture about the work, achievements and social impact of community foundations and the whole support programme. The system also encourages and enables community foundations to reflect on their work, discuss issues in depth and design new strategies supported by data. We have

held a number of workshops and internal meetings to introduce topics particular to community foundations such as Vital Signs, philanthropy advice, event-based fundraising, and strategic grantmaking.

Within the Hungarian context, the programme emphasizes the role of community foundations as strengthening local trust and identity, inspiring people to tackle local issues bearing in mind the broader context and trends. For instance, in November 2018 the Roots and Wings Foundation organized a two-day event called Hungary Uncovered to explore and better understand important, underreported trends and issues within Hungary, such as internal migration and women's rights and to hear alternative voices such as those of migrants and foreigners in Hungary. The event also presented how NGOs and communities are responding to these trends and how they are fostering cooperation and forward thinking by bringing together different players from different parts of society.

We have also always placed great emphasis on involving foundations and organizing groups in the international community foundation movement. We found that Hungarian foundations can gain a lot of strength, examples and inspiration from learning about foreign experiences. Therefore, in addition to study tours, representatives of community foundations have participated in numerous conferences and international projects with support from the Community Foundation Support Programme. From 2017, the Roots and Wings Foundation, together with the Hungarian community foundations, has been able to contribute to the international movement as well: we have raised funds



Swimathon

together for two projects of the Odorheiu Secuiesc Community Foundation, and in 2018 we had the opportunity to present the Hungarian experience to Georgian experts. The nature of the partnership between Hungarian community foundations is well illustrated by the fact that in 2018 Térerő invited the representatives of the other two community foundations to attend its ECFI-funded study trip to Germany.

*Naturally, our work is not a continuous success story; we have met several challenges and even some failure during different stages of our work, and we have always tried to learn from such experiences.* The challenge with all three of our calls for proposals was to find the people who are moved by the community foundation concept, and then raise their interest to act. The effectiveness of traditional and social media, word of mouth, and our novel marketing strategy sometimes proved to be limited: for example, in 2018 we received only one good application. We also had to face the fact that in recent years the concept of community foundations has attracted fewer newcomers to the Hungarian civil sector than expected, with Hungarian businesses especially showing less interest than we had originally hoped. Yet, the most painful of all the failures is when, despite our joint efforts, a group of organizers fail to successfully form a community foundation, or when a well-functioning community foundation terminates its operation – unfortunately, we have experienced both. The exhaustion of key figures, the lack of adequate capacity within the organizing group or board of trustees, and the increasing political incitement against independent NGOs – with the ensuing general sense of mistrust and fear – can all lead to profound

difficulties in growing an organization and, in some cases, even the discontinuation of initiatives.

We have tried to get closer to the causes of the problems through conversations and analyses, and one result has been to change, refine and expand the main pillars of our programme. In addition to continuously assessing the evolution of the Hungarian political and economic environment, at the beginning of 2019 we revisited the process of finding and selecting organizing groups. We also decided to become more grass roots: to support individuals who are interested in the community foundation concept and are willing and capable of attracting individuals, but need help forming themselves into an organizing group.

Another result of our reflections was that we launched two new programmes to promote and enact the values guiding our work in communities where community foundations are not likely to be established in the next few years.

*Six years on, we have found that community foundations are an excellent tool for building a culture of trust, solidarity, mobilizing local resources, action, and cooperation, first at the local level and then nationally.*

The development of the field in Hungary has been bumpier than we initially anticipated, with some great results alongside some disappointing ones. Nevertheless, overall it is clear that there is steady progress, and our continued support for community foundations is important for the immediate benefits it brings to communities, and even more so as an investment for the future.

# HUNGARIAN COMMUNITY FOUNDATIONS: PEOPLE, BEST PRACTICES, LESSONS LEARNT

## FERENCVÁROS COMMUNITY FOUNDATION: A SUCCESSFUL EXPERIMENT

Established in 1873, Ferencváros is one of the oldest districts of the Hungarian capital. It was named after Hungarian king Ferenc I, and is also known as the 9th district. More than 60,000 people live there in three neighbourhoods sporting downtown pedestrian malls, universities, a market hall popular with tourists and locals alike, museums, rather green housing estates, former and current industrial estates, etc.

The Ferencváros Community Foundation (FCF) was founded on the initiative of Gabi Benedek, Edit Kovács and Tamás Scsurszki – three community development professionals who were ready to experiment. They were familiar with the concept of community foundation and believed it could be viable in Hungary. After conducting a series of interviews with local people, a diverse group formed in 2010, without outside help or the promise of funds, and they became the core team for establishing the new foundation. The organization was registered in 2011, and today the Ferencváros Community Foundation is the Hungarian community foundation with the longest history and the most programmes.



The development of the foundation over the last eight years is impressive. While in the first year of its operation the foundation had revenues of EUR 4,200, by 2018 it reached EUR 94,000, more than 80% of which came from local sources. While in 2012 the FCF supported participating schools with EUR 898 through the 'Daddy in Goal' Football Cup, in 2018 it already supported nine programmes with more than 50 times that amount, EUR 46,700. Most of this went to health, community and local development, and cultural initiatives. The Community Foundation supports local civic initiatives with almost as much money as the district municipality.



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» *“Swimathon is good because of the cooperation. People can come together and mobilize lots of people for any given cause.”*

Kriszta Szalai, actress, participant of the 2017 Swimathon – supported project: Mobile Home Housing Agency (From Street to Home Association)

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FCF staff.

