



Die Landesregierung
Nordrhein-Westfalen



Wallonie



SCOPING STUDY

ALTERNATIVE FUNDING STRATEGIES FOR NEIGHBOURHOOD DEVELOPMENT PROJECTS

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Background information: The N-Power project

This scoping study on alternative funding methods is created within the framework of the N-POWER project¹. The N-POWER Project aims to support more innovative "neighbourhood development policies", allowing the cities of the Euregio Meuse-Rhine to reintegrate troubled neighbourhoods and their population into a positive urban dynamic. Offering lighter and more co-constructed complementary approaches co-managed with the inhabitants of these neighbourhoods (empowerment approach), the project's aim is not only to reduce environmental inequalities between neighbourhoods, but also to contribute to their economic revitalization, through the creation of new local activities and jobs, and to the social development of neighbourhoods.

However, neighbourhood development policies (often grouped under the banner of "city policies") traditionally focus on heavy and expensive physical renovation of neighbourhoods, which not always have proven to be effective in the long term. Additionally, the structural funding of the neighbourhood development policies tends to decrease and is not sufficient to finance neighbourhood empowerment projects. Therefore, within the work package on alternative funding, this scoping study explores how to raise complementary funding for such projects.

¹ N-power is co-financed by the EU, ERDF, the partner regions (Wallonia, the Belgian and Dutch provinces of Limburg, and the Land of North Rhine-Westphalia) and the partners themselves.

www.n-powerinterreg.eu

www.interregemr.eu

Introduction

The economic crisis has led to constrained governmental budgets, forging the public sector to seek new appealing sources of funding [1-4]. As a consequence, the public sector started to involve citizens into the funding of neighbourhood development projects. Traditionally, these citizens have been referred to as ‘the crowd’, collectively trying to gather money in an effort to support projects by other people or organizations [5]. However, not only (civic) crowdfunding became an interesting tool, directly engaging the crowd into the gathering of financial resources, also the concept of volunteering triggered more efficient and participative ways of service delivery and policy making, leading to what some specialists in the field call the “democratisation of finance” [6].

The financial scarcity did not only lead public administrations to look for innovative funding methods, it also triggered local authorities to shift their focus towards coproduction, which involves the input from citizens as end users of public services [7]. In other words, in coproduction the delivery of public services is organized in a collaboration between public sector professionals (the city administration) and citizens (the end users) [8]. Deliberately including its end users in the production of public services, public administrations are thus additionally pushed to look for alternative ways to (crowd-)fund these public services.

As innovative funding methods like crowdfunding have expanded in favour of the delivery of services of projects in a collaboration between public sector and citizens, this scoping study would like to answer the following questions:

- I. What type of (crowd-)funding method suits each project of coproduction?
- II. What role can a city administration play in supporting a process of crowdfunding and coproduction of services?

This scoping study starts with an in-depth analysis of the existing academic literature on alternative funding methods, like (civic) crowdfunding, matchfunding, sponsoring and volunteering. Through online academic search engines like Google Scholar and Web of Science, both qualitative and quantitative studies were searched via search terms such as ‘crowdfunding’, ‘civic crowdfunding’ and ‘volunteering’. As, for example, many publications on the search term ‘crowdfunding’ were found, a selection was made based on the number of citations. When fewer publications were found, for example on the search term ‘civic crowdfunding’, all top publications were selected. After reading the abstracts of the selected publications, additional search terms such as ‘coproduction’ and ‘matchfunding’ were run through the search engine, after which the most cited articles were added to the publication list. Next to academic literature, also non-academic literature was analysed, such as

reports by associations like The European Crowdfunding Network or information from De crowdfunding academie. Lastly, this scoping study was written with information given by experts in the field. As a platform specialised in the coordination of projects on civic crowdfunding and volunteering, Voor Je Buurt provided highly useful input for the creation of this scoping study.

Bringing together the information of these carefully selected sources, this scoping study would like to provide both a theoretical explanation, as well as a practical guide for administrations who seek to apply alternative funding strategies in coproduction projects.

Strategy 1. Civic Crowdfunding

As a sub-type of crowdfunding, civic crowdfunding is mechanism through which “citizens contribute to funding community-based projects, ranging from physical structures to amenities” [9]. A crucial aspect regarding the concept of civic crowdfunding lays in the fact that it only occurs in **collaboration with the (local) government** [10]. Indeed, through civic crowdfunding the crowd aims at “the funding of projects which, directly or indirectly, *[already]* benefit from government funds, assets, or sponsorship, and may include the development of public assets, such as public parks, sidewalk maintenance, and wireless Internet” (own addition to definition) [11]. In other words, civic crowdfunding requires two important features:

- I. The funding of community-based projects, thus projects providing a community service;
- II. In collaboration with another party, mostly the government.

