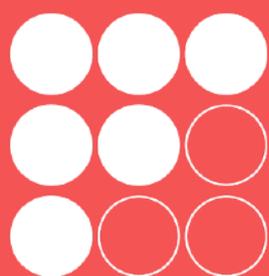


June 2022



# FundAction

Annual Report 2021



FundAction is a participatory grantmaking network funding systemic change across Europe. We are a community of activists involved in social movements working for a transition to a just and equitable world.

**This report was published in June 2022**

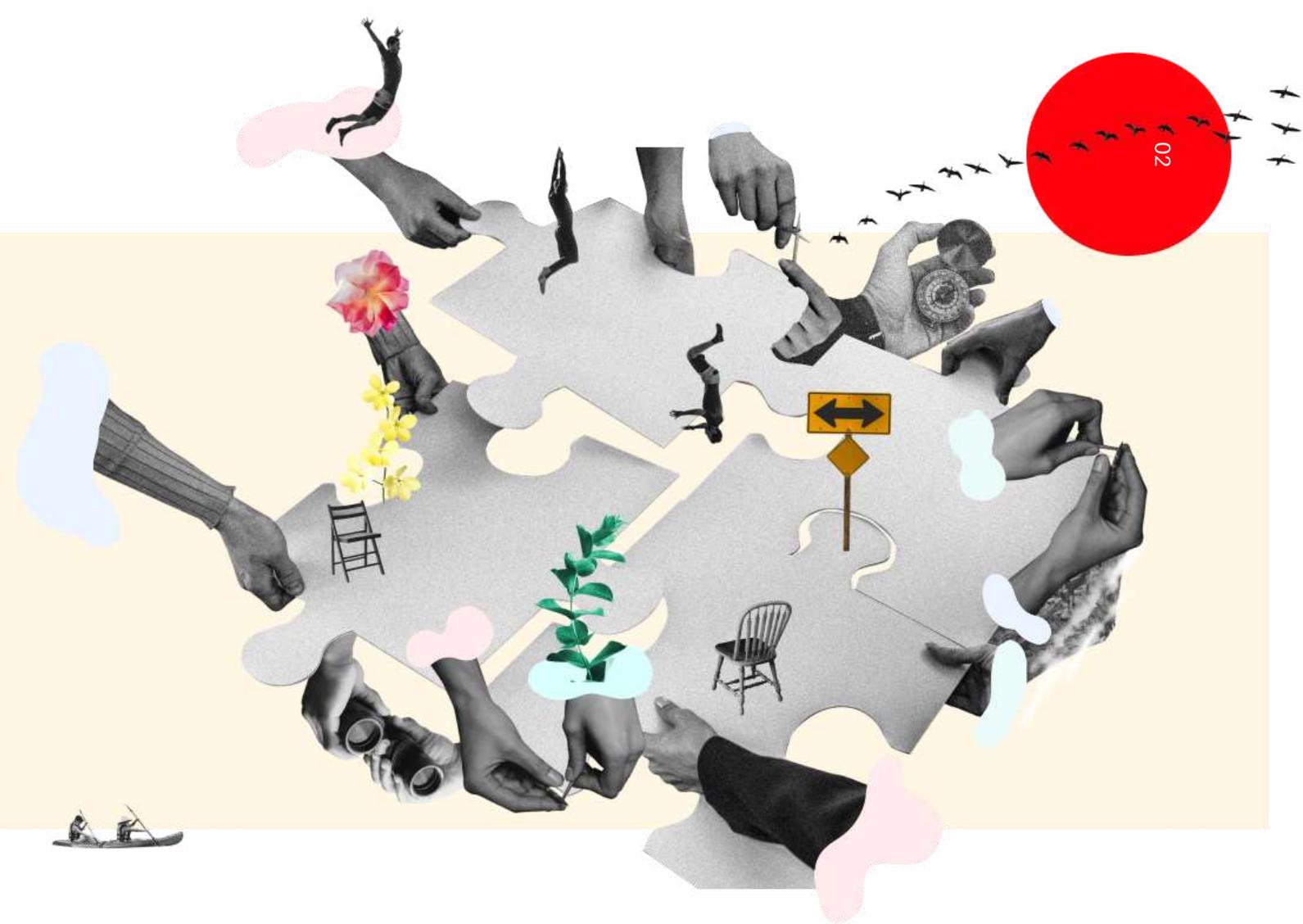
# Who we are

FundAction is an activist-led participatory grantmaking fund that brings together a growing community of grassroots activists working in movements across 29 countries in Europe on a diverse range of issues. All FundAction members share a commitment to deep transformative change in their daily work – towards a regenerative economy, a fair world of solidarity and a healthy planet.

FundAction aims to shift decision-making power over funding from funders to affected communities and activists working on the frontlines. As such, we are committed to "power with", as opposed to "power over".

Our activist members decide collectively how they redistribute the funds among themselves through Decidim, a digital platform for democratic participation. Once proposals are up, all members can comment and in a next phase they vote. Funders of FundAction play an active role in terms of learning and advising but they have no decision-making power.