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» *“Growing up in America, I often came across the slogan, ‘Think globally, act locally.’ That idea has stuck with me ever since and has become a kind of creed. We can make real changes locally, in small steps.”*

Péter Temesváry, FCF Board Member

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» *“Small communities have power!”*

Péter Jordán, FCF Board Member

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» *“I’ve lived in the József Attila housing estate for more than 38 years. I have active relationships in the neighbourhood. Knowing these and the NGOs in the district, I would like to preserve and spread the practice of paying attention to each other, of solitude dissolved in community spirit, and actively working together in the community.”*

Ágnes Velenczei, FCF Honorary Board Member

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» *“Company always means protection.”*

Erzsébet Katalin Komáromi, Head of Crossing Gallery

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» *“I’ve always been interested in playing an intermediary role, in building bridges between people.”*

Era Barna, Director of the Ferencváros Community Foundation

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*The director of the Ferencváros Community Foundation has hosted radio programmes as a communications specialist, worked with people with substance use disorder, and as communications director for a foundation working with them. She has been executive director of the Foundation since 2016, which she sees as the best thing that has ever happened to her.*

### **What did you do before becoming FCF's executive director?**

I graduated from the Faculty of Humanities here in Budapest. Parallel to university, I studied journalism at the National Association of Hungarian Journalists. I spent 16 years at my first workplace, the Hungarian Radio, where, in the radio programmes I hosted, I started focusing more and more on addiction and people with substance use disorder. Later on, I graduated as an addictology consultant. I found this world incredibly interesting, but I was excited more about the communications part of it, about changing the way this group is stigmatised, and how this could be changed. As I got deeper into this field, I had the opportunity to lead the Blue Point Foundation's communications efforts. After nine years in that position, I gradually moved on to the Ferencváros Community Foundation, first as a volunteer, as a member of the Board of Trustees, and later as director.

I could describe this work as a synthesis of my experiences and interests so far, as it is about working together in the community, the importance of communication, and building bridges between people. I've always been interested in this type of intermediary role.

### **Why do you consider the community foundation concept to be important?**

I still remember my two impressions from the first meeting of the foundation's Board of Trustees – first, everyone was very enthusiastic, and second, there were people of all ages and backgrounds present. At a community foundation, the diversity of the team is refreshing, everyone speaks a slightly different language, but we can learn each other's. I've always been a community person, even the word itself makes me feel good. It's been a pleasure for me to take part in building and creating this 'playground', the first community foundation in Hungary.

We believe that everyone can give something to the community: some give their time, some their ideas or money, and if we can connect these people, then the concept can work. What is fascinating about democracy is that there is always a desire for consensus, and I think that building on local resources is a progressive thing. Yet, the process is not so mysterious, there are tangible ways to reach out to people.

### ***What changes has the community foundation brought to the district?***

I am very proud of our successes and the many projects which have brought joy and opportunity to people working and living in the area. The four Swimathons and the four Live Crowdfunding Events (aka giving circles), the millions of forints raised. But I feel there is still room for improvement. I want to make our brand stronger, and make it more evident that they can turn to us and join us as a trusted liaison organization in the district.

### ***What do you want to achieve with the foundation within three years?***

Financial security, predictability, local embeddedness and recognition, as well as building up our international network.

### ***What are your favourite stories about FCF?***

We've had many great moments with the team, and our summer strategic retreats are really memorable. That feeling after the first Swimathon, that we have done it . . . and to receive the Civil Society Award for the programme. . . . At the 2018 Swimathon, we created the Dignity Award for our swimmer Gábor Kovács: a homeless man, he collected EUR 387 for a photography course for disadvantaged people, and when he was handed the award, the entire audience in the swimming pool stood up. It was really touching. I really like the game part during the Live Broadcast, when 100 people are sitting in the room and the funniest challenges come up and the project representatives finally find out how much support they have received. Those are uplifting moments.






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» *“If we improve the life of just one person with a supported project, then it is no longer a question whether we have succeeded.”*

Péter Fenyvesi, FCF Board President

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*The president of the Board of the Ferencváros Community Foundation (FCF), who is a full-time product manager, has always been sensitive to social issues. Péter Fenyvesi, whom everyone knows as Fenyó, joined the Board of the Community Foundation in 2018 and was completely absorbed by its humane setting, the feeling of keeping together and belonging together.*

### **What do you do beside the community foundation and how did you first notice the FCF?**

I grew up in Pécs and decided to move to Budapest five years ago. I worked as a developer for a company in Pécs, and that's where I became acquainted with product management. My task was to balance the needs of the business and the customers, as well as the technological capabilities – and ultimately create a good product. Through my circle of friends, I had first-hand experience of how important and excellent work social workers do, while struggling to make ends meet because of their low salaries. The injustice of this whole situation prompted me to focus on a social issue during my training practice which I did in parallel to my job. During one of those trainings, we started the 'Help the Helpers' project, which provided people the opportunity to talk to social workers at a workshop and identify areas where we could somehow help. That's when I met Era Barna, and through her, the Ferencváros Community Foundation.

