

STUDY VISIT TO LATVIA

17-22 SEPTEMBER 2018



COMMUNITY PHILANTHROPY CELEBRATES 15TH ANNIVERSARY IN LATVIA

DONATING MEANS TO HEAR THE RHYTHM OF THE COMMUNITY AND ENRICH ITS SOUND



15 years ago, in February and December of 2003, the first community foundations were established in Talsi and Lielvārde. Thanks to the support of the Baltic – American Partnership Fund, set up by Open Society Institute and the US Government, the concept of locally rooted giving was strongly promoted in the Baltic States, including Latvia. A lot was invested for learning and institutional development as well as for sharing among ourselves. An association, called Community Foundation Movement, with 4 members was set up in 2006. Now the Movement has grown to nine active community foundations.

Latvia, just like the entire post-Soviet space, saw the revival of philanthropic tradition in the early 90s after the fall of the Soviet regime. Most probably, the lack of tradition and, clearly, the small donations from individuals and foundations is the reason why few researchers explore philanthropy in Latvia, because the research object itself – philanthropy – is in its infancy.

7 OF 9

COMMUNITY FOUNDATIONS LOCATED IN COMMUNITIES WITH DECREASING NUMBER OF INHABITANTS (COMMUNITY MEMBERS)

Latvian community foundations are working in smaller towns and rural areas. In these small communities the amount of money available for philanthropy (not charity, such as direct help to families) is not so big and it's hard to fund long term projects to demonstrate high impact.

Despite the fact that philanthropy and giving culture is still under development, the work of Latvian community foundations has been appreciated by local communities, governments and donors.

Foundations are still struggling for survival; sustainability is an issue for all non-profit organizations in Latvia. But having everybody still in the field is success in itself.



Charity ball race in Valmiera.



Residents' Forum in Talsi.



THE ESTABLISHMENT OF COMMUNITY FOUNDATIONS

The residents' forum was the basis for the Northern Kurzeme NGO Support Centre in Talsi to begin a discussion about the establishment of a community foundation. With the aim of identifying the opportunities and interest in establishing a community foundation, the centre's employees invited forum participants to attend discussions. They discussed the possibility that after the residents' forum, the foundation would undertake to finance projects proposed by residents. The centre's representatives obtained information about community foundations, which was provided by the national support organisation and international project consultants, and studied the available literature. In the six months following the forum, 12 discussions took place, each of which was attended by 5-7 people, who augmented and commented on the proposals of the participants in each previous discussion and developed new ideas. In total, the discussions were attended by about 70 people, of whom 45 agreed to become founders of the Talsi Region Community Foundation, and to donate at least LVL 20 to the foundation each year.

APRIL, 2002

FEBRUARY, 2003

After the residents' forum, with a view to establishing a community foundation, the residents of Lielvārde chose to address entrepreneurs as potential donors, in order to provide support for the implementation of ideas cherished by local residents. The foundation's founding meeting was attended by representatives of 14 local businesses and one private individual, who agreed to the support on an annual basis with a donation of LVL 100. Although, at first sight, the Lielvārde Development Foundation may have reminded an outsider of an entrepreneurs' club, but there was one significant difference – in this foundation, decisions on the foundation's operations and supportable projects is made by a board comprised of 11 people. The Board was convened to ensure the representation of a wide group of different residents. It is comprised of representatives of the foundation's founders, as well as municipality representatives, pensioners, teachers, young people and other local activists.

DECEMBER, 2003

Having seen a successful resident's forum take place in Talsi, a year later in April 2003, the citizens of Alūksne organised a residents' forum in their town. The forum was possible, thanks to the successful collaboration between the Alūksne NGO Support Centre and Alūksne City Council. After the forum, the Alūksne NGO Support Centre began to gauge public opinion about the establishment of a community foundation. As a result, 21 people agreed to found the foundation. The Alūksne Region Community Foundation was registered in April 2005, which after territorial reform was renamed as the Alūksne and Ape Region Community Foundation. During the first year, about 50 private individuals and legal entities became supporters of the foundation.