Consequently, civic crowdfunding is often used in projects of coproduction between citizens and administration. An iconic example of such a project – although back then not acknowledged as civic crowdfunding – is the New York’s Statue of Liberty, as this structure has been partially funded through citizen donations [11]. However, usually the scale of civic crowdfunding projects tends to be smaller, such as the funding of an urban community garden [11].

In order to completely unravel the (narrower) concept of civic crowdfunding, this scoping study will first explain the broader concept of crowdfunding. Crowdfunding has been defined as “a collective effort by people who network and pool their money together, usually via the Internet, in order to invest in and support efforts initiated by other people or organizations” [5]. Contrary to traditional investors, individual investors who are more interested in their social vision and less in their cash-flow are attracted by crowdfunding [4, 12, 13]. Especially social ventures increasingly utilize crowdfunding as an alternative means to finance their programs and operations, since these ventures create varying levels and types of both economic and social value [14, 15]. In social ventures, social value gives way to economic value and vice versa, as the social value could lead, for example, to the economic development of regions and communities [16, 17]. To conclude, crowdfunding is thus a matter of tapping a large dispersed audience, dubbed as ‘the crowd’, for small sums of money to fund a project or, most likely, a social venture [4]. For example, *Krochet Kids* is a social venture that sought funding in order develop a fair and sustainable wage system for women knitting hats in an impoverished area of Peru [13]. Unsurprisingly, crowdfunding recently gained more attention in the landscape of alternative finance, as it re-positioned itself from a marginal option to a well-established and mature funding mechanism [6, 18, 19].

As figure 1 shows, the concept of crowdfunding originates from the even broader concept of crowdsourcing. Crowdsourcing does not necessarily aim at the collection of monetary means, but focuses on the consultation of a crowd to generate resources like ideas, feedback and solutions [20]. In turn, civic crowdfunding is a sub-type of crowdfunding, which refers to the type of project being funded, for example community-based projects and to the collaboration with the (local) government [10].

Figure 1. The origins of (civic) crowdfunding



Civic crowdfunding has been proclaimed to be a promising method, as it brings about multiple advantages:

First and foremost, at a time of shrinking budgets and an ongoing austerity policy regarding public funding [22], civic crowdfunding has gained attention for its ability to direct citizen funds towards projects of coproduction.

Second, civic crowdfunding anticipates the innovative digitalisation of reality, as this alternative funding method gives a response to the continuous growth and accessibility to the Internet [10]. In other words, this type of crowdfunding can contribute to the inter-connection of social media users. In turn, as an innovative funding method for coproduction projects, civic crowdfunding profits from these users' increased confidence into online payment methods, through for example online banking and PayPal. Additionally, civic crowdfunding does not only use the online space for the connection of varied groups and projects, it also increases the coordination of offline interaction, as online relationships can foster deeper offline connections [9].

Besides the obvious financial benefits, civic crowdfunding also generates not to be underestimated non-financial advantages. First, as a specific type of crowdfunding, civic crowdfunding aims at collectively bringing the social capital [21] of a group of citizens to the surface, by involving them into the development of their local community and by coordinating their collaboration with different stakeholders. This way, civic crowdfunding offers "a novel way for citizens to engage with, and institute positive change within their communities" [10]. Additionally, this renewed engagement aligns with the evolving concept of citizenship, boosting a participatory democracy [22] and embracing the field of collaborative urban planning [23]. For example, civic crowdfunding can be useful in the case of

participatory planning, involving multiple community stakeholders. Also, civic crowdfunding is a favourable funding tool for funders, who, while supporting their project of choice, are rewarded with “emotional and ethical returns” [24]. For example, when donators support a project in their direct neighbourhood are, they can see the project flourish and grow as soon as they walk out the door. Lastly, civic crowdfunding is also creates benefits for project creators, like the capacity to establish a relationship between the creators and the contributing municipalities, organizations, and individual citizens, through which a project can also gain important publicity [10].

4 steps towards a successful campaign

According to the online *Crowdfunding Academia*, an informative online platform created by experts regarding civic crowdfunding projects, a successful civic crowdfunding campaign can be launched by following 4 crucial steps [25]:

Step 1. Choose an achievable and appealing crowdfunding project

Find out whether crowdfunding fits your initiative. Choose a concrete and appealing initiative with a target amount that can be brought together by your network. **You can collect monetary means as well as help and materials.** Did you know crowdfunding also increases the publicity of your initiative and creates highly committed ambassadors, showing the support you have?