### **Why did you join them? Why do you consider the concept of the community foundation important?**

I was totally impressed when I first attended the giving circle titled Live Broadcast (which is based on The Funding Network's Live Crowdfunding Events model). I spent a lot more time than I wanted because I saw the people behind the projects – it was thanks to this that I really 'learnt' Ferencváros. Causes that aim for a better, more liveable environment, and actions for people who no one else cares about . . . and why wouldn't they deserve it? Building communities is one of the three pillars of a community foundation, the most complex and also the most important in the long run – together with distributing funds and fundraising. Our job is to channel in what the given team needs most, whether it is professional knowledge or resources. The community development experts at the foundation could help any NGO, and it is possible through the FCF.

**What changes do you experience as a result of your work?**

It is clear that there are changes, because we have an impact on the lives of many children and adults. As to how large the impact is, you should ask the kid who goes to a horse riding camp, made possible from the funds raised at the Swimathon. The impact is terribly difficult to measure, and personal conversations reveal the really important things. Honestly, I think that if we improve the life of just one person with a supported project, then it is no longer a question whether we have succeeded.

**What are your plans with the Foundation for next year?**

In the near future, I think the goal is to strengthen the foundation financially, to be more secure next year, to open up to new things, to take our already successful events to a new level, and to provide a more secure background for the foundation staff. In 2019, we have made strides in many areas, such as launching Radio9 community net radio, raising more foreign funding, and carrying on with many of our ongoing projects, including our New Neighbours – Multicoloured Ferencváros programme, which seeks to integrate foreigners living here into the life of the district. We have found a major sponsor for the Swimathon, and this has allowed us to improve the quality and communication of the event.



**Are there moments from your past period with FCF that you recall thinking, 'Well, this is why it's worth doing it'? Could you share some of them with us?**

I came to the foundation from a very productive and goal-oriented environment – the two worlds are very different. It triggered touchingly deep human reactions from the members of the Board of Trustees when it turned out that the foreign participants in our New Neighbours project did not want to have their photos taken because they did not want their faces to be seen alongside their stories. This confirmed the need for social work professionals. It's they who can provide good answers to many social problems, not politicians, engineers or businessmen.

During the Swimathons and giving circle, I felt – even though unfortunately this does not happen a lot amidst the domestic hate campaigns – I felt that it was good to live in this country. To see a handful of people come together and do something really good – it's a priceless experience. There is a tremendous contrast between collective, positive action and the present atmosphere in Hungarian public life.



## The voice of civil society in the 9th district

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Coordinated by the Ferencváros Community Foundation, Radio9 was born in the summer of 2019. It gives publicity to the district's NGOs and experts on different public issues. The project aims to develop democracy and strengthen local media through a community radio, where a non-partisan dialogue on public affairs can be conducted.

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In the run-up to the municipal elections in autumn 2019, the FCF wanted to create a channel to encourage people in the district to get information, make responsible decisions and vote. "We wanted a forum to discuss district-related issues that affect many people," said Era Barna, the FCF's director. The idea to launch Radio9 came as a response to this community-building, discourse-creating need. The project was funded by the Academy for the Development of Philanthropy in Poland through its Global Challenges – Local Solutions programme.

The creators of the radio programme broadcasted on seven occasions – in July, September and October 2019 – from different cafes, restaurants and community spaces around the district, each time discussing different issues related to the district, including education, housing, environment, tourism, culture, social policy, health and local media, with experts from these fields. All of the three-hour, non-

partisan programmes were broadcast live, and also as podcasts, through the online radio [radio9.hu](http://radio9.hu).

The project was coordinated by journalist Péter Sarkadi, who had previously volunteered for many FCF programme, swam and campaigned at the Swimathon, donated during the giving circle and, last but not least, is a Ferencváros resident. The editorial team consisted of eight people, including students, bloggers and volunteers. "I wouldn't measure success in numbers. I want the radio programme to raise questions in people's minds, such as how we could change the state of education," Péter Sarkadi said.

Funding for the project lasted until October 2019, but the organizers have further plans with the community radio: they would like to continue broadcasting on a regular basis, addressing one specific public issue at a time.



## Home building communities

An association that aims to provide homeless people with housing; a community swimming gala where local people, and in fact anyone who wants to join in, fundraise for community organizations. These two things have made it possible for the community to join their forces and, as a result, give homeless people a mobile home and the chance to start a new life.

The Ferencváros Community Foundation has been organizing its community fundraising programme, Swimathon, since 2016, with participants campaigning, raising money, and swimming for a civic initiative. In 2017, the team of the From Street to Home Association made history by raising the most funds ever at a Swimathon in Hungary. Following a novel concept of social entrepreneurship, their project has helped homeless people get a home.

The association, which was registered in 2014, was founded by Vera Kovács, Anna Bende and Zoltán Sipos. Besides them, social and technical professionals and around 100 volunteers work in the organization's projects each year. Through their work, they transform municipal and private housing into social rented housing which homeless people can move into. Vera Kovács explains their starting concept: "This is not a goal, but a compulsion. Since there is no other opportunity that meets our professional and moral expectations, we have created something that we can imagine ourselves as being part of."

People moving into social rented housing receive support from the association to maintain the property, and get help to integrate into society. During the third Swimathon, the association raised money for a mobile home to be installed on a vacant lot. Going far beyond the target of EUR 6,452, the swimming team received a total of EUR 13,716 in donations, which allowed them to cover other expenses of the project. Since then, two formerly homeless people have moved into the mobile home and, mentored by social workers, are living independent lives.

Homelessness is a very sensitive and divisive topic in Hungary. "The support meant a lot to them, and not only because of the financial part. But because so many people supported them in the campaign. Many even took up the cause and swam for them," Era Barna, the FCF's director pointed out.

