

Guidelines for External Fundraising

2019

ABOUT THIS GUIDANCE DOCUMENT

This document is aimed at Green European Foundation (GEF) Board, senior staff, project partners and all other stakeholders engaged in fundraising from external sources.

Fundraising from external sources refers to the activity of raising funds from organisations and individuals outside the green infrastructure. This type of fundraising complements the efforts of securing cash contributions through co-financing by GEF members and partners.

The aim of this guidance document is to inform on the legal requirements and internal rules to be followed in order to raise funds effectively and legally, protecting the public's trust and confidence in GEF's work and in line with green values.

This guidance sets out internal processes for conducting fundraising in an accountable and transparent manner and it will support GEF staff and Board member responsible for fundraising in performing their fundraising responsibilities.

While this guidance document summarises the legal framework for fundraising by and for European political foundations (as set out by the Regulation 1141/2014), GEF and its partners will **also obey national restrictions** when fundraising in each member state, such as for instance as part of decentralised projects implemented through national foundations. Such rules may include, *inter alia*, restrictions on fundraising in the proximity of national and European elections (most often, during campaign periods).

GENERAL PRINCIPLES

- ✓ Fundraising should always take place under **European and national legal framework**.
- ✓ Fundraising will always support **GEF's mission and core values**. This means that any fundraising efforts will either support already existing projects or the emergence of new ones in line with GEF's mission to articulate the voice of citizens at European level and bridge the gap between politics at national and at Union level.
- ✓ Fundraising will occur in an **honest and truthful manner**. Funders and donors will be informed openly and timely about GEF's purpose and the way in which the provided funds will be spent. When fundraising for a specific project, GEF will use the fundraised funds accordingly.
- ✓ Fundraising will take place in a **transparent and accountable manner**. GEF stakeholders involved in fundraising will ensure the appropriate storing of information on received funds and fundraising sources. GEF shall explain, clarify and justify its fundraising actions, both to its network and donors, as well as to European institutions.
- ✓ Fundraising will be organised with **respect for donors' privacy**. No matter what amount they put forward, donors will be informed about the use of their data and consent will be given for data processing. For major donors, consent on data publication will be required before the donation is accepted by GEF.

PRIORITY EXTERNAL FUNDRAISING SOURCES

GEF will **aim to secure external fundraising from external sources** such as:

European philanthropic foundations

There is no legal definition in Europe of “foundation”, which can mean something very different from one country to another. This is due to the many languages and cultures as well as the different legal and fiscal environments that exist across Europe.

Nevertheless, whether they are called a “Trust” or “Fondazione”, foundations working for the public good tend to share a common set of characteristics, and a generally accepted definition is as follows: “Public-benefit foundations are asset-based and purpose-driven. They have no members or shareholders and are separately constituted non-profit bodies. Foundations focus on areas ranging from the environment, social services, health and education, to science, research, arts and culture. They each have an established and reliable income source, which allows them to plan and carry out work over a longer term than many other institutions such as governments and companies.”¹

Crowdfunding, whether online or offline

Crowdfunding is a collective effort of individuals who network and pool their resources to support efforts initiated by other people or organisations. This is usually done via or with the help of the Internet. GEF individual projects can be financed with small contributions from a large number of individuals, provided that:

- ✓ Contributions are only raised from EU member states
- ✓ Donors are informed about Data Protection obligations and rights
- ✓ Donations are made only in EUR or other official currencies of EU Member States (as opposed to in kind contributions, online currencies, etc.)

Major individual donors:

“Major donor” is an individual or family with the potential to make or procure a financial contribution which would have a significant impact on the work of the organisation.

- ✓ GEF staff, Board members and other stakeholders involved in fundraising will contribute to an up-to-date database containing listing all potential major donors identified and contacted, as well as a history of the various points of contact with them. Unless they have agreed to donate to the foundation, no personal data will be recorded through such as list.
- ✓ GEF will not accept donations over the limit of EUR 18 000 per year and per donor.

Fundraising from other non-profit actors (trade unions, NGOs, institutions)

GEF can fundraise from other sources, such as universities, institutes, agencies, etc., as long as the funds raised are in direct connection to a project and represent a grant or contribution to GEF’s work rather than a donation.

OTHER POTENTIAL SOURCES

Private companies

GEF will not actively pursue donations or contributions from private companies. GEF does not offer any company power of influence.