Step 2. Tell your story on your campaign page

Once you've chosen an achievable and appealing project and you've mapped out your network, you can start working on your campaign page. This happens often at the same time as step 3, working on your campaign plan. Your story is the core of your campaign, explaining what you will be doing, what you need the money for and why it is important. Make it **personal** and **tangible** and **show the urgency**. Next to a convincing pitch, it's important that you visualize your story through, for example, project pictures of the initiators and the place where you want to accomplish a project.

Step 3. Set up your campaign plan and prepare fun rewards

How do you reach and convince the people in your network to contribute to the project? For this, you need a good campaign plan and fun rewards. Think about online and offline activities you can use in your campaign to make people in your network eager to contribute. The crowdfunding platform Voor je Buurt's experience shows that good preparation makes a campaign easier and more successful. Also, they estimate the ideal duration of a civic crowdfunding campaign to be 30 to (maximum) 60 days.

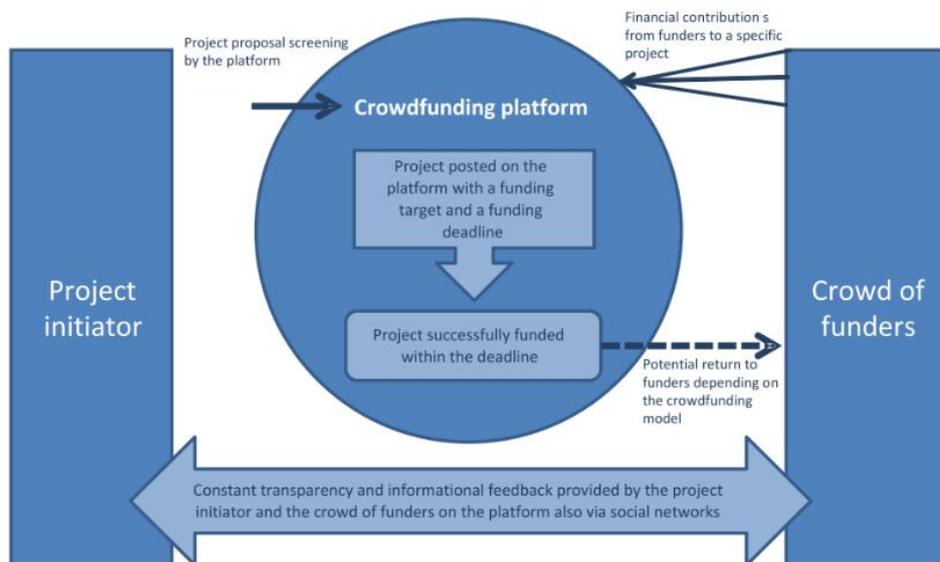
Step 4. Launch your campaign

Your campaign page is live! By now, you should have some people ready to donate on the first day. Now, it is all about persuading and activating the network to contribute to the campaign. Try to do it in a fun and varied way. For example, share project pictures or celebrate accomplishments. Also, do not forget to keep your supporters informed after the campaign: tell them about the chosen reward, the project planning, invite them to lend a hand and invite them to the opening too.

Important intermediary: civic crowdfunding platforms

When a (financial) collaboration between different parties occurs with the goal of successfully funding community-based projects, these parties can ask for the assistance of a civic crowdfunding platform. Such platforms provide a variety of services, like platform management and activation, community management, coaching and training, matching support and programs, or they could provide software as a service. This way, civic crowdfunding platforms possibly play a crucial role as an intermediary between various actors (figure 2).

Figure 2. A crowdfunding platform as important intermediary for a successful campaign [26]



Examples of platforms:

- In the area of Brussels, grassroots projects are currently coordinated by a platform called Growfunding. More info: <https://growfunding.be/nl/bxl>
- In France, the coordination of civic projects is provided by the platform Bulb in Town. More info: www.bulbintown.com
- Voor je Buurt is an expert in financing and activating communities around civic initiatives. To this aim, Voor je Buurt has advised (local) governments, foundations, corporates and NGOs on smart ways of organising and spending subsidies since 2013. They also individually coach and guide initiators of (crowdfunding) campaigns. In their work, they use the smart platform technology of their partner, social enterprise GoodUp. They have facilitated the successful realisation of over 2500 initiatives, raising 8.5 million Euros together with 110.000 supporters. More info: www.voorjebuurt.be
- In the UK, Spacehive is a dedicated crowdfunding platform designed for projects that bring places to life, be that sprucing up a local park, holding a community event, or repurposing a disused building. More info: <https://about.spacehive.com/uFAQs/what-is-spacehive-how-does-it-work/>