# Our Values

Overall, FundAction is guided by the following core values: democracy, inclusivity, openness, peer-to-peer working, transparency, trust, respect and autonomy.

Our values determine how we run our processes and how we decide and engage with each other in the FundAction community.

Democracy

Inclusivity

Openness

P2P working

Transparency

Trust

Respect

Autonomy

# Nothing about us without us

*" In terms of participatory process and democratic ideals, transparency, equity - FundAction is head and shoulders above all the other participatory grant makers who are already head and shoulders above all the other donors."*

Back in 2016, FundAction was a true pioneer in its attempt to shift power from funders to activists. Five years later, FundAction is still unique as a practitioner of participatory grantmaking in Europe. The FundAction model represents a genuine power shift in decision-making over funding and has established itself as an effective vehicle for shifting power from funders to movements.

Funders of FundAction play an active role in terms of learning and advising but they have no decision-making power. Instead, the activist members decide collectively how they redistribute the funds. As the interest in participatory grantmaking is growing, we receive more and more requests for input and advice from funders interested in participatory grantmaking.





# Vision

FundAction brings together funders and activists around a shared vision for deep transformative change.

We envision for more funders and people of wealth to endorse FundAction's mission and vision and to play an active role in shifting the power by putting their trust in the people with lived experience and by supporting FundAction.

We envision for FundAction to further develop as a financially stable and thriving participatory grantmaking fund, that facilitates unrestricted and long term funding to movements. As such, movements can focus their energies, expertise and organisation power on the actual work of creating transformative change.

We envision for the FundAction platform to nourish and facilitate collaborations, exchanges and connections among the growing community of grassroots activists and movements across Europe. We wish to bridge the gap between funders and activists, and to effectively connect needs with resources through this evolving participatory model of fair redistribution of power and wealth.

As an ultimate goal, we envision a just and equitable world and a healthy planet, where both philanthropy and social movements become redundant. With open hearts and with our will tuned together we can embody this vision into life.

# Introducing the Facilitation Group 2021/22



Carmen Dupont



Iva Marčetić



Marko Aksentijević



Giulia Palomba



Stefanos Galountzis



Carmen Lozano Bright



Emilie Deudon

## Turnover July 2021



Brindusa Birhala



Laura Nortey



Luka Knezevic-Strika



Jacob Wills



Mina Jaf

# Highlights 2021

## Grantmaking

We work to facilitate and nourish movements' daily work on transformative change by facilitating access to flexible and low-bureaucracy funding that meets their needs and aims.

## Facilitating exchange and collaboration

We aim to replace the standard model of competition over funding with the FundAction model which offers a democratic platform for exchange, collaboration and sharing of resources.

## Advocating for participatory grantmaking

On the level of funders and people of wealth, we work to facilitate and nourish transformative change by sharing our lived experience of participatory grantmaking and by inviting funders to join the journey, shift power and become catalysts of this much-needed change in philanthropy.



# Grantmaking

As a participatory grantmaking fund supporting systemic change across Europe, **our key priority of course remains to fund multiple grant rounds for our community** of grassroots activists who seek funding to continue their work across diverse topics and countries throughout Europe.

## > Resist

The intention of the Resist Grant is to award small, rapid response grants that allow our community to meet urgent needs as they are expressed in the field and experienced by affected communities).

Resist grants are also intended to help grow the platform by inviting members to apply on behalf of projects not represented on the platform, and then inviting them to join.

In 2021, our total budget for Resist amounted to 25.000 EUR (funded by ECF). In the end, we awarded 20 Resist grants (1.000 EUR each) to grassroots initiatives across Europe. In agreement with ECF, the remaining 5.000 EUR was re-assigned to the evaluation process and the next Renew grant round.

Looking at the learnings from this last Resist grant round and the administrative burden of the Resist grant process (for a modest grant), the 2021 Annual Assembly has decided that in the future the Resist grant will be available all year around (with an initial 25.000EUR annual cap). The Facilitation Group now has the mandate to sign off on the proposals rather than a community-selected panel, since this proved to be mainly a ticking box exercise.

**45 PROJECTS FUNDED  
BETWEEN 2020 AND 2021**



# Case Study

## Nanny Solidarity Network | UK Resist 2021



The **Nanny Solidarity Network** is a grassroots worker- and migrant-led organisation based in London. We began as an informal network in response to the first COVID lockdown and its devastating effect on the UK's nanny & au pair community. They provide support, resources, community, and space for collective action to nannies & au pairs throughout the UK. During the pandemic, the network has grown rapidly. In 11 months they have built a core organising team and a community of over 100 nannies. In January, after months of meetings and outreach, they formally **established a union branch with Independent Workers Great Britain (IWGB)** - the first union branch for in-home childcare workers in the UK. Their objectives are: Building a community of care to overcome isolating working conditions; Empowering nannies to support each other with the workplace issues they face and to assert their rights; building the collective power of nannies to campaign for and win structural change across the sector. Over the next three months, a series of stay-and-play sessions run by members have been organized, collectively, to build the community and reach out to other childcare workers who have been hit by the pandemic. These sessions will make it possible for isolated workers to build relationships with one another, participate in organising, and access advice and resources. In addition to workers rights trainings and advice and support, these spaces will serve as a skill share for running activities with kids.