In addition to raising funds, the Swimathon was an opportunity for Vera and the team to experience live community fundraising for the first time. "It was a significant learning process in many ways. It is a useful and necessary method that has led to several community fundraising campaigns since then," noted Vera, who has campaigned herself and has been swimming every week since the Swimathon.



## TÉRERŐ COMMUNITY FOUNDATION (MISKOLC): AN UNFULFILLED PROMISE



térerő

közösségi alapítvány  
városunkért

Miskolc is the fourth largest city in Hungary with 160,000 inhabitants. It is still often called the Steel City because under socialism it was one of the fortresses of Hungarian heavy industry. During its heyday, the city's metallurgical and mechanical industries employed more than 20,000 people. After the change of regime in 1990, heavy industry collapsed, leaving unemployment and hopelessness behind. Since then, Miskolc has been working to stay afloat as a tourist, cultural and university centre.

During its three years of operation, the Térerő Community Foundation for Our City (Miskolc) has proven that it is possible to start and run a community foundation in a city that is in a difficult, seemingly hopeless, situation. Thanks to the faith and hard work of the handful of people behind the initiative, Térerő funded many excellent projects from local sources, giving the people of Miskolc faith in the future and proving that the city's communities have the energy and skills needed for development. The members of the Board of Trustees learnt many of the secrets of successful community foundations during numerous study tours – they cleverly drew from foreign examples and applied them to the local conditions. Their successful operations are evident not only from the projects they funded and the financial reports of the foundation, but also by the recognition they have received at the national level.

Térerő got off to a flying start: in 2017 the foundation had revenues of EUR 11,000, followed by EUR 21,000 in 2018, half of which came from local sources. In the first year of their operation they supported 13 projects, followed by three in the second year, with a total of EUR 7,750 and EUR 7,420 respectively. Most of the causes supported were related to health, education, culture and the environment.

After two successful and intense years, the foundation decided to end its operation due to the fatigue of most of the board members, the conceptual conflicts between them, the rapid growth of the organization, and growing political pressure.

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» ***The story may continue.***  
*The Roots & Wings Foundation believes that, despite its sad ending, the Térerő Community Foundation is a success story. People connected to the organization proved that it is possible to run an effective and sensitive community foundation even in difficult circumstances, such as in Miskolc. Although the organization has ceased to operate, there are indications from both the local civic sector and the corporate sphere that it would be worthwhile to establish a new community foundation in the city. We will do everything in our capacity to ensure that the story of community foundations in Miskolc continues.*

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» *'Personal authenticity is key'*

Erika Bodnár, TCF Board Member

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*Erika Bodnár, trustee of the Térerő Community Foundation, talks about the politics-free embracement of social causes, the possibility of changing local society, money, lack of money, and the attitudes of business.*

***You work in the business world. What exactly do you do?***

I'm an economist and I've worked as an entrepreneur my entire life. I've always been part of this environment. These days I organize business breakfasts in Miskolc.

I've seen in recent years that more and more businesspeople are inclined to support some kind of civic initiative. This is the very reason why I would like to dispel the misconception that promoting civic initiatives, charity and donation are some sublime activities in which businesses are not partners. Undoubtedly, it is hard work to find responsive executives, but it is worth the investment because there is capital and there is interest.

***How did you come across the community foundation concept and what impressed you about it?***

I was talking to the head of the university about my sociological studies when he brought up the concept of community foundation. I've lived in Miskolc my entire life, so I found the promise that a grassroots

initiative could do something for the city, or at least be successful in some areas, to be very impressive. It had also been clear to me for a long time that there is a complete lack of top-down initiatives that focus on sub-areas, without delivering spectacular results, yet strengthening the local community. I thought it was time for us to try it ourselves, from below.

***Did you immediately see your role in the foundation?***

No. I'm quite active, I've always been into community issues, and as we were coming to understand the concept – that the community foundation raises funds, gives out grants and builds the community – I found fundraising to be closest to me, just because I'm in touch with businesspeople. On the other hand, I saw that everybody was afraid of it so I told the board members I would do it.

***What gave you a sense of achievement?***

Many of the participants at the two Live Crowdfunding Events (aka giving circles)

organized by the Foundation had been invited by me, and they donated a lot. We are talking about a sensitive area: the guests did not know much about community foundations or giving circles, but they enjoyed the atmosphere of the events and we received some very generous donations. Obviously, this was also due to the causes money was sought for. At the same time, all donations are personal. Increasingly, I find that all work, including in the civil sector, is connected to a person, beyond the details of the work itself. If the person is not authentic then the message will not be authentic either.

### *How did NGOs in Miskolc view T erer ?*

The NGOs we contacted or selected accepted the help of the foundation because we knew exactly what we were offering: funds, professional support, publicity.

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» *"Many people doubted whether a community foundation would be viable in Miskolc. In spite of that, T erer  did great things in a short time."*

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In a nutshell, I would say that in Miskolc, a city of 160,000, there must be ten people who can stand up for such a cause. Those ten people can then mobilize another fifty, and with 50 people you can already achieve change. It is not possible to say categorically that Miskolc has no money. National media usually paint a negative image of the city, but the reality is much more subtle.