- In Germany, the platform Open Innovation Sued Tirol aims to support both Italian, as well as German civic crowdfunding projects. More info: <https://www.openinnovation-suedtirol.it/callforideas/all/>
- For projects that focus on art or culture, a Dutch platform called Voordekunst is specialized in crowdfunding campaigns, and has additional expertise in the collaboration with (local) governments and other funds. More info: <https://www.voordekunst.nl/paginas/over-ons>
- Kolect is a white-label provider of crowdfunding and crowdsourcing platforms operating in Belgium, France, the Netherlands and the UK. They build tailor made platforms for non- and social profit organisations according to their strengths, objectives and context. They focus on seven engagement tools for your crowd: crowdsourcing, reward-based or donation-based crowdfunding, crowdvoting, events, donation forms and cooperative crowdfunding. More info: <https://kolect.com/en/>

Strategy 2. Matchfunding

Although civic crowdfunding is a very flexible tool - after all, a civic crowdfunding project can aim to collect either money, help, ideas or materials, and can thereby include and connect a diverse crowd - when it comes to the funding of community-based projects, research shows that crowdfunding (on its own) is not always sufficient to achieve full funding [6]. In other words, for a civic crowdfunding project to gain sufficient (financial) means, crowdfunding means might have to be “matched” or paired with other types of funding. Consequently, this “extra” funding operates as a leverage, triggering initial donors to invest and thereby making the target amount more achievable.

Matchfunding through grants, funds or sponsorship

In a matchfunding approach, either a (regional or local) government, a private sponsor² or a (well-known) philanthropist could step in as a co-funder. This co-funder has then the ability to act as a so-called doubler. For example, an efficient matchfunding scheme might consist of a local government that doubles every Euro collected through civic crowdfunding. Another example of a matchfunding approach could be to collaborate with a private sponsor (in the form of a company or a philanthropist) that sponsors a campaign with monetary means, as soon as a certain level of citizen engagement, through for example help or materials, has been reached. Theoretically, matchfunding has been defined as “the process by which public, institutional or corporate funding *is combined with* smaller donations raised from the public on online platforms” (own emphasis) [19]. However, the examples will show that matchfunding can also be combined with a strategy of volunteering, thereby directly engaging citizens in a neighbourhood development project.

Also, research proved that when matchfunding schemes and crowdfunding campaigns have the financial support of a public authority, these campaigns are granted significantly higher chances to achieve the funding goal. Indeed, “when a public authority partners with a crowdfunding platform and commits to supporting a match-funding or crowdfunding scheme, the overall success rate of projects funded under that programme increases from an average of 60% up to an average of 80-90% [...]” [6].

Example 1. matchfunding case Belgium: ‘Flock of sheep for Galgebos’ on platform Voorjebuurt.be

² For example, Promethea / Co-legia could help in some cases even if the focus is on art and culture (<http://www.promethea.be>)

Schaapskudde voor het Galgebos

Groen & Natuur | Leper, België | Succesvol afgerond



Gerealiseerd

€7.515 Opgehaald van €7.200

104% 85 15-4-2019

Gefinancierd Supporters Deadline

Deel dit succes

In 2019, Sara successfully raised €7.515 to buy 25 sheep and lambkins. Sara used the local platform Voor Je Buurt to raise 104% of her target amount. She campaigned for 1,5 months and 85 supporters helped her to realise her dream. The goal of the campaign was to create a patch of heathland in the woods of Galgebos, near Ieper, Belgium. The campaign also helped her raise awareness about the importance of sheep in the management of woodlands and how the sheep can contribute to more biodiversity. Additionally, Sara received two donations from the Landschapsfonds Westhoek, a cooperation of a Belgian province. The first donation, of 40%, was made when she had reached 20% of her target amount. The second donation, of 10%, was made when she had reached 90% of her target amount. By contributing in two batches, The Landschapsfonds makes sure never to contribute more than the general public and only serves to support a campaign that is already successful, instead of creating a successful campaign.

Example 2. matchfunding case The Netherlands: 'Queridon language and hospitality' on platform VoorjeStadsie.nl

Queridon taal & horeca, zo kan het ook!