## > Rethink

Rethink aims to support the building of a pan-European network and community offering funds for collaboration, exchange and capacity building through study visits, meetings for collaboration, training, translation, research, and mentoring...

In terms of process: members vote for the proposals on our Decidim digital platform. The most voted proposals get the grant. The number of available grants varies in every grant round.

Due to Rethink's emphasis on in-person visits and meetings in combination with the ongoing COVID-19 restrictions, the implementation of the Rethink grant round got postponed until Spring 2022.

For budgeting reasons, EUR 70.000 of the overall EUR 120.000 Rethink budget was allocated to the 2021 budget and 50.000 EUR was allocated to 2022. EUR 50.000 of the Rethink budget came from our new donor Porticus.

# Case Study



IDEA

10

## Rethink 20

### Finland

#### Agriculture Camp in the Taiga of Finland

Osuuskunta Tuusula Oma Maa (Finland) is a food cooperative founded in 2009, practicing ecologically and socially sustainable food production. Food sovereignty is a core value of the cooperative. Central is also the notion that food is core to systemic change, and that by engaging with the food systems (production, distribution, consumption) we can develop pathways towards a more ecologically and sustainable society.

## Rethink 19

### Hungary

#### Conspiracy for Democracy

K-Monitor was founded in 2007 to improve the levels of transparency, accountability and the rule of law in Hungary. Civic participation and tech driven solutions are among the organization's key instruments. The organization has extended its activities since then and became one of the leading anti-corruption NGOs in the country.

## > Renew

This grant is aimed at funding projects that generate systemic change by addressing the causes of injustice and promoting a better vision of the future. In our 2021 Renew round we awarded 5 grants (20.000 EUR each) available for systemic change work across Europe.

In terms of the process: ten applications are voted through to a peer-to-peer panel, which gets randomly selected within the FundAction community. The peer-to-peer review consists of studying the proposals and video interviews, resulting in a collective decision on the final selection. The number of available Renew grants is usually around five.



**IN 2021 WE GRANTED  
25 PROJECTS**



**5 Renew**



**20 Resist**

# Consolidating and growing the fund

*2021 has been a particular year for FundAction centered around reflection, consolidation and setting a bold vision for the future. We decided to devote considerable resources and energy to grow, develop and consolidate the fund.*

## **Five-year review**

Coinciding with our five-year anniversary as an operational fund we undertook a thorough independent review which was **published** in January 2022.

With the support of an Open Society Foundations grant, we commissioned M2 consultants to carry out an in-depth evaluation which served to both reflect on the past five years of FundAction and to look forward to the next five years ahead.

The key learning questions of the evaluation were:

- Assess the validity of the initial mission, vision and values
- Assess the priorities of the FundAction community in terms of learning and developing the organisation over the next five years
- Evaluate the impact of grants and the participatory grantmaking process

The final report sets out learnings related to:

- The key successes of the past five years
- The difference FundAction is making;
- Challenges and tensions
- Reflections for the future.

**READ OUR REPORT!**



## External dimension

From the outset our aim was to openly share our learnings in order to keep fostering our community work towards a systemic revolution in the field of philanthropy and activism, across Europe and beyond. We want to be honest and transparent about our learnings and our failings as we believe deep transformative change happens from a place of authenticity, vulnerability and openness. We want our lived experiences to inform and inspire new participatory grantmakers.

The evaluation report has proven to be an effective and engaging tool for advocacy and networking with funders on (Participatory Grant Making (From now on PGM) . In consultation with our current donors, we reached out to interested stakeholders in the funding community with the evaluation findings (as well as key information on FundAction for interested donors). EDGE Funders Alliance hosted us for an exchange with the EDGE community, which was very well attended and generated a lively debate, highlighting an ongoing interest in PGM in practice. A similar event is taking place in the PGM Community of Practice.

The dissemination of our evaluation findings resulted in a number of follow-up conversations and helped in highlighting FundAction's unique lived experience of putting PGM into practice in Europe over the past five years. This sparked some reflections on our role as an adviser on PGM practices.

At what point should we ask for a donation from funders in return for our time and expertise on PGM, especially since our capacity is limited and funders usually have resources available? In consultation with current donors, we agreed FundAction should not be shy to ask for a donation (as appropriate in terms of time and resources spent). A coherent approach by FundAction would help set a culture of non-exploitation, which is in line with our core values.



## Internal dimension

The timing of the five-year review has proven to be crucial for the FundAction community, even more in light of the legal and fiscal transition which also started in 2021 (see below). After five years of operation it was high time to take stock and to take a hard and honest look at ourselves. Are we achieving the aims that were envisioned by the group of activists and funders who founded FundAction? What are the challenges and the tensions we are facing? What are our priorities for the future?

