



On Thursday, August 29, The Spindle's Community of Practice on Innovative Finance for Development gathered to explore two innovative financing strategies: local fundraising and blended finance.

Wilde Ganzen and Solidaridad presented on their recent experiences and challenges with these new strategies.

Wilde Ganzen

The session started with Corine Aartman and Nienke Nuyens from Wilde Ganzen presenting about their project to stimulate local fundraising. Wilde Ganzen aims for systemic change and celebrated their 60 year anniversary!

Local fundraising is an important topic because it supports shifting the power from top-down policies towards independent bottom-up initiatives. This goal fits within the general goal of Wilde Ganzen to eradicate poverty in the global south. As strategy, Wilde Ganzen stimulates the design of development by and with the target groups. They have the Community of Philanthropy which acts on two pillars: Matched funding and [Change the Game Academy](#). These strategies seek to enlarge autonomy, engagement and accountability to create a level playing field.

The most important challenges that Wilde Ganzen tries to tackle are

- Political instability
- Climate crisis
- Lack of funding and unstable funding
- Shrinking civil space

Wilde Ganzen has multiple focus regions for their projects and works in 14 countries to increase the autonomy and agency of people. Learning together and learning from peers are important principals within this approach. The two foci with this learning are local fundraising and mobilising support (= advocacy).

Online platform

Within the Change the Game academy local trainers obtain certifications that state their skills linked to the local context. An online platform has been introduced to offer an interactive learning environment for many people. This platform is available in open source, easily accessible and is offered in multiple languages tailored to the local demand. The platform consists of various modules that participants can follow. These modules are best accessible by computer, and increasingly by phone.

Harvesting successes

- The efforts to stimulate local fundraising have been successful. In half of the participating countries more than 70% of the targets set were achieved.
- Not only has the total available amount of funds risen in many countries, but also the share of local funds has grown steadily. Additionally, there was a bigger variety of different sources that has mitigated vulnerability and dependence on one source of income.
- In all countries where the platform has been used, progress has been made in terms of learning about the importance of local fundraising. Culture sensitive choices were made by local agents.
- Local fundraising turned out to be a very good strategy in regions where no alternatives were available. Not only in middle income countries, but also in low-income countries like Burkina Faso.
- The learning program has helped marginalised groups to raise their voice, their self-confidence has augmented. There has been a horizontal spillover effect towards other partners.
- Trends of dominant sources of money like churches or other partners varied largely among different countries. Further research to these trends may help to better target focus groups for funding.
- Local projects slowly became independent from Wilde Ganzen, also financially. Many initiatives started saving money to pay forward the potential of using the learning platform.

Solidaridad

Tim Diphorn works for Solidaridad which is an organization existing already 50 years, that addresses bottlenecks in global production chains. They do this from multiple expertise centres that are dispersed throughout various countries. Product chains can be made more equitable and more sustainable in various ways. Certification is one of the most important strategies for this. They put their focus on a wide variety of products, ranging from agricultural to crude resources. Their approach to improve conditions in the production chain is holistic. They stimulate to provide new services, improve sustainability through round tables, influence governmental policies and identify opportunities in new markets. Blended finance is a new and innovative way of funding their projects.

Dairy 2025 Project

The first project in which the concept of blended finance will be put to the test is Dairy 2025. See the PPT [HERE](#). This project aims to introduce climate-smart dairy farming in Tanzania. Many stakeholders are involved in the long-term projects which have multiple objectives and reasons to participate. The initial duration of the project is three years, but because of the large scale of the project prolongment must be possible. The project is based on the assumption that the Tanzanian dairy market has a large potential to grow. This does not only count for the economic elements of farming but possibly also improves the living standards of involved farmers. Except enlarging markets, also potential is found in the emergence of smart technology such as solar panels, electricity grids and circular cooling systems to make the project climate neutral.

Stakeholders:

- Local dairy farmers (40% women) that want to enlarge their output of dairy products.
- Mruazi farm which sees potential in improving cow species to produce more milk.
- Tanga Fresh
- Local government
- Solidaridad
- A crowdfunding platform (joint work of Truvalu, LendaHand, ICCO and Solidaridad) PlusPlus to provide blended finance
- Other donors

How are farmers supported?

- Program management
- Support in services (mobile app attracting youngsters)
- Business development
- Connecting with investors and forming partnerships

In the blended finance, multiple stakeholders come together to support the projects in different forms. In this way loans, grants, funds and crowdfunding actions are combined to realise long-term financial support for the project. Within the crowdfunding efforts, marketing often is a crucial element to improve. Participant Roos Gerritsen from [BetterTogetherAgency](#) might play a crucial role in supporting a crowdfunding campaign ☺

Lessons learned:

- The non-profit status of NGOs is a limiting factor in rising blended finance schemes
- A budget must be reserved for loan administration
- Even large donors are struggling with practicalities of blended finance
- Managing expectations of all your partners and stakeholders in the long-term is very important
- Therefore trust in each other and in the common goal is important

Opportunities proposed by the participants:

Agroforestry (fodder tree, like acacia and leucaena), working with telco's (information, insurances, weather predictions etc)

[Next Session](#) September 19!!