Sociaal ondernemen | Utrecht, Netherlands | Successfully finished



Realised

€10,418 Raised of €10,000

104% 101 20/11/2017

Funded Supporters Deadline

Share this success

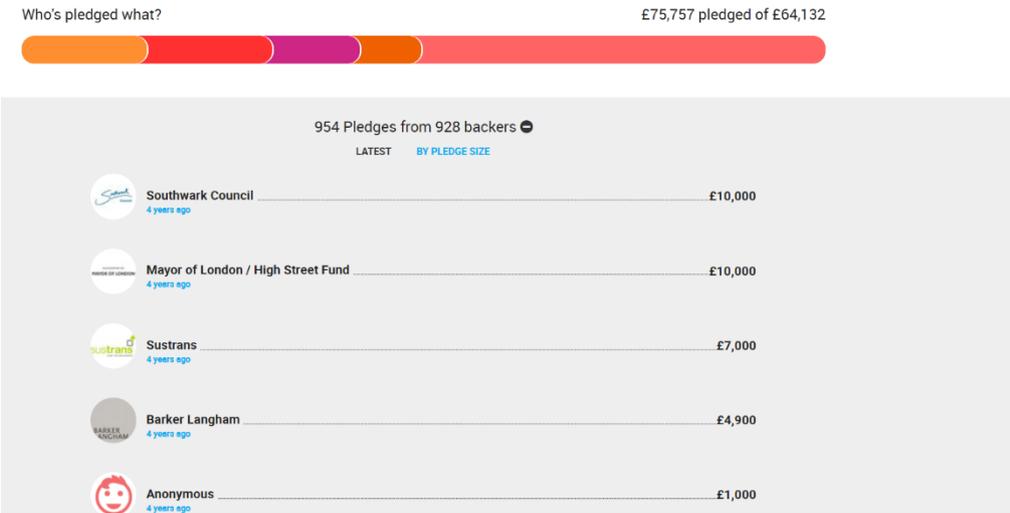
In 2017, a cook and a language teacher raised €10.418 in order to set up their own culture cafe, in the city of Utrecht. They used the local crowdfunding platform of the municipality of Utrecht called 'Voor je Stadsie'. With the help of 85 supporters, they realised their dream of helping refugees pass their integration exam while at the same time learning skills to work in the hospitality sector. Their goal was

to prepare the refugees for the Dutch society and workforce. They campaigned during one month and received a matching fund from the municipality of Utrecht and of Voor je Buurt’s partner Stichting Doen. The campaign helped them to inform and engage citizens of Utrecht before their initiative was realised. Partly because of the campaign, Queridon has developed a close relationship with the municipality. The initiative is so successful that their courses have now been accredited and they cooperate even more closely with the municipality and several other partners in Utrecht.

Example 3. matchfunding case The UK: ‘The Peckham Coal Line urban park’ on platform Spacehive



In London, the Peckham Coal Line is an elevated urban park built on disused railway coal sidings to form a natural, physical and social link between two high streets, namely Queens Road and Rye Lane. Thereby, the 900m-long route connects communities helping them to benefit from commercial and cultural growth happening locally. With the help of Spacehive, an online civic crowdfunding platform designed for projects that bring places to life, be that sprucing up a local park, holding a community event, or repurposing a disused building, the project received matchfunding from various public actors, such as the Southwark Council and the High Street Fund. More info: <https://www.spacehive.com/peckhamcoalline>



Example 4: matchfunding case Belgium: Buitengewoon Fruitig by 'Leefboerderij De Kanteling' on platform Kolect

Buitengewoon Fruitig is a project from a small non-profit organisation called Leefboerderij De Kanteling located in Southeast Flanders. On their farm, Leefboerderij De Kanteling offers services and day-time accommodation for people with disabilities, with a strong focus on ecology. When Leefboerderij De Kanteling was selected as a pilot project to start a crowdfunding campaign, they applied a matchfunding approach with the help of the regional fund 'Streekmotor23'. €5.000 was raised in 6 weeks by organizing both offline events and online (visibility) campaigns, contributing to the success of the crowdfunding campaign. Through this campaign, they were able to engage a new group of people around their organisation, resulting in extra volunteers and recurrent donors on the long term. This project was coordinated by Kolect, is a provider of crowdfunding and crowdsourcing platforms. They build tailor made platforms for non- and social profit organisations (and also for the public sector) according to their strengths, objectives and context. This way, Kolect increases engagement between an organization and its crowd to tackle societal issues and opportunities. Within this example, Kolect built a crowdfunding platform in cooperation with the regional fund 'Streekmotor23'.