In line with our core values, we strived for a holistic and participatory evaluation process to ensure the engagement of the FundAction community from the outset, which is reflected in the methodology. We launched an open call for five FundAction members to join an Advisory Group, which was involved from the outset, working together with the Facilitation Group and M2 consultants to finalise the scope, methodology and content of the evaluation.

Before finalising the evaluation outputs, M2 consultants shared the evaluation findings with the FundAction community at the Annual Assembly in December (online) in order to gather any feedback and reflections.

The evaluation findings now serve as a basis for ongoing decision-making processes concerning core areas of FundAction such as governance/structure, membership and grantmaking processes (see more below under "organisational development").



## Evaluating the evaluation

The learnings from setting up and carrying out an evaluation of a participatory grantmaker like FundAction are interesting in itself.

In sharing our evaluation findings, we aim to be as transparent as possible about the limitations and the “do’s and don’ts” we have encountered while carrying out the evaluation. What does “impact” mean applied to PGM: how to make sure the impact of the participatory processes itself shines through, apart from the impact of the granted projects itself? How to avoid exploitation and extractivism when inviting stakeholders to participate (in the end we didn’t compensate interviewees and survey participants for their input and we concluded there are pros and cons to both approaches)?

A limited number of community members took part in the survey and in the focus group discussions, as also acknowledged in the evaluation report, which puts some limitations to the data.



# Becoming an independent legal entity



After EDGE Funders Alliance has acted as our fiscal host for the last five years, we embarked on a legal and fiscal transition process. In September 2021, the Facilitation Group formed a Legal Working Group to explore the best possible solutions. The working group produced a list of criteria for the new legal structure, which served as a basis for discussions with FundAction members and supporters. These criteria were also the point of departure for the legal experts, who were hired among the FundAction community. The legal experts shared their research and proposal with FundAction members at the Annual Assembly at the end of 2021, for debate and decision.

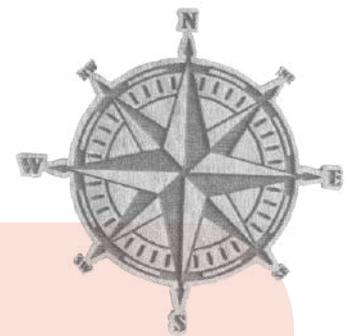
The FundAction community finally decided to set up an independent legal and fiscal structure for FundAction. The decision to set up our own legal structure (as opposed to finding a new fiscal sponsor) is in line with our core mission and values, giving us greater autonomy and expanding our flexibility in receiving and distributing funding.

At the Annual Assembly, the Facilitation Group received the formal mandate from the FundAction community to take all necessary steps for setting up. At the time of publication of this report, the registration process of FundAction as a foundation with ANBI status in the Netherlands was underway.

One of the main challenges throughout the legal and fiscal transition process has definitely been the very unique and participatory character of FundAction as a participatory grantmaking fund, and how to safeguard the decision-making power of the community within the legal structure of a foundation (who does not have formal membership). This highlights very much the deeply democratic and participatory nature of PGM practitioners, which is at odds with the legal vehicles and structures currently available in traditional philanthropy. It very much feels like we have to “hack” and break open the conservative legal structures available to us and - in doing so - prove that another approach is possible.

The whole process of exploring, understanding and implementing the legal and fiscal transition has been a huge and ongoing learning journey. We have had many insightful and useful exchanges with funds and organisations going through similar processes and challenges, for which we are grateful. It seems that the establishment of FundAction as an independent legal entity could be an interesting case study for funders and other stakeholders interested in PGM and that we should put effort in documenting and sharing our experiences in greater detail.

Finally, the transition process also takes us to ongoing challenges and tensions regarding the governance and structure of FundAction, as also highlighted in the five-year review and as further elaborated below.