APRIL, 2005

In 2004, interest in establishing a community foundation was shown by Valmiera, followed a few years later by Liepāja. Both cities received the support of the Baltic-American Partnership Fund. In Valmiera, the idea of establishing a foundation was initiated by NGO support centre “Strategy”, which by conducting interviews, organising round table discussions, meeting entrepreneurs and NGOs, agree to found the Valmiera Region Community Foundation in June 2005. In turn, interested local parties founded the Liepāja Region Community Foundation in June 2007. The first ever Liepāja Residents’ Forum was conducted in 2008.

JUNE, 2005

JUNE, 2007

Other foundations:

- The goal of the statute of Limbazi Foundation is to improve the quality of life in Aloja, Krimulda, Limbazi and Salacgriva regions by raising funds and attracting sponsors to support non – governmental organisations, informal groups of society and private initiatives so that as the result of cooperation and interaction of people, different groups of society and organisations added value would be created which promotes forming common values, works in social, health care, environmental, culture, education and sport spheres.

The mission of Limbazi Foundation is to improve the quality of life by motivating people to be more self – reliant and to try to help indigent and socially unprotected inhabitants, families with children, especially with more than three children, retired and people at the preretirement age through different projects in order to renew their trust in themselves and their abilities and with this trying to promote and strengthen the development of civil society in Latvia.

- Middle Latgale Trans-District Foundation is the first community foundation in Latgale, established by 25 individuals. Organisation covers Aglona, Vārkava, Riebiņi, Līvāni and Preiļi regions.

- Kandava Region Opportunity Foundation.

- Ķekava District Foundation is the youngest community foundation in Latvia.

In 2018 Latvia has a vibrant community foundation movement with 9 active community foundations. They are spanning 26 municipalities and almost 300 000 residents. Since 2012 Latvia’s community foundations have attracted 1,3 million euros in funding. The foundations continue to operate successfully fulfilling their residents’ visions in wide variety of fields. Latvia is the only country in the Baltic States in which community foundations have taken root and which can reflect on 15 years of achievement in this realm.

OCTOBER, 2009

2013

AND

2016

AUGUST, 2018





COMMUNITY PHILANTHROPY SUPPORT PROGRAMME 2012-2017

We are helping to consolidate and develop community philanthropy in Latvia by supporting the work of existing community foundations and the establishment of new community foundations outside Riga.

Since 2012, the Boris and Ināra Teterev Foundation is the most significant supporter of community philanthropy in Latvia.



COMMUNITY FOUNDATIONS IN LATVIA



in the Baltic States, Latvia is the only country in which community philanthropy has taken root and can reflect on **15 years of work**