Example 5: matchfunding case Belgium: Kookvélo Brussels on platform Growfunding

The KookVélo project was created by food lovers with only one wish: sharing their love of cooking. The concept is quite simple: a mobile kitchen, open for everyone, making it possible for people to cook together. The idea behind KookVélo is to inform people about healthy food, but also to encourage them to cook and eat together. Since cooking and eating are two basic activities existing in every culture, the project additionally aims to connect people from different cultural backgrounds who are present in the public space at various events in Brussels. Additionally, KookVélo has a strong focus on sustainability through the recycling of food surpluses. Through the platform Growfunding, € 8.080 was collected over a period of 62 days. However, for a longer term output, matchfunding support was found by organisations and companies supporting the campaign with a bigger donation. This helped KookVélo to set up a sustainable network, and to bring in new clients.

Strategy 3. Volunteering

As already mentioned, not every project requires a civic crowdfunding approach in which a crowd is merely involved by gathering monetary means. A crowd can also contribute to a (civic crowdfunding) campaign by spending a substantial part of their time and effort on a project. Also, the provision materials by citizens can play an important role in the realisation of certain community projects. After all, not every crowd or community has enough financial capital to directly fund a civic project. If this is the case, volunteering is a valuable way of involving citizens, as the following example shows:

Example 6. Volunteering case: 'The next step to the city beach of Deventer' on platform Voorjebuurt.nl

In 2017, Koos Janssen and his partner successfully raised €17.062 for the realisation of a city beach in the Dutch city Deventer. Over 285 supporters made the dream of a 'holiday at home' location for their fellow citizens possible. The municipality of Deventer did not contribute financially, but they played a crucial role in securing a location and making sure all the legal requirements were met. The team campaigned for 3 months and during this period they spread the word and enthused many visitors and at least 17 volunteers. After all, their campaign page explicitly stated volunteers were needed for cleaning and developing the beach. That is how the 17 volunteers helped to prepare the beach and supported in setting up events by developing a programme. In 2019 the city beach opened and the first week was a major success.

Volgende stap naar het Deventer Stadsstrand

Ontmoeten Deventer, Nederland Succesvol afgerond



The example of the city beach of Deventer shows that campaigning for a project offers a great way to attract attention to a concept that is not yet a reality. People become enthused and engaged and oftentimes want to be a part of that success. By clearly stating what help is needed, a campaigner can recruit volunteers on a broader scale than would otherwise be possible. Especially for municipalities where the crowdfunding of financial means is less suited, this scoping study suggests a different approach. A campaigner can demonstrate the importance of public support for a project by recruiting a minimum amount of volunteers. If the minimum amount of volunteers is raised, a (local) government or philanthropist can offer a matching fund (in the form of a grant or a donation) to enable the project to take place. This alignment with the concept of matchfunding also ensures local projects of finding public support as these projects can be facilitated by a municipality.

When it comes to volunteering, specialized platforms can provide support:

- Service Volontaire is a foundation that focuses on the coordination of youth volunteering. More info: <https://www.servicevolontaire.org/mission-volontariat/en/>
- Be Face is a foundation specialized in the coordination of volunteering projects. More info: <http://www.beface.be/nl/onze-activiteiten/vrijwilligerswerk>
- Next to civic crowdfunding campaigns, Voor je Buurt also coordinates volunteering projects. More info: More info: www.voorjebuurt.be
- A Dutch organisation called Volontario coordinates volunteering projects, but also provides technical support on a secured website in which an application for registration is included. They created a unique system: volunteers register their activity, which is then automatically valued according to the Volo system. Through the Volo system, volunteers have the ability to spend their Volo's, for example in a possible collaboration with other project partners. More info: <https://www.volontario.nl/>

Strategy 4. Reward-based campaigns: How to trigger people to donate?

Examples 1 to 6 once again underline the flexibility of volunteering and civic crowdfunding, as both tools can be combined with a matchfunding approach. However, the target amount (of time or money) for urban development projects can be gathered even more efficiently through the system of rewards. An important trigger for possible funders to donate (either time, materials or money) could be a reward. In a donation-based civic crowdfunding project, the funders or donators are mere philanthropists who do not expect a direct return for their donation [13]. However, in case of a reward-based project, rewards provide an incentive for participants to donate. In return for a monetary contribution or a certain level of engagement, funders are promised some benefit or product [13]. In practice, most of the time the reward itself is usually not the actual incentive for possible backers to fund a project. Rather, rewards might trigger individual backers to donate more, as they receive something in return. As the two following examples show, a reward can take up many shapes or forms: from a symbolic, to a more tangible reward.