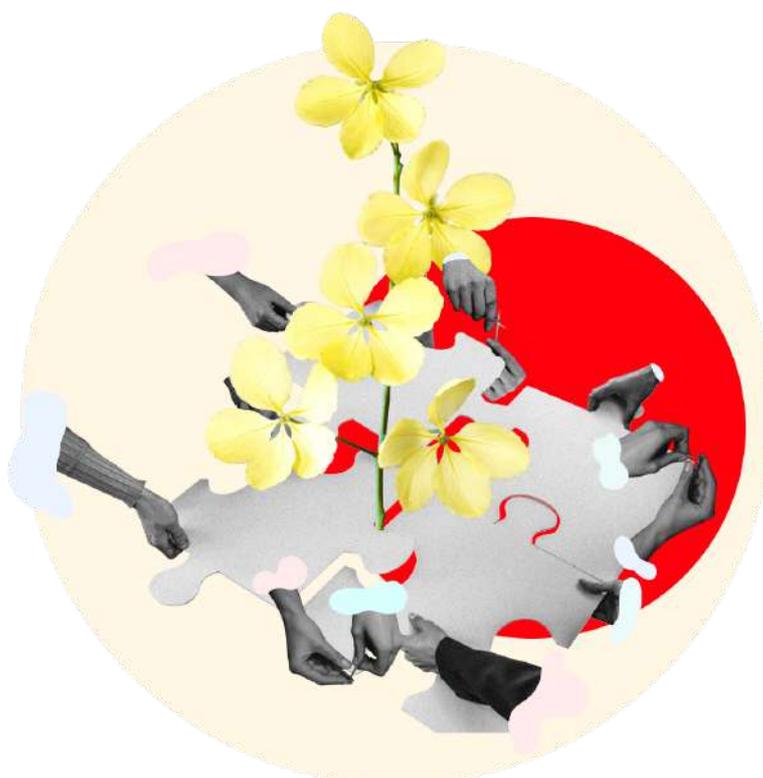


#### **LIST OF CRITERIA:**

- In line with our core mission as a participatory grantmaker: guaranteeing maximum flexibility in receiving and distributing funding ( i.e. tax-deductible donations; the opportunity to distribute funding, including to informal groups and individuals; avoiding restrictions to use of funds, including political work)
- In line with our core values - membership-led (i.e. guaranteeing full participation of the membership, transparency, inclusion; safeguarding the current membership base on the platform and the rights of all members - EU and non-EU; keeping a rotation of the coordination body; guaranting of privacy and data protection for the members)
- In line with our budget (i.e. reducing bank fees for money transfers, country-specific costs for the legal entity (bookkeeping agency, local taxes, bank costs, required staff...)

*"I find that there are no legal forms that can satisfy an activists' community in terms of representation...as a community we have this horizontal way of organising and doing things so there is this lack of legal forms that recognise this way of organising." C*

*"The legal transition: how to keep these values and respect of our actual power dynamic when eventually becoming an institution, a foundation or whatever. How to translate. Will we be able to keep ... our values [with] this transition to a more [formal] structure. That is one question for me. To keep this balance. I have the feeling there are a lot of improvements [to be made] in terms of process and functionality; taking decisions more quickly." B*



# Organisational Development

To make progress with priority setting and future vision, the Facilitation Group decided to organise an in-person meeting in Belgrade on 1-3 October 2021 (the previous Facilitation Group never got to meet in person due to COVID-19 restrictions). The in-person meeting turned out to be crucial for connecting and for getting work done, especially since the mandate of the Facilitation Group has been particularly demanding throughout 2021. Capacity was under pressure, as always.

In terms of participatory and collective decision-making processes, the 2021 Annual Assembly (held online over four sessions at the end of the year) had its limitations in terms of discussing and deciding about the future of the fund. Participation was limited and overall engagement was low, also in the online processes connected to the Assembly.

Being a diverse community, spread all over Europe, we struggle with the fact that we haven't been able to meet in person for three years. In order to make decisions about the core of FundAction we need community time and connection. That is why we prioritised planning and securing an in-person Annual Assembly at La Bergerie (France) which will take place on 23 - 26 June 2022.



*"Almost immediately after I joined, I went to the first general assembly. This was a new world for me. I met a lot of interesting people. I got more and more involved and engaged. Since the Annual Assembly which arrived very soon after I joined, I realised this idea of participation was making a different reality of the organisation and I got really excited. My motivation really changed." B*

The learnings and recommendations of the evaluation play a key role in setting the future direction of each of the core areas of FundAction:

*"It is very hard to have virtual networks [that are] always alive. I don't think it is a critical point. I think the FundAction community of members needs to be more involved in the design of these instruments and maybe the next five years is a good moment to reconsider what can be done; and if there are new instruments or new tools or new types of grants that need to be introduced - and the reason why they should be. There should be feedback to ensure that there is...I also see the importance of this m2 evaluation." P*

# Community building



One of our core challenges after five years of operations is the fact that only a relatively small proportion of FundAction members is active and engaging. In the end, the same group of people shows up to apply, comment and vote during grantmaking processes and to participate in general activities.

A key barrier to engagement is lack of time and capacity. Members who participated in the five-year evaluation agreed that due to their busy activism they simply do not have much spare time to devote to FundAction. People also referred to the limitations of being mainly an online community. They find the online platform complicated. It takes time to find your way around. Time that busy grassroots activists don't have.

*'It needs intentional efforts and it is very challenging to sustain online communities of people who work on various issues in different context in various locations. It is super challenging.'* E

We also learnt that barriers to engagement are very much linked to the absence of an induction process. To date, new members get invited in by an existing member. However, there is no consistent induction process in place where new members get information about FundAction, what participatory grantmaking actually is and what kind of engagement we expect from each other in the FundAction community.

*"I have never invited anyone for example. I know a list of people I could invite. They are relevant and could benefit from being in the fund; it is not always easy to explain what the fund is. I tell do you want to be part of it. Many times they are like: 'It is interesting but I don't know what it requires.'" O*

While we are out there advocating and making the case for participatory grantmaking in the funders community, we lost sight of the fact that our activist members also need to hear what participatory grantmaking is and why it is important. Participatory grantmaking is political. It is not just about getting access to flexible and low-bureaucracy grants. It is about the struggle to shift power from funders to activists. It is about deeply changing how philanthropy works and how activists can access funding. We need more of our activist members to own this struggle and to want to take an active part in it. Going forward, our intention is to better inform new and existing activist members in order to mobilise more engagement.