Latvia has

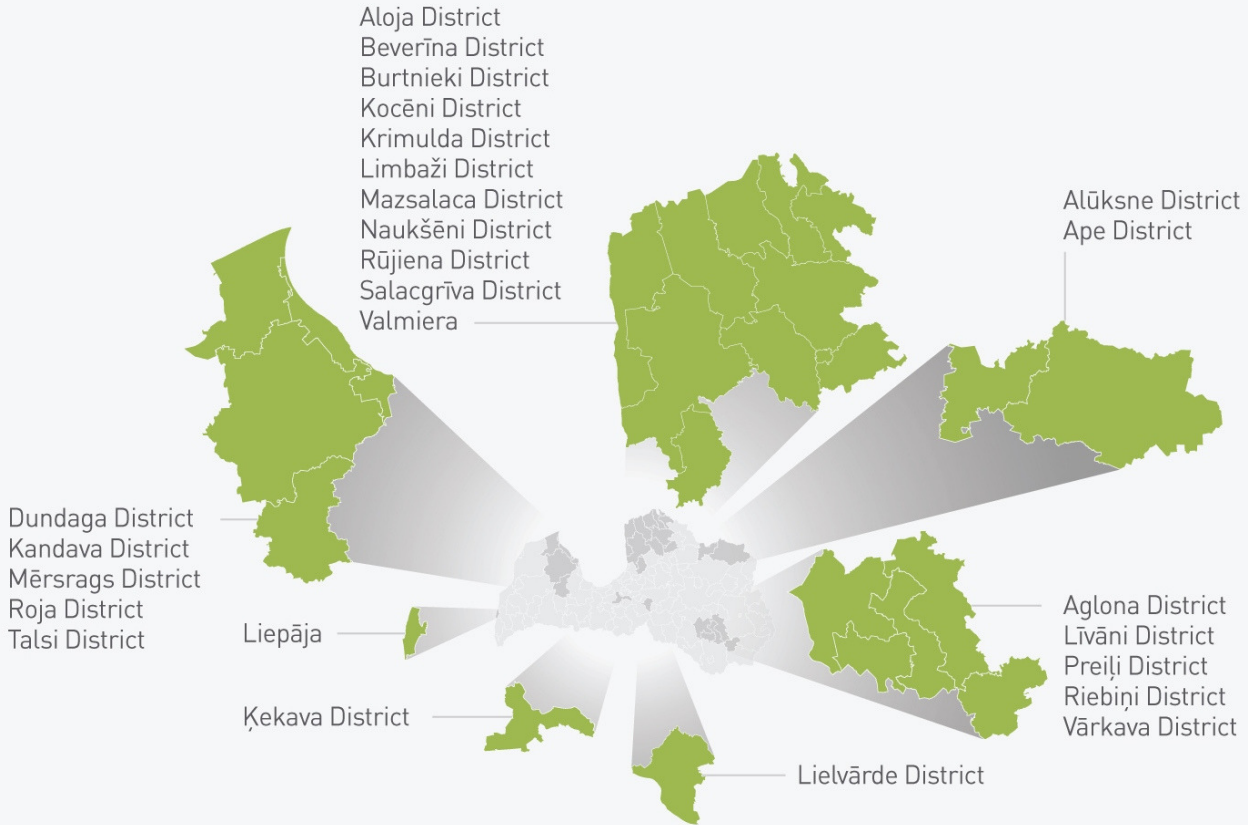
9 COMMUNITY FOUNDATIONS

spanning

26 MUNICIPALITIES

and almost

300 000 RESIDENTS



COMMUNITY FOUNDATION ATTRACT FUNDS VIA



Donation boxes at events



Gifts of household items and clothing



Charitable fairs - markets



Charitable auctions



Charitable concerts



Attracting donors



Prayer breakfasts



Charitable ball rallies - lotteries



Other initiatives

Since 2012, Latvia's community foundations have attracted



and made it possible to fulfil the visions of local residents in hundreds of towns and districts.

THE MOST SUPPORT FOR PROJECTS HAS BEEN PROVIDED FOR



Education projects, grants



Cultural events and visions



Territorial landscaping



Health and social welfare



Sport and healthy lifestyle



Youth initiatives



Tourism and promotion of the district



Local economic development

VALMIERA REGION COMMUNITY FOUNDATION

VRCF is the local philanthropy organisation for Valmiera and its surrounding regions – Beverīna, Burtnieki, Kocēni, Mazsalaca, Naukšēni and Rūjiena. Its aim is to improve life quality of local communities in wide spectrum of issues. VRCF is managed in world-wide recognized model – community foundation. The job of VRCF could be described with 2 words:

fund raising and grant making.



The foundation serves as a philanthropic leader for Valmiera, reacting to changing community's needs and by organizing appropriate activities. Their first objective is strengthening giving traditions and raising money from local businesses and inhabitants. Promoting volunteerism is one of "fund raising" directions since volunteers are good resource for local community's development. The second objective is to support initiatives of local people, by contributing them with grants from raised donations. There are more than 100 realized initiatives of local people since 2005. Thirdly, social help for disadvantaged is currently actual topic in their activities. Several campaigns have taken place even more actively between 2009 and 2013, for example, Food Bank, campaign "School Bag" for pupils, and opening a Charity storeroom in Valmiera. Fourth, but not the least, youth engagement and philanthropy has become an important part of the foundation's agenda. In 2007 it launched Lab of Youth Ideas (internationally recognized as Youth Bank) as a place for young people to learn about civic society, philanthropy, participation, meanwhile doing activities that are interesting for them, give learning opportunities and are helpful for local community. Youngsters have initiated several fundraising events, successfully raising money for small social activities. VRCF target group is the whole society of Valmiera and its surrounding regions, including youngsters, elderly people, active citizens etc.