### *What did T erer  give to Miskolc? What imprint did the foundation leave?*

T erer  had great promise, and I'm sorry it has not been fulfilled. Social issues could not have been embraced in the long run without the involvement of politics and policy making. Many businesses have got closer to the civil sphere, and many projects received funding that they would not otherwise have received. We were able to move away from the traditional conception of civil society as doing only noble things that businesses cannot live up to or contribute to. Again, I know from my experience as an entrepreneur that it takes about four to five years for such an initiative to reach maturity. We were at the beginning of the process, and in that short time we had some great successes.

### *Why did T erer  end?*

The management felt they didn't want to do it anymore. The foundation was expanding too quickly, and they were no longer able or willing to undertake the growing list of tasks and meet the raised expectations.

## Boldness, Live Crowdfunding Events & EUR 16,130 in donations

Live Crowdfunding Events became a trademark of Térerő in Miskolc. At two giving circles organized in spring 2017 and 2018, a total of six civil society projects received nearly EUR 16,130 from more than 160 donors. The supported groups included a student theatre group, a literary radio station and a bird sanctuary.

Community foundations usually only start to organize live crowdfunding events after four to five years of operation. Nevertheless, during the second and third years of its operation, Térerő successfully hosted two very successful events. As Erika Bodnár, trustee of Térerő, put it: "We had the courage, boldness even, the faith and the impulse to carry us through everything. It did not even occur to us that we might not

succeed." They were very systematic in their approach. The organizers first committed themselves to the concept, then, with the support of The Funding Network, they familiarized themselves with the method of holding giving circles during a study tour in London, and, finally, they adapted it to the reality of Miskolc. Accounting for donors' money and tracking projects was taken very seriously – "a rarity here," they said.

» *"It was a fantastic moment when, at the end of the first giving circle, the project owners saw how much they had received – if for nothing else, it was worth setting up Térerő for those three minutes."*

Erika Bodnár



## Breast Cancer Info: Be proud, stay connected!

During the first giving circle event in Miskolc, the Borsod Breast Cancer Information Association won a grant for its public education campaign, where women who had recovered from the disease were photographed together with members of the local water polo team. The photos were then exhibited in several locations throughout the county.



The project established strong personal relationships among members of the previously virtual, Facebook-based community, who broke free from society's cultural conditioning by coming out with their illness. Publicity has also strengthened the women involved in the campaign: they have shown that you can survive the disease and stay beautiful.

By presenting the exhibition at several locations, the aim of the association was to give women who felt shame because of their illness and hid themselves away plenty of opportunities to see the displays.





**Ginger Miskolc:  
The largest county organization  
received local recognition**

László Jakubinyi, president of the Symbiosis Foundation, said the following about his organization and the project that was supported during the crowdfunding event: "It is possible to create value with people with disabilities, autism – this is the mission of our foundation. This is what Ginger Miskolc had to present as well: the special gingerbread baking method was taught to students by children with disabilities, and together they baked mock-ups of the most significant buildings in Miskolc which were then exhibited in the city hall's exhibition space."

"I went to Térerő's briefing before the giving circle out of curiosity, but I was doubtful that the model would work. What I saw there, however, really got me," explained the leader of the county's largest NGO. "Beyond the one million forints in donations, the Foundation's communication has improved and we are better known locally (though unfortunately we are better known in Brussels and Budapest than in Miskolc) and we have been able to show our city what we think about social inclusion."

"The main lesson I learned from the giving circle was the way local small businesses donated about 8,000 EUR overnight – it was amazing, I felt there was a need for the community experience, you can raise funds for local causes, and if you can mobilize that circle of people, anything can happen."

"The most painful wound in today's society is the lack of community; a well-functioning community foundation can be a remedy for that condition," László Jakubinyi concluded.

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» *"It is possible to create value with people with disabilities, autism – this is the mission of our foundation."*

László Jakubinyi, President of the Symbiosis Foundation

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## THEY GIVE FAITH AND SUPPORT: MEET THE PÉCS COMMUNITY FOUNDATION

Pécs, the seat of Baranya County, is located in the south of Hungary. It has nearly 150,000 inhabitants which accounts for 1.5% of the country's population. In the 20th century, the city's industry was centred on mining. With the change of regime, however, the whole country's industrial base was turned upside down, and Pécs found itself in a difficult situation: the mines were closed as the industry collapsed, and unemployment in the city increased dramatically. In 2010, Pécs won, ahead of Eger and Miskolc, the coveted title of European Capital of Culture, offering the city a significant opportunity for change. However, the expected boom did not materialize, and in 2017 the city went bankrupt. At present, the city is trying to develop by taking advantage of its universities, its culture, and its role as a knowledge centre. In this process, there is a fundamental need for non-governmental organizations, such as the Pécs Community Foundation (PCF), which encourage the local population to take the initiative to improve their city and its future.



The Pécs Community Foundation was set up in 2016 by a handful of dedicated professionals, primarily sociologists and community development professionals, who wanted to do something for their city. In 2017, the first full year of its operation, the foundation's revenue was EUR 13,870, of which more than EUR 6,450 was used to support local organizations. In 2018, its income was more than EUR 16,130, of which nearly EUR 9,680 was used to support social, housing, local development and cultural organizations, as well as unregistered local community groups. Almost half of the Foundation's revenue in both years came from local sources, companies and individuals.