*"In order to understand the value of participatory philanthropy you have to have good connections with the philanthropy sector. Participatory philanthropy is something you only value if you interact quite a lot with funders. Otherwise, what is the point. What is the difference. I invited someone from my local community gardening [project] to the platform but they have never submitted a project. Why would they spend time in changing philanthropy when their priority is to change the way we produce and grow vegetables. The same with people working on police violence. I had to push them to apply. I was happy they got a grant. Why would they care if philanthropy is participatory or not. They don't care. The initial composition of FundAction was that we were all invited by funders." K*

Also, at the 2021 Annual Assembly, the community has decided to open up membership, beyond invitation. Interested activists will be able to apply for membership through the renewed website, which will list all necessary information including eligibility criteria.

*"It is not working now. There seem to be quite a lot of members who are totally inactive or passive. They are taking up space of people who might be more active and engaged. We receive quite regularly interesting initiatives and groups that contact us [asking] how can we join? We don't have a clear response or way forward. There is something there that is not working." J*





## Power, governance and capacity

To date, FundAction is an activists-led fund without any paid staff. Facilitation Group members are expected to devote 2 full days per month on FundAction for which they receive a 500 EUR compensation. The coordinator is expected to devote 4 full days per month on FundAction for which they receive a 1000 EUR compensation. The experience of the Facilitation Group is that they often spend significantly more time on FundAction work, especially when several processes are running at the same time.

Facilitation Group members usually combine their tasks in the Facilitation Group with their daily activism work, which means capacity is limited. One of the areas that proved to be particularly challenging was the area of human resources, and in particular managing the collaboration with consultants which proved to be labour intensive and didn't get the attention it deserves.

One of the outcomes of the review is that the internal capacity does not match the growing ambition.

The rotational nature of the Facilitation Group also came up during the evaluation. While it was valued and appreciated, some respondents felt it may have an impact on the internal development of FundAction as some expertise is lost in the rotating process. Also, it was felt that it slows down the internal processes as it takes a while for people to get up to speed.

*"Governance is a good experiment in the sense that there is a rotation...[however] each time people come in there is a step back in terms of expertise. We try and keep everything: documents; [record of] meetings; budgets and explain when it is handed over to someone completely new. That making slow progress. A community memory preserved there..is not guaranteed." A*

While the daily coordination is in the hands of a Facilitation Group, the members community is the highest decision-making body. But this comes with challenges. At the moment, overall members' engagement is low. It requires time and resources to mobilise members to take part. The five-year review showed that members feel there is a gap between the Facilitation Group and the community as a whole.

It is crucial for us as a community to keep investigating power dynamics that show up and to not be afraid to devote resources to strengthening our internal capacity, which will allow the fund to grow and to consolidate.

As part of the legal and fiscal transition process and to comply with legal requirements, we will have to set up a board(s) and decide on board members and their mandate. We will also have to decide about bringing in operational staff in addition to the board. We are using the outcomes of the review to shape the new governance structure of the fund and to remedy some of the key challenges around governance, power and capacity.

*"As an activist, there is a lot of misconception around paid staff. People feel like as soon as paid staff enter everything changes. This is just not true. We could do a better job being transparent and efficient and having good people who actually lead committees and working groups with some paid staff. People who wake up in the morning and think about what we can do for FundAction. What can we try? We don't have that. We basically have people who are in overdrive with all the rest of what they do and FundAction is always something that happens on the side. We can never reach our potential unless we invest more resources." J*



## Grantmaking processes

The five-year review also revealed it is high time to thoroughly review our grantmaking processes.

On a process level, stakeholders flagged issues with the current processes which can be lengthy and complex. At the same time activists mentioned the need for a longer timeline for grant application processes as well as lack of clear criteria around grantmaking.

Very importantly, there was also a concern about potential bias and cliques in the decision-making process. The voting process for grants like Rethink got questioned by a significant number of stakeholders. It was felt that some projects may get more votes because they are better connected within the FundAction community and that at least with the review panel these imbalances can be challenged. Combining voting with the peer panel (as for Renew) is considered a more rigorous process however it takes a lot of resources.

There was also a sense of lack of diversity in terms of who gets grants which links to different degrees of privilege/wealth and internal connections.

*"The network of FundAction is more diverse than the grants actually going out. There are several organisations that have received several grants (and that's okay as it was a democratic decision) but there are some members that have never received any. The question is why? I don't think is out of bad faith or trying to restrict people, but there is something about making sure that everyone has an equal say." U*

*'People who have less privilege also have less time to invest in this type of very experimental [organisation]; it's a very privileged place to be. I am not saying it is in society so we don't do anything about it: we have done plenty of things about it - constant warnings about who is missing, who is not represented? We do have issues; we are in a society that has issues. I think we are addressing it. It is like the other things. Fundraising. Communications. You have to be constantly holding the questions."O*

Overall, the decision-making process for grants is considered time-consuming which is challenging for busy activists.