ANSIS BĒRZIŅŠ

The Chairman and Executive Director of Valmiera Region Community Foundation. He's been the leader of the organization from the beginning. Ansis Bērziņš is also the coordinator and Council Chairman of Community Foundation Movement in Latvia, founded in 2006.





ALŪKSNE AND APE REGION COMMUNITY FOUNDATION

Alūksne and Ape Region Community Foundation was founded in 2005 by bringing together 21 organizations and individuals from Alūksne and Ape regions.



In cooperation with the Boris and Inara Teterev Foundation, ex-Mortgage and Land Bank of Latvia, Koninklijke Nederlandsche Heidemaatschappij and ex-Soros foundation, Alūksne and Ape Region Community Foundation opened 14 grant programs and supported more than 130 educational, environmental and other kinds of initiatives in the region till the middle of 2018. Educational institutions have received musical instruments, youngsters have participated in educational events, the basketball team has received new kit in the program “Young talents of A and A regions”.

The foundation implements a variety of charity campaigns and programs covering the various needs of the community:

- Grant programs to support a variety of local initiatives;
- Grant program for young people initiatives;
- Program “Young talents of A and A regions” supports the development of young people in variety of ways, for example, by buying equipment, co-financing trips, participation in competitions, camps etc.);
- “Charity school” is a support for charity in schools;
- Different kind of support for saving cultural heritage in the region;
- “Let’s help to families in Alūksne and Ape region!” – the idea of this social campaign is to give “fishing rod not a fish” to a person, so he needs to cooperate to improve his situation. For example, the foundation helps people get a driving licence, so they can find a job;
- “Time of Goodness” – foundation helps to cover medical treatment and rehabilitation for kids and youngsters with a health problems;
- “For Our Seniors” – variety of help for seniors;
- “For Animal House in Alūksne” – helps to improve the local animal shelter;
- “100 friends for Alūksne and Ape region” helps to generate financial capital.

In addition to fundraising for various charitable purposes, the foundation believes that its main task is to improve cooperation between community, municipality, entrepreneurs and NGO’s. For this reason the foundation organizes networking and educational events.

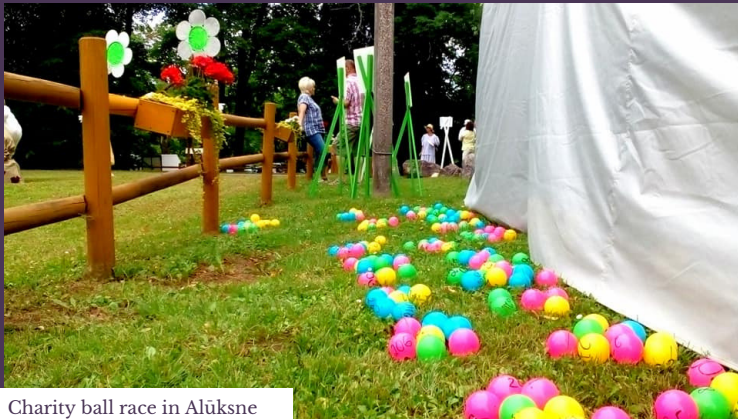
DZINTRA ZVEJNIECE

From the first day the chairwoman of Foundation is Dzintra Zvejniece and she’s familiar with NGO sector more than 20 years. In the board she works together with 2 active ladies, but 9 representatives from local municipalities, entrepreneurs and citizens are the members of the council.



ACTIVITIES

Community Foundation Movement in Latvia works as a team. Its leader Ansis Bērziņš successfully brings home a lot of ideas from international visits and colleagues from Latvia tries to adapt them for local situation.