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» *“As a proud Pécs resident, I felt a deep need for an organization that works with the local people and supports causes that serve our common well-being.”*

Péter Peták, PCF, first Chair of the Board

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» *“Living in the same city, district or street does not mean we are a community. Yet, society can only function well with the active participation of communities – the community foundation format offers practical ways to achieve this.”*

László Tistyán, Founder, PCF Board Member

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» *“I’ve worked with NGOs and volunteers for twenty years. Part of our mission is to show NGOs how valuable their knowledge is, how they can transfer it, and how other organizations can use it.”*

Éva Knyihár, PCF Board President

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» *“The community foundation is also key to preventing social ills.”*

Teréz Kleisz, PCF Board Member

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*Being a sceptical social scientist, Teréz Kleisz, member of the Pécs Community Foundation's Board of Trustees, did not really believe in philanthropy. In fact, she did not even consider herself to be a doer, but as a university professor rather saw herself as the contemplative, analytical type. She then took a 180 degree turn when she became a member of the foundation's Board of Trustees.*

### **What professional ties do you have with communities?**

I've taught community development and cultural organizing at the university all my life. As part of my teaching job, together with the students I often started short-term experimental development projects, so I have practical experience, but I'm basically an analytical person, I like to observe things. I retired less than six months ago and I was sure I wanted to find some meaningful, creative work to do, and some company.

### **Was that when you got to know the concept of community foundation?**

I had never heard of it before. In fact, I didn't think much about philanthropy. As a sociologist I believe what István Bibó believed, namely that social problems, purulent wounds, should not be treated with chamomile tea. It is the root causes and systemic problems that must be

prevented. That's the theory, of course. When I started to get acquainted with the global system of community foundations and the purpose for which the first one was created in Cleveland in 1914, and then gained first-hand experience of the work of British community foundations in Cardiff, I felt I had something to look for here.

### **How realistic do you think their operation is in Hungary? How do you see the development of your own foundation?**

Of course, I see how different the scale is, for example, in the case of the Anglo-Saxon model: creating foundation assets, raising funds, mapping local needs, giving grants, building the local foundation's influence and credibility. We still have a long way to go, but I see that we are doing very well with the latter, for example, and people are starting to respect us for what we do.

**What role did the foundation play in this? What do you think is the ideal role for the organization?**

We saw it as a great success to have gained the trust of disability organizations, so much so that we have been asked to form a local advocacy coalition. We have already been involved in this process as a catalyst – I think this is one of the most important roles that a community foundation can

play: to bring together and hold together different interest groups and provide them with knowledge and support. The NGOs were grateful that we were able to lubricate the process in a professional sense. Finally, an organization of the Ministry of Human Resources, a non-profit foundation working for equal opportunities for people with disabilities, has sought help from us as an expert organization. This is a clear sign of our professional legitimacy.

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» *“As an event organizer and as someone who runs community spaces, I think it’s important to not only provide functional services, but also to catalyze the emergence of real communities in the city. The community foundation format offers an ideal background role, namely the provision of financial support, to do so.”*

Tamás Szép, PCF Board Member, owner of two Pécs catering units called Nappali and Reggeli

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» "Don't complain, act!"

Csilla Parag, PCF Director

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*Csilla Parag has been the director of the Pécs Community Foundation since the end of 2017, and also a member of the Board of Trustees starting this year. Csilla comes from the business sphere where for many years she worked as a top executive at a multinational company in Pécs. After the arrival of her third child, she started consciously looking for ways to help others and accidentally applied to the PCF, which was looking for an executive.*

### **Why did you choose the community foundation when changing careers?**

As a true localist, I was extremely proud of my hometown until the change of regime in 1989. As the economic situation changed – the mines were closed, the industry was down, unemployment increased – the city started to become poorer. Pécs was on a downhill slide. When we became the European Capital of Culture in 2010, I felt almost desperate: this cannot be true, we have this great opportunity and we are not making good use of it. Not even with this amount of money can they, can we, make something really good – we are such losers.

### **What is your original profession?**

I graduated as an economist, and have always worked in a business environment. In 2001 I worked as a senior executive at HAUNI, one of the largest German multinationals based in Pécs, and it already

seemed we were having a big problem as a tragic number of young people were leaving our city in hope of a better life somewhere else. One of the greatest treasures of Pécs is its students. Back in my day, tens of thousands went to university here, now only a few thousand do. My involvement with civil society started when I became pregnant with our third child and I knew that I didn't want to go back to the business sphere. When Hanna started to get older, I started looking at what direction I could go in. Where I could put my knowledge to good use.

I ended up in front of the PCF's Board of Trustees by chance. A friend of mine said they were looking for an executive, and I thought I had nothing to lose and went to the interview. I was probably the one most surprised when they unanimously decided on me. At first I was frightened by the task, I had never done anything like it before, but it turned out that I could make use of all my experience and contacts.

### *How do you evaluate the Foundation's development?*

I'm not saying our job is an easy one, but we are moving forward. More and more people are getting to know us, and those who want to support local NGOs pursuing good causes now reach out to us as experts. Everyone finds it very appealing that there is finally an organization that works for Pécs. For example, when a company named Flip wanted to expand in the region, they asked us to identify local causes they could support. Our own initiative, Neighbourhood Celebration, had just been launched at 16 locations in the city. We recommended the NGOs that we work with, and they decided to support one of them right away!

### *What do you see as a realistic, viable route in the near future?*

It is necessary to create this kind of – or similar – multi-actor issues, to connect those who need support and those who can give – the goal is to catalyze this process. One of the biggest challenges for us, and also a work of love, is engaging students, which also means that we have to learn how to make best use of digital communication and social media. For the time being, we've mostly been able to engage foreign students effectively – for example, they were happy to participate in our first Giving Circle this year, and even donated EUR 1,000 – and have been enthusiastic about joining our work.