*"When there is the process to vote, I try to read and note the projects that are being presented - but I have to confess that it is difficult for people like us as we are so charged in our lives because of a lot of things - the precariousness of life, personal lives, activist lives, professional lives...we need to put all these together to survive today...and there is a lack of time so if we don't know the people and the organisations - and we never me - it is difficult to connect with just the text...so I feel that I need to know better the community." Focus Group 2*

On a more substantial level, the need to review the current types of grants came up. While some felt that the current grants work well, others felt they could be improved. Some review participants felt that a lack of engagement comes from the fact that the current grants may not be meeting members' needs. Stakeholders expressed a desire to explore core funding and non-restrictive grants as well as to explore the size of grants.

*"Another aspect of the learning of this process has not always been satisfactory. With regards to the processes themselves. There has not been much experimenting with how these different processes operate throughout these years. Whenever there is a new line open it tended to remain pretty similar. For instance, there has been this Renew grant. The bigger ones. There has been the involvement of a two-step process of applying. People put in some idea. If they are similar notions then two groups can work together. That did not work out. {But} it was a worthy experiment. " D*

Some decisions were taken at the 2021 Annual Assembly to start addressing some of these concerns. The Resist grant will be available all year around (with a 25,000EUR annual cap) and the Facilitation Group now has the mandate to sign off on the proposals. For Renew, the two-stage application process (which was tested and did not work) got cancelled and more time was added for applying and voting. The more substantial questions will get addressed in the first half of 2022, including at the in-person Annual Assembly.

## Communication

On the intersection between grantmaking, communications and fundraising, several comments were made with regards to the reporting requirements which were considered ad-hoc. More can be done to make the impact of FundAction and its grantees more visual and visible. A significant number of stakeholders felt that there was a lack of visual records from the projects that FundAction had supported and that overall FundAction could do more in terms of impact by improving its external communications. A significant number of stakeholders would like to see more stories of impact.

*"FundAction has not been able to tell enough stories of its own achievements. We should be better at that. We have done that within the Assembly. We had evenings where people were reporting on what they did with the grant. Not for the sake of reporting but the sake of everyone acknowledging what we have been enabling.' K 'I don't know much about the projects and their outcomes or state of play with the outcomes...I don't know how it has impacted across its objectives. I know some activists would not want to be display but many would want to share the stories and the successes and highlight how it has contributed to community-building or systemic change." T*

Internally, several stakeholders said that some aspects of internal communications could be more engaging. Most stakeholders felt that, as well as making information more accessible on the website, FundAction could also use more visuals and less text.

At the in-person meeting in October 2021, the Facilitation Group decided to start the process of renewing the website (which was long overdue) as well as to review and upgrade the Decidim platform. Key objectives are to have a clear and engaging platform to introduce and tell the story of FundAction and to highlight the granted projects and the impact of the FundAction community, also in a visual way. The upgrade of Decidim is also linked to the newsletter and will allow for less text and more visual information. This process - combined with other substantial and ongoing processes - has taken up significant time and energy from particular Facilitation Group members, which has proven to be very challenging.

*" Having more visuals on the website to show clearly what the FundAction processes - in terms of grants etc. - are. The induction could be more visual - or there could be a compulsory meeting where you invite people to platform and you ask them to participate, explain the basics and allow for questions. Otherwise it is difficult to understand what is happening." N*



## Fundraising

From the review, views on fundraising efforts were mixed. While most stakeholders said that FundAction has gotten better at fundraising over the years and now has more presence in the funders sectors, some were critical and said that fundraising efforts and FundAction's presence in the funders sector were still lacking.

Some stakeholders felt that fundraising has not been a key priority and is still not where it needs to be. A significant number of stakeholders argue that a successful fundraising approach requires a lot of networking and relationship building. This takes time and sustained capacity, which is lacking at the moment. Fundraising also requires sustained efforts in terms of networking and cultivating relationships, which proves challenging within a rotating Facilitation Group.

*"For me the key in fundraising is not to go around and fill in as many application forms as possible but networking. To be out there. That is how you get funds. That is always how I got funds. People see you showing up somewhere. Get inspired by the work you do. Off the back of that you get conversations, and you get the ball rolling. In the world of philanthropy it is really like that. It is a lot of conversations and events. That is why we need to step up our work on outreach and communications and fundraising goes hand-in-hand with that. We have to be present at certain conferences and spaces. That to me is where the secret lies. Again you need capacity. " J*

Turning to the numbers and the secured income of 2021, the balance at the end of 2021 was EUR 505.126. At the time of writing, the secured income for 2022 amounts to EUR 624.000 which is the highest income since the start of FundAction.

The most remarkable observation is that donations from individuals now amount to 62% percent of received funds in 2021 and 2022 (for more details, see below).

Some current donors have played a role in bringing new funding to FundAction but so far current donors' active support with fundraising has been fairly limited.