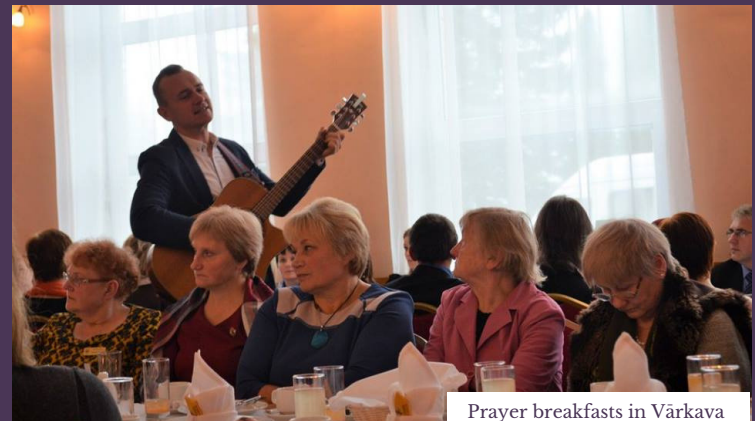
Charity ball race in Alūksne



Blind date with a book in Valmiera



Giving circle in Talsi



Prayer breakfasts in Vārkava

The first Charity ball race was organised in Valmiera 6 years ago. Now it's an annual tradition in every community foundation. One colorful ball costs 2 EUR (3 balls - 5 EUR) and in the final event all the balls swim in rivers, lakes or rolls down from the hills. Winners get the prizes, but community foundations get donations for grant programs.

Also the first Youth bank of Latvia was established in Valmiera. Now it's a part of Talsi Region Community Foundation and Middle Latgale Trans-District Foundation as well. Youth bank works as a mini foundation - YouthBank is not just about giving out grants, it is a personal development programme, which builds young people's self-esteem and confidence and provides them with an opportunity to learn new skills in leadership, team-work, decision-making, problem-solving, communication, empathy development, negotiation, report-writing, presentation skills, event management, interview skills and lots, lots more.

In 2017 Youth bank organized a social campaign "Blind date with a book" - it's mystery book, wrapped in brown paper and tagged with clues. The first year was successful, so probably it will be continued. The same we can say for Giving Circle. Foundations are searching for new and creative ways to attract donors and Giving Circle showed excitement and new way of collaboration between donors and project implementers. Foundations not only try new campaigns, but continue traditional events as well - seed projects, Prayer breakfasts, events for lonely seniors, families with low incomes etc.

BACKGROUND INFORMATION

LEGISLATIVE ACTS

To engage in philanthropy in the Republic of Latvia, one must take into account four legislative acts. The first is the "Associations and Foundations Law". It defines the procedure for establishing an association, which is a member organization, and a foundation, which is an institution established by one or more individuals or legal persons. The difference is that the members of association may change, join or withdraw from the association. On the other hand, the founders of a foundation will always remain the same. This law also provides for the principles of operation for associations and foundations, their administrative and control functions, as well as the order, in which these entities can be dissolved. In turn, "Public Benefit Organisation Law" has legislated for the order, in which associations and foundations may obtain the title of public benefit status organization, thus gaining an opportunity to provide tax breaks to their donors.

DISCOUNT FOR TAXES

Till 2018 companies could expect to receive 85% discount on profit tax for donations. The new tax policy reform reduced the tax account and this year will show how it affects charity organisations. Enterprises have a choice of three options:

1) reduce taxable profits by the donated amount, but not more than 5% of total profit in the previous year;

2) reduce the taxable profit by an amount not exceeding 2% of the total gross salaries paid to employees in the previous year from which the social tax has been paid;

3) reduce the tax on dividends by 75% of profits, but not more than by 20% of the calculated tax. On the other hand, natural persons donating to the public benefit organisations may receive 20% income tax deduction in accordance with the Law On Personal Income Tax.

Donors – both natural persons and enterprises – can receive the tax rebates only when giving to a foundation or association that has been granted a public benefit status, which is once a year reviewed by Public Benefit Commission. If these stipulations are not complied with, the State Revenue Service can impose penalties on the donor for tax evasion.

INDIVIDUAL DONATIONS

Individual donations responding to various charitable campaigns are popular, either via donation telephone call or at supermarket cash registers, where special donation boxes are placed. The statistics on these donations are not collected, data about a specific campaign's results can be found if the organization itself decides to publish it. The situation is similar regarding legacies. Most bequests come from Latvian diaspora representatives who emigrated from Latvia at the end of the Second World War and scattered all over the world. These are the donors who understand the importance of philanthropy. There are some who in their own youth have received scholarships donated by patrons.