Example 7. Using symbolic rewards to spike the campaign: ‘De dierenambulance’

Spaar mee voor de nieuwe dierenambulance

Animals Amsterdam, Nederland Successfully finished



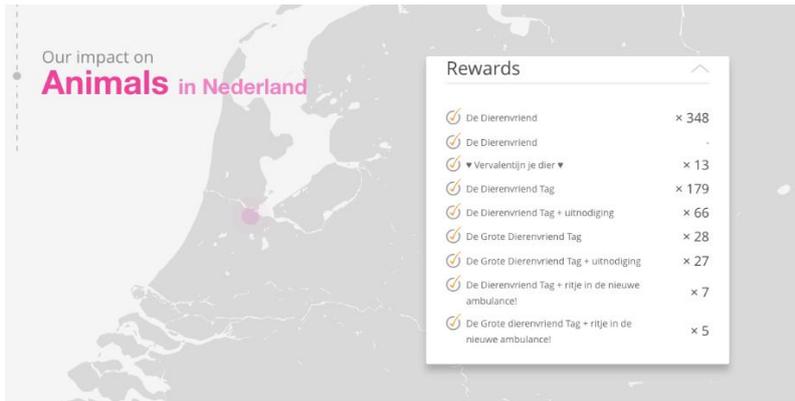
Realised

€46,890 Raised of €46,890

100% 702 22/3/2016

Funded Supporters Deadline

[Share this success](#)



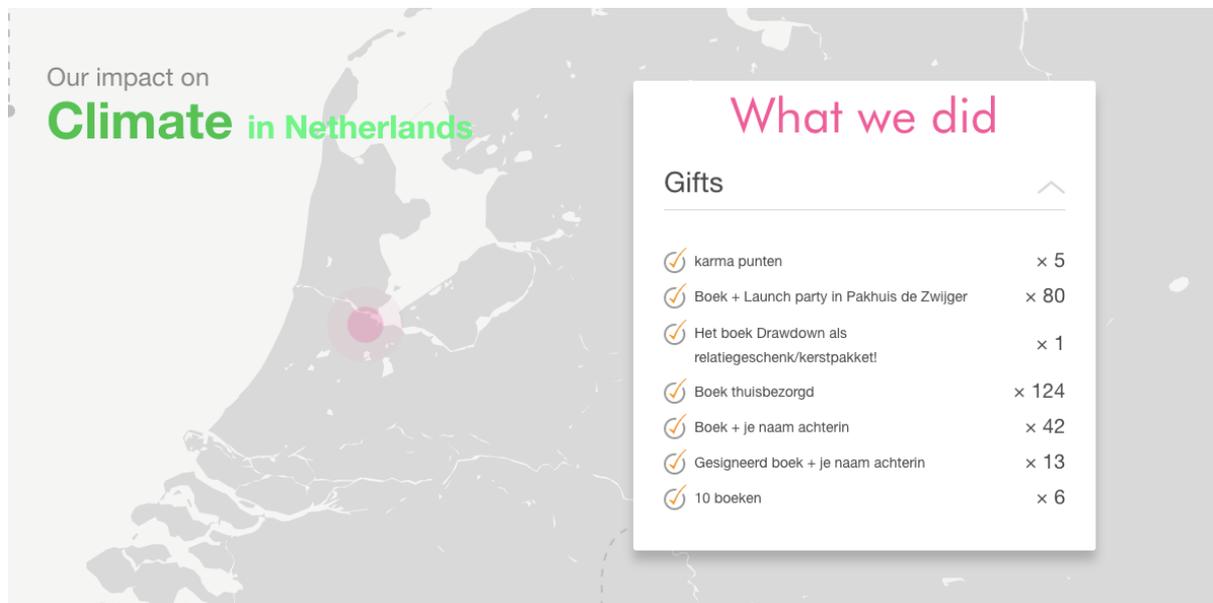
In 2016, a team of employees of the animal ambulance of Amsterdam successfully raised € 46.890 to purchase a new van for transporting injured and sick animals. They made very good use of symbolic rewards: by offering to print the name of a supporter (or his/her pet animal) on the van, they turned the new animal ambulance into a hype. The more one donated, the bigger the name on the van. This way, they seduced many people to donate more than they initially intended to. More info: <https://voorjebuurt.nl/en/projects/dierenambulance/plan>



Example 8. Using pre selling / tangible rewards to spike a campaign around climate change

Drawdown - De 100 beste oplossingen voor klimaatverandering

Climate Amsterdam, Netherlands Successfully finished



In 2018, Sven and his girlfriend successfully raised €41.145 to realise their mission of spreading the word about solutions to climate change in the Dutch language. The aim of their project was to translate a book with the 100 best solutions to climate change into Dutch in order to make sure that as many people as possible have access to this knowledge and create a movement. The book they would be publishing provided an ideal 'reward'. 80 supporters chose to come pick up the book on a special 'launch party' at the end of the campaign. 124 supporters chose to have the book sent to their homes once it was published. Their campaign was a big success.