This can remain an option, but only when:

- ✓ The collaboration is based on a concrete project
- ✓ The amount of money does not constitute a decisive part of the budget
- ✓ In the case of a service provision, it is performed at market value (i.e. if a bookstore is paying to display a stand at an event, or a sustainable company is paying for advertising

¹ This definition is based on the articles of the European Foundations Centre’s draft “Model Law for Public Benefit Foundations in Europe”, which were identified and agreed upon by experts and actors in the field among the EFC membership.

in the Green European Journal, the price will be comparable to the market value of such an undertaking)

- ✓ The company's motives for corporate giving are clear
- ✓ The values and ethics of the company and its subsidiaries are matching those of GEF
- ✓ The association with the respective company will not damage the GEF's image
- ✓ The company is clear about the benefits they expect to gain from the relationship
- ✓ The public's perception of the company and its brand will be seriously taken into consideration and potential political risk will be addressed before engaging in fundraising activities with a certain company
- ✓ **During a tender or selection of suppliers, GEF will not prioritise in any way one company over another in exchange for donations**

Other European Funds

GEF cannot use other European Union funding to match its European Parliament grant. Collaborations financed by other European Union grants will therefore happen outside the work programme financed and approved by the European Parliament budget. However, all activities of GEF will be in line with its mission and scope as European political foundation affiliated to the Green movement.

Any decision to pursue fundraising from "other potential sources" will be submitted for approval to the GEF Board.

FUNDRAISING RESTRICTIONS

As a rule, GEF will not accept funds from:

- ✓ Anonymous donations or contributions
- ✓ Donations from the budgets of political groups in the European Parliament
- ✓ Donations from any public authority from a Member State or a third country, or from any undertaking over which such a public authority may exercise, directly or indirectly, a dominant influence by virtue of its ownership of it, its financial participation therein, or the rules which govern it;
- ✓ Donations from any private entities based in a third country or from individuals from a third country who are not entitled to vote in elections to the European Parliament;
- ✓ Non-EU donors;
- ✓ Organisations that discriminate on the basis of religion, gender, race, ethnicity, political beliefs, or disabilities;
- ✓ Lobbying organisations;
- ✓ Organisations that do not comply with all laws and regulations;
- ✓ Any sources which do not support the GEF mission and its core values;
- ✓ Businesses that do not comply with GEF values;
- ✓ Organisations that are not driven by European values.

TRANSPARENCY

As requested by the European Regulation 1141/2014, GEF will keep and publish a list of donors and funders as follows:

- ✓ For donations of under EUR 1 500 per year and per donor, the donation will be recorded as "minor donation";
- ✓ For donations where the annual value exceeds EUR 1 500 and is below or equal to EUR 3 000, the donor will be asked for prior written consent to the publication.
- ✓ For donations exceeding EUR 3 000 per year and per donor, disclosure of information will take place automatically.

Information on donations should be published annually, except during the last six months before European Parliament elections, or for donations exceeding EUR 12 000, in respect of which publication should take place expeditiously.

Donations received by GEF within six months prior to elections to the European Parliament shall be reported on a **weekly basis** to the Authority for European Political Parties and Foundations in writing.

GEF shall, at the time of the submission of its annual financial to external auditors and the European Parliament financial services, also transmit a list of **all donors with their corresponding donations**, indicating both the nature and the value of the individual donations. This paragraph shall also apply to **contributions made by GEF's members and partners**.

For donations from natural persons the value of which exceeds EUR 1 500 and is below or equal to EUR 3 000, GEF shall indicate whether the corresponding donors have given their prior written consent to publication.

DATA PROTECTION

When engaging in external fundraising (and especially crowdfunding and fundraising from individual donors), GEF will be subject to rules imposed by the General Data Protection Regulation (GDPR). The new GDPR legal framework will be applicable as of May 2018.

In order to comply with GDPR, GEF shall, in a publicly available privacy statement, provide potential members and donors with the information required by Article 10 of Directive 95/46/EC, and shall inform them that their personal data will be processed for auditing and control purposes by the European Parliament, the Authority, OLAF, the Court of Auditors, Member States, or external bodies or experts authorised thereby, and that their personal data will be made public on the website of the Authority for European Political Parties and Foundations

GEF shall specify the maximum period of 5 years for retaining personal data collected for the purposes of ensuring the legality, regularity and transparency of the funding of European political parties and European political.

GEF will inform its donors about the possibility to gain access to, modify or the instance in which it will be possible to delete their data from GEF's records.

DECISION MAKING

- ✓ Fundraising in relation to **already approved projects** by the GEF Board can be managed by the responsible GEF staff in consultation with the GEF Board Member responsible for fundraising.
- ✓ Fundraising for **new projects** will take place pending approval by the GEF Board. When a Board decision is not possible, such as due to unreasonable deadlines, the decision will be made by the GEF Board Member responsible for fundraising in consultation with the GEF Co-Presidents and staff.
- ✓ These **guidelines can be amended** through a decision by the Green European Foundation Board, with the approval of the General Assembly.
- ✓ Quarterly **fundraising reports** should be made available to the GEF Board, allowing it to amend GEF's fundraising strategy and plan when deemed necessary.