BACKGROUND INFORMATION

Data collection is a sensitive issue in the environment of Latvian associations and foundations, because sometimes the donor and his or her family prefer confidentiality. It is not always the case, but that is a common trend. A completely different approach is that of entrepreneurs. The fact that a company has donated is usually accompanied by publicity in mass media. State Revenue Service classifies this publicity as advertising. If the donation's publicity is classified as advertising, the companies can lose their tax rebates.

CULTURE OF FUNDRAISING

Giving donations is the second most popular social activity. Most of the people prefer donating by phone, others prefer donation boxes in supermarkets. A lot of people uses also other kind of donating – giving away their clothes for charity, donating food or participating in public cleaning of environment.

Philanthropy is still in its beginnings in Latvia. Latvians have no feeling that they are economically stable, so they are still learning to help to others. Also now they are donating, but usually individuals give away for charity just small amounts of money. For example, in 2015 the association “Civic Alliance - Latvia” made a research that showed that one Latvian spends an average 69,24 EUR per year for the sweets, but donates just 4,77 EUR. In 2016 all Latvians together spent 253 million EUR for the sweets, but donated 10,6 million EUR.

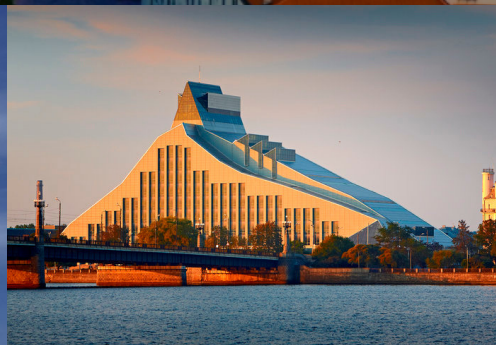
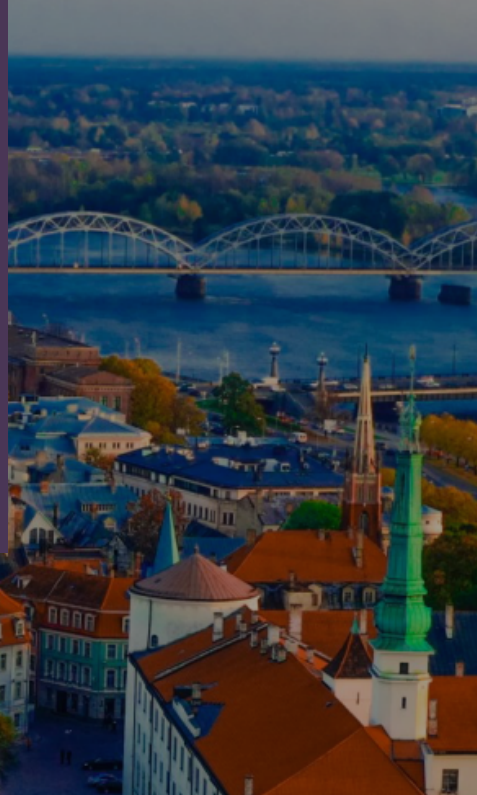


GRANTS FOR COMMUNITY FOUNDATIONS

The Boris and Inara Teterev foundation is the most significant driving force behind community philanthropy in Latvia. The Boris and Inara Teterev Foundation launched its community philanthropy development programme in 2012. Its goal is to strengthen and develop the concept of community philanthropy in Latvia, providing support for the development of existing community foundations and initiatives to establish new community foundations in rural areas.

Community Foundations can get a support also from Ministry of Culture of the Republic of Latvia, Society Integration Foundation and Ziedot.lv. Valmiera Region Community Foundation and Talsi Region Community Foundation also use the possibility to work in “Erasmus+” programs.

FACTS ABOUT LATVIA



Republic of Latvia is a sovereign state in the Baltic region of Northern Europe. Since its independence, Latvia has been referred to as one of the Baltic states. It is bordered by Estonia in the northern region, Lithuania in the southern, to the east is Russia, and Belarus to the southeast, as well as sharing a maritime border with Sweden to the west. Latvia has 1,957,200 inhabitants and a territory of 64,589 km²

Capital:
Riga is Latvia's largest city. Latvia has a huge capital relative to its tiny population, with over one third of the population living in Riga.