Strategy 5. Facilitating role of public administration

Notwithstanding the flexible character of civic crowdfunding campaigns, matchfunding approaches or volunteering projects, these alternative funding methods for neighbourhood development projects insufficiently deal with the obstacles posed by the restricted adaptability of public administrations. After all, “public administrations face stringent limitations to the way public budget is managed, allocated, and reported, and even more so when innovative ways of combining own and private resources must [...] move towards a full integration into public budgets” [6]. Therefore, a study of the European Crowdfunding Network showed that governments at all levels have to be highly committed and creative when trying to find suitable forms of cooperation with different (crowdfunding or volunteering) platforms [6]. Accordingly, the public authority can play different yet important roles within a neighbourhood development project, all suggesting a distinct way to get a city and its inhabitants involved [11]³:

- The public authority can operate as a **manager**, by for example establishing its own crowdfunding platform, aiming at fostering the development of its territory. An example of this approach is Crowdfunding Gent⁴.
- Also, the local public authority can act as a **curator**, as it can select a list of projects that reflect their agenda from an existing crowdfunding platform.
- Lastly, the local government can be a **facilitator**, as it can act as an important partner in, for example, a matchfunding approach. This is the go-to recipe when local public authorities want to play an important role in facilitating citizen and civil society empowerment. From financial support to technical expertise, the local administration can facilitate in any way. Especially this last role as a facilitator represents a new type of public-private non-profit partnership between governments, citizens and crowdfunding platforms.

In the last approach, public authorities are thus not only partnering with (crowdfunding) platforms on specific projects, they are also facilitating the implementation of a wider partnership framework that encompasses the co-financing of projects within a pre-identified category. This wider partnership is created when the local authority acts a facilitator in a matchfunding scheme: “they pledge a certain amount of their budget to projects’ ideas that will run a crowdfunding campaign in one or more sectors (social inclusion, environment, culture...); once the projects have achieved a certain percentage of

³ Only the models relevant for this scoping study will be discussed.

⁴ More info: <https://crowdfunding.gent/nl/>

their funding target, the public authority will ‘match’ the funds by topping up the crowdfunded amount with their own resources” [6].

Do’s for local authorities

For the practical implementation of this scoping study within N-Power project, this last section will provide some so-called do’s for local authorities, when wanting to support a neighbourhood development project that runs a civic crowdfunding, matchfunding or volunteering campaign:

- ✓ First of all, the local authority should make sure the crowdfunding, matchfunding or volunteering approach fits logically into the main strategy around citizen participation and the facilitation of civic projects. For example, crowdfunding is not just a tool, it is a new way of realising civic projects where funding is used to strengthen the communities around initiatives.
- ✓ Define what the envisioned impact of the crowdfunding or matchfunding program is and design the program accordingly. Is the aim to facilitate as many projects as possible? Or is your main goal to maximise the impact of projects on, for example, social inclusion or sustainable green solutions for climate change? This will lead to a different set-up of the program.
- ✓ Make sure the incentives for civic projects to raise funds are right and mobilise their networks. It is important that crowdfunding fits logically into the rest of the funding opportunities that civic initiatives might have in your region.
- ✓ Also, a logical connection with other tools, programs, funding opportunities and the involved street level bureaucrats should be looked after. For example, crowdfunding can be connected with existing funding opportunities by offering matchfunding as a bonus or add crowdfunding as a condition to apply for funding.
- ✓ Share knowledge on how to campaign: reach out to your community and raise funds available to project initiators by offering training, coaching or online tools.
- ✓ Train all concerned executive civil servants (working with civic initiatives) on the benefits and workings of crowdfunding/matchfunding. They are the ambassadors of the program or your local platform. If they do not understand and underline the benefits of this new way of financing, it will never become a success in your region.
- ✓ Communicate about the use and possibilities of funding for civic initiatives and the role of crowdfunding / matchfunding in all concerned policy and on government websites.
- ✓ Define clearly how all campaigns will be supported and judged, so that all campaigns are treated equally and fairly. You can facilitate a more diverse group of projects than you would normally fund.

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