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» *"Since we run a community space, I felt it was important to be able to return something from what we had been given, to take responsibility for running the community ourselves."*

Dávid Felcser, PCF Board Member,  
co-owner of two Pécs catering units  
called Nappali and Reggeli

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## 'The Pécs for Wheelchair Access' Programme

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Extensive civil society and professional partnership supported by the PCF for an inclusive and accessible city

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Imagine living in a city that is proud of its efforts to make itself barrier free: Pécs has held the title of 'Accessible City' since 2012. If you are in a wheelchair and – to stay in the historic downtown area – want to get from one of the beautiful emblems of the city, the cathedral, to the other emblem, the Dzsámi (Mosque) on the main square, on your own, how many times do you have to ask for help to cross the road, get onto the pavement and enter the Dzsámi? I think we can easily agree that you have to ask for help more than once, a lot more, but even once is too often when you are vulnerable. And a barrier-free environment could be easily provided. The 'Pécs for Wheelchair Access' programme has been created through a cooperation scheme initiated by PCF in order to achieve this goal.

### Accessibility is a fundamental right

Moving around freely without hindrance is a basic human right. Unfortunately, Hungary has not yet been able to meet any of its international obligations on accessibility – all of which have been postponed to 2021. An environment has to be created in which people with disabilities receive support to be members of the majority society. This kind of sensitivity has to be learned by – or taught to – everyone. Together with local NGOs, the Pécs Community Foundation has developed this type of sensitivity thanks to support from the Academy for the Development of Philanthropy in Poland through its Global Challenges – Local Solutions programme. In the course of this activity, good practices have been mapped and disseminated.

### Partners: Specko Karotinka Nonprofit Ltd. (They Give Experience)

The work done by the three participants of the project – the Pécs People First Association, the Specko Karotinka Nonprofit Ltd. and the Social Inclusion College of the University of Pécs – has been supported, coordinated and synchronized by the PCF.



Specko Karotinka Nonprofit Ltd. has evolved from a community of people with disabilities and their supporters. It not only provides support and a community for those in need of overcoming the isolation associated with their disability, but also develops an attitude: it operates an escape room in the centre of Pécs, where people with hearing or sight loss guide visitors and 'help' them escape. Their project 'Give an Experience' also offers experience-based learning through sensitization trainings. Specko has, among other things, produced a short film during the course of the project that perfectly and realistically simulates a video game through the eyes of a wheelchair-bound person, showing the obstacles they encounter on a daily basis.

### **People First Association (The Guys With Stickers)**

During the project, wheelchair-bound persons from Pécs showed up with their able-bodied companions at the main entrance of different public institutions or catering establishments, hotels and shops, to map out whether they could be used by people with disabilities, and if not, how they could be made barrier free. The participants of the action were members of the People First Association,

an advocacy organization which promotes and supports the independent living of people with disabilities in all areas of life, from housing, through work, to transport. When a venue passed the People First test, they were given a colourful 10x10 cm sticker to be put on their main entrance, beside the information on credit card payment options. The team of the 'sticker' project involved six permanent participants who, accompanied by the same number of volunteers, visited 53 places in Pécs in person. The way they were received was gratifying, not only because participants managed to talk about the problem at every location, but also because 34 out of 53 venues were eligible for the sticker.

### **University of Pécs, College of Advanced Studies on Social Inclusion – Player Theory**

The theoretical and scientific background of the project was provided by the College of Advanced Studies on Social Inclusion at the University of Pécs. The young professionals seek to sensitize high school students, for example through gamification, which allows players to experience, in cyberspace, the situation of people living with disabilities in a playful, interactive way. To do this, they develop and test sensitizing games.



## The Power of the Neighbourhood – a solid foundation

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A basketball tournament, where teams from two neighbourhoods play together and cheer for each other; Roma women in deep poverty who guide tourists through their impoverished neighbourhood; street ball and empowerment, knowledge sharing and networking – these are the key ingredients of the 'The Power of the Neighbourhood' grant programme organized in the city of Pécs.

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The Pécs Neighbourhood Celebration has a historical background. In 2010, when Pécs was the European Capital of Culture, the municipal council initiated the organization of the Neighbourhood Celebration, which became a great success. In 2017, Péter Peták, the first president of the Foundation's Board, thought it was a good base to build on and they started to organize the event. The purpose of the Power of the Neighbourhood 2017 grant programme was simple, to find the common issues and common interests of those living in the same neighbourhood, and to bring events and projects to life that support the development of the local community. This is the purpose the fund was set up for, with a call for proposals announced in 2017. Each organization could apply for a grant of EUR 4,839 budget. Finally, nine of the twelve applications submitted were implemented in 2018 – three of which are presented here.

### Let's play basketball together!

One of the most successful projects was Eklekta Association's Ziccer (High Percentage Shot) Basketball Tournament. The event targeted the communities of Uránváros (Uranium City) and Kertváros (Garden City), two Pécs housing estates with similar social challenges, inviting community members to attend a basketball championship where they could meet each other, make friends, and throw high percentage shots! For the two-day championship, a total of 20 teams applied from the two neighbourhoods, 80 people fought on the basketball court, and at least as many cheered them on. It was especially pleasing to have an exceptionally heterogeneous audience in terms of age and social status, with young children, adolescents, middle-aged and elderly people playing together. Alongside the games, various family programmes were organized, involving everybody interested.