Ethnic groups:
Latvians (62%), Russians (25,2%), Belarusians (3,2%), Ukrainians (2,2%), Poles (2,1%), Lithuanians (1,2%), Roma (0,3%), others (3,6%).

Language: Latvian **Min wage:** 430 EUR
Currency: EUR **Average wage:** 961 EUR

Unemployment rate: 7.7%
Time Zone: UTC/GMT +3 hours

History:

- Declared in 18th of November 1918
- Under Soviet and Nazi occupations from 1940 till 1991
- Announced independence in 4th of May 1991
- Joined the EU in 1st of May 2004
- This year Latvia celebrates its 100th anniversary

Calling code: +371
Number for emergency: 112



In September you can expect ordinarily fog, frequently rain, uncommonly thunderstorm and cool weather. The range of average daytime temperatures are around 13°C - 16°C. Overnight temperatures are generally a little cool (~ 8°C).

BASIC PHRASES IN LATVIAN

Welcome!	Laipni lūdzam!
Hello!	Sveiki! Labdien!
Good morning!	Labrīt!
Good evening!	Labvakar!
Good night!	Ar labu nakti!
Goodbye!	Uz redzēšanos!
How are you?	Kā tev iet?
What's your name?	Kā tevi sauc?
My name is...	Mani sauc...
Where are you from?	No kurienes tu esi?
I'm from...	Es esmu no...
Cheers!	Priekā!
Have a nice day!	Lai tev jauka diena!
Yes	Jā
No	Nē

Pleased to meet you!
Me too
Thank you
Please
Sorry
I don't understand
I understand
Do you speak English?
Please speak more slowly
I don't know
Help!
How much is this?
I would like...
I like
I like (for food)

Priecājos iepazīties!
Es arī
Paldies
Lūdzu
Piedodiet
Es nesaprotu
Es saprotu
Vai jūs runājat angļiski?
Lūdzu, runājiet lēnāk
Es nezinu
Palīgā!
Cik tas maksā?
Es gribētu...
Man patīk
Man garšo



If you like Latvia, Latvia likes you

LATVIA IS FLAT IN LANDSCAPE, QUIET IN TEMPER, COLD IN TEMPERATURE AND SMALL IN SIZE. BEFORE YOU COME, YOU SHOULD KNOW THAT LATVIANS DON'T ALWAYS SMILE, BUT WHEN THEY DO – IT COMES FROM THE HEART. LATVIANS ARE LIKE COCONUTS – THEY CAN BE HARD FROM THE OUTSIDE, BUT WHEN YOU CRACK THE SHELL, YOU'LL FIND A TRULY FRIENDLY SOUL.



- One of the last corners of Europe to join Christendom, Latvians are still very much pagans at heart. They worship nature by jumping over bonfires at Midsummer Eve, and many surnames are about birds, animals or trees.
- Riga's Central Market is one of Europe's biggest markets. It is famed for its pavilions housed in giant zeppelin hangars left behind by the German army after World War I.
- With over 500 km of coast, Latvia has tons of beaches. There's space for everyone, whether you want fun in the sun or miles of sand to yourself, and best of all its all open to the public.
- Over half its territory covered by forest – Latvian “green gold”, that's why Latvians are closer to nature than other Europeans find normal. Locals love to pick mushrooms and berries, and during the spring they are tapping of birch tree juice.
- With over 1 million folk songs, Latvians love to sing. You can catch over 10,000 of them on stage at once at the largest choir festival in the world.
- Latvia didn't invent the internet, but it has the world's fourth fastest internet connections.
- Latvia don't have the highest waterfall, but they have the widest waterfall in Europe, and in spring you can see fish jumping up the rapids as they head for spawning sites.
- The country also boasts one of the world's most northerly outdoor vineyards in the village of Sabile.
- Latvia's national sport is ice hockey, and it punches well above its weight for a small country. Dozens of Latvians play in the NHL and KHL, and the national team's fans are regarded as the loudest and most passionate around.
- Next time you put on a pair of jeans, thank Latvian-born tailor Jacob Davis. In 1871 in Nevada he invented denim as a tough material for trousers, then made a fortune in partnership with fabric merchant Levi Strauss.

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17-22 SEPTEMBER 2018

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