# Advocacy and outreach

PGM community of practice, which has now grown into a network of close to 800 members globally (raising questions about what PGM really means to such a wide range of funders).

In our experience the key challenge remains to push funders to shift from rhetoric to action. The reality is that, while funders often praise FundAction as an example of PGM in action, that doesn't translate in FundAction securing steady and long-term funding. While we have seen an increase in support from individual people of wealth over the years, we haven't been very successful in securing funding from institutional donors, beyond the founding foundations of FundAction.

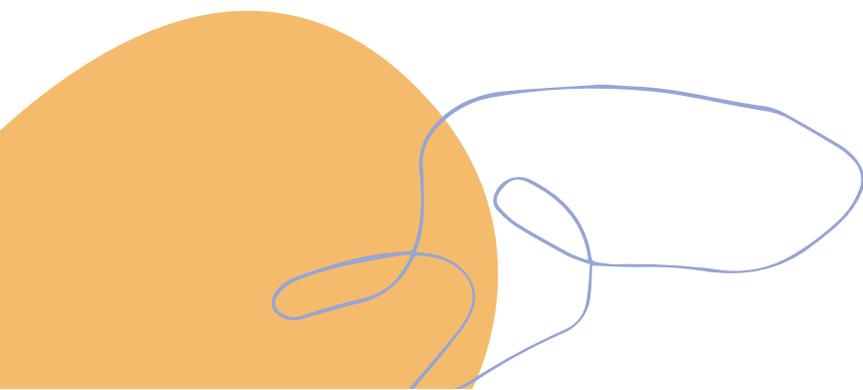
In practice, many funders are not yet ready to let go of their power and to put their trust in the communities and activists on the ground. While PGM is a trending term in philanthropy, there is a risk that the term gets co-opted and that it is used all too lightly for a practice that isn't genuine participatory grantmaking. It seems that some funders want to engage in PGM, but only on their own terms, which defeats the purpose all together.

Going forward, we would like to put more time and effort into establishing FundAction as an advocate, opinion-maker and point of reference on the issue of power and participatory grantmaking in philanthropy, grounded in our experience and values.



# Financial Report

Stipends	51.500,00 €	FG members stipends + podcast
Peer Review Panels	7.000,00 €	Renew, Resist and FG Renewal
Annual Assembly & FG Meeting	4.500,00 €	Annual Assembly online meeting + FG in-person meeting
Evaluation / Review	25.000,00 €	Consultants fee (M2), fees for FA Evaluation Advisory Group
Administrative Costs (EDGE)	15.000,00 €	
Other running Costs	7.000,00 €	Outreach, Decidim, Website, Bank costs
<b>TOTAL RUNNING COSTS</b>	<b>110.000,00 €</b>	
RESIST GRANT	20.000,00 €	
RETHINK GRANT	70.000,00 €	Moved to early 2022
RENEW GRANT	98.000,00 €	
<b>TOTAL GRANTS</b>	<b>188.000,00 €</b>	
<b>TOTAL SPENDING</b>	<b>298.000,00 €</b>	



The ratio **grants : running** costs in 2021 was 1.7. In 2022 it is expected to **rise to 2.2.** (including additional operational costs for setting up and running an organization)

Running Costs  
36,9 %



Grants  
63,1 %

## Sources of income 2021 and secured funding for 2022

	2021	2022
Open Society Foundation	25.112,00 €	194.900,00 €
European Cultural Foundation	40.000,00 €	
Guerrilla Foundation		30.000,00 €
Un Monde Par Tous	30.000,00 €	30.000,00 €
Porticus	50.000,00 €	
Individual donors	275.000,00 €	370.000,00 €
<b>TOTAL</b>	<b>420.112,00 €</b>	<b>624.900,00 €</b>

Two of the founding donors (Open Society Foundations and European Cultural Foundations) as well as Un Monde Par Tous continued their support to FundAction in 2021. OSF has issued a tie-off grant to FundAction, marking the end of their support. Guerrilla Foundation has renewed their financial support from 2022 onwards with 30,000 EUR. One new institutional donor joined the ranks in 2021: Porticus supported with a grant of 50,000 EUR.

**The secured income for 2022 of EUR 624,000 is the highest since the start of FundAction.**

Donations from individuals amount to 62% percent of received funds in 2021 and 2022, confirming that it proves difficult to secure funding from institutional donors while support from individual donors is increasing. With the expected decrease of funding from foundations, focusing fundraising efforts towards individuals of wealth who share FundAction's values, looks like the best possible strategy to secure FundAction's financial future and stability.

**FundAction is supported by**

OSIFE  
Un Monde par Tous  
European Cultural Foundation  
Charles Léopold Mayer Foundation (FPH)  
Guerrilla Foundation  
Porticus  
Individual Donors

**Our fiscal and administrative sponsor, until 2022**

EDGE Funders Alliance

Please feel free to reach out to us with any questions and to  
set up an introductory meeting.  
We would love to get to know you and tell you more about  
our work.

[hello@fundaction.eu](mailto:hello@fundaction.eu)