### Roma women living in deep poverty as tour guides

The Experience Finder Association also implemented a very exciting and effective project which was titled 'Walks in the Industrial Town'. They wanted to involve the large local Roma population living in

extreme poverty in exploring this part of the city. In the first half of the programme, local women were approached and taught how to conduct interviews. With that knowledge, they themselves visited and interviewed long-time residents of their neighbourhood about how life was in the old days. Then they told these stories, as tour guides, to visitors from other neighbourhoods of the city as part of a community tour open to the public. Almost seventy people took part in the four walks, with half the local population being actively involved.

### Connecting the dots

One of the specialities of the programme was the involvement of the Smile Pixie Association through two programmes, one focusing on birds, and the other one on dogs. The association is led by Andrea Deákné Vörös, who is known as the engine of the community, almost an institution in herself, and lives in the Kertváros housing estate of Pécs. The Birdies Programme was aimed at the well-being of the local bird community, primarily involving local families with children who co-produced

and installed bird feeders, while being introduced to the local flora and fauna. Their other programme, 'Pick it Up', was aimed at keeping the housing estate clean and encouraging responsible dog ownership. To motivate owners, they distributed biodegradable dog waste bags, dog food, and gave them plenty of opportunities to stroke the dogs!

### Neighbourhood Academy

Initiated by Péter Peták following a Polish example, the Neighbourhood Academy involved NGOs funded by 'The Power of the Neighbourhood' Fund as well as other interested organizations, offered six more opportunities to share experiences and lessons learnt through informal conversation. The aim was to have participants get to know each other on a deeper level and build relationships in the interest of the city. Knowledge management and the sharing of good practices is a very simple and effective way to promote networking and provide local community members who want to act with the opportunity to regularly meet each other.



# URLs

## FOR FURTHER INFORMATION PLEASE FOLLOW THE LINKS:

Ferencváros Community Foundation

<http://ferencvarosi.kozossegialapitvany.hu/english/>

Pécs Community Foundation

<https://sites.google.com/site/pecsikozoseg/>

Roots & Wings Foundation

<http://gy-sz.hu/en/home/>

The Roots & Wings Foundation's Annual Report 2018 (published in September 2019)

[http://gy-sz.hu/wp-content/uploads/2019/05/RWF\\_report\\_2018.pdf](http://gy-sz.hu/wp-content/uploads/2019/05/RWF_report_2018.pdf)

Understanding Hungary – How to Shape the Future (published in March 2019)

Our success depends on our ability to understand, from several different perspectives, the decisive social processes now taking place in Hungary – even those that are not a focus of attention. This is the reason why we organized the Understand Hungary conference, where expert speakers gave insights into little discussed but critical trends in Hungarian society. They also presented examples of citizen initiatives which have the potential to change our culture for the better or are already succeeding in doing so. You can read the presentations here:

[http://gy-sz.hu/wp-content/uploads/2019/05/Understanding\\_Hungary.pdf](http://gy-sz.hu/wp-content/uploads/2019/05/Understanding_Hungary.pdf)

Growing ambition in a shrinking space: Hungary's community foundations after the election (published in August 2018)

Community foundations offer signs of hope despite growing official repression of civil society – Tamás Scsaurszki's article in *Alliance Magazine* from 2018.

<https://www.alliancemagazine.org/analysis/growing-ambition-in-a-shrinking-space-hungarys-community-foundations-after-the-election/>

Community foundations? In Hungary? Yes! (published in July 2015)

Thanks to a shift in attitude towards community foundations in Hungary, local groups are now embracing the concept and are starting to build community foundations – Tamás Scsaurszki's article in *Alliance Magazine* from 2015.

<https://www.alliancemagazine.org/blog/community-foundations-in-hungary-yes/>

# ABOUT ECFI – EUROPEAN COMMUNITY FOUNDATIONS INITIATIVE

The European Community Foundation Initiative (ECFI) is a collaborative initiative committed to strengthening and promoting the community foundation movement in Europe.

ECFI is hosted by the German Association of Foundations (Bundesverband Deutscher Stiftungen) and is run in partnership with the Centre for Philanthropy (Centrum pre filantropiu) in Slovakia. ECFI works with community foundations (CFs) and community foundation support organizations (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 that creating spaces and opportunities for cross-national dialogues, relationship-building and sharing experiences and practices of community foundations and other philanthropy practitioners (on a variety of themes of global and cross-national importance) at various levels will impact the capacity, capability, connections and credibility within the community foundation movement. Specifically ECFI will:

- facilitate individual and organizational learning and expertise;
- inspire individuals and organizations to leadership and joint action;
- produce practice-based knowledge;
- empower CFs in dealing with difficult issues in their communities and own development trajectories;

- grow mutual solidarity and strengthen the CF field overall;
- complement face-to-face interactions with virtual spaces and online tools and resources.

## ECFI'S STRATEGIC PRIORITIES

- Facilitating interaction and learning, sharing new knowledge and fostering collaboration among CFSOs in Europe to strengthen the support infrastructure
- Inspiring and facilitating growth in the CF field in Europe
- Stimulating CFs in Europe to exercise their community leadership role and collaborate on pressing issues, including inequality, migration and climate change
- Building and sharing knowledge about the CF field in Europe
- Leveraging financial resources and other support for the development of the CF field in Europe
- Increasing awareness and understanding of the SDGs and their relevance to the work of community foundations in Europe

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