

Research report

Charity in times of war

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The full-scale Russian invasion of Ukraine in one way or another has significantly affected all life processes in the country. The charity and civil society were no exception and were among the first mechanisms that managed to quickly mobilize and adapt their work to the challenges of wartime.

In the short period since February 24, many changes have taken place in the field of charity. Many new volunteer, community-based and charitable organizations and initiatives have been established. The existing organizations changed the focus of their main activity. At the same time, there is an unprecedented increase in the number of donations and support for the sector.

In addition to the changes, there are a number of challenges faced by representatives of Ukrainian charity – including logistical difficulties, loss of staff due to evacuation, inability to continue ongoing projects or consolidate efforts and resources to implement statutory activities due to a general change in priorities.

However, all changes and developments should be thoroughly systematized and verified to assess their feasibility and scale. Consistent research and relevant data enable choosing the most appropriate strategy for working with the sector, which certainly needs support.

Keeping our hands on the pulse of Ukrainian philanthropy, we at Zagoriy Foundation decided to conduct a qualitative study of the sector during the full-scale war to identify and describe the main changes and trends and contribute to effective development and support of the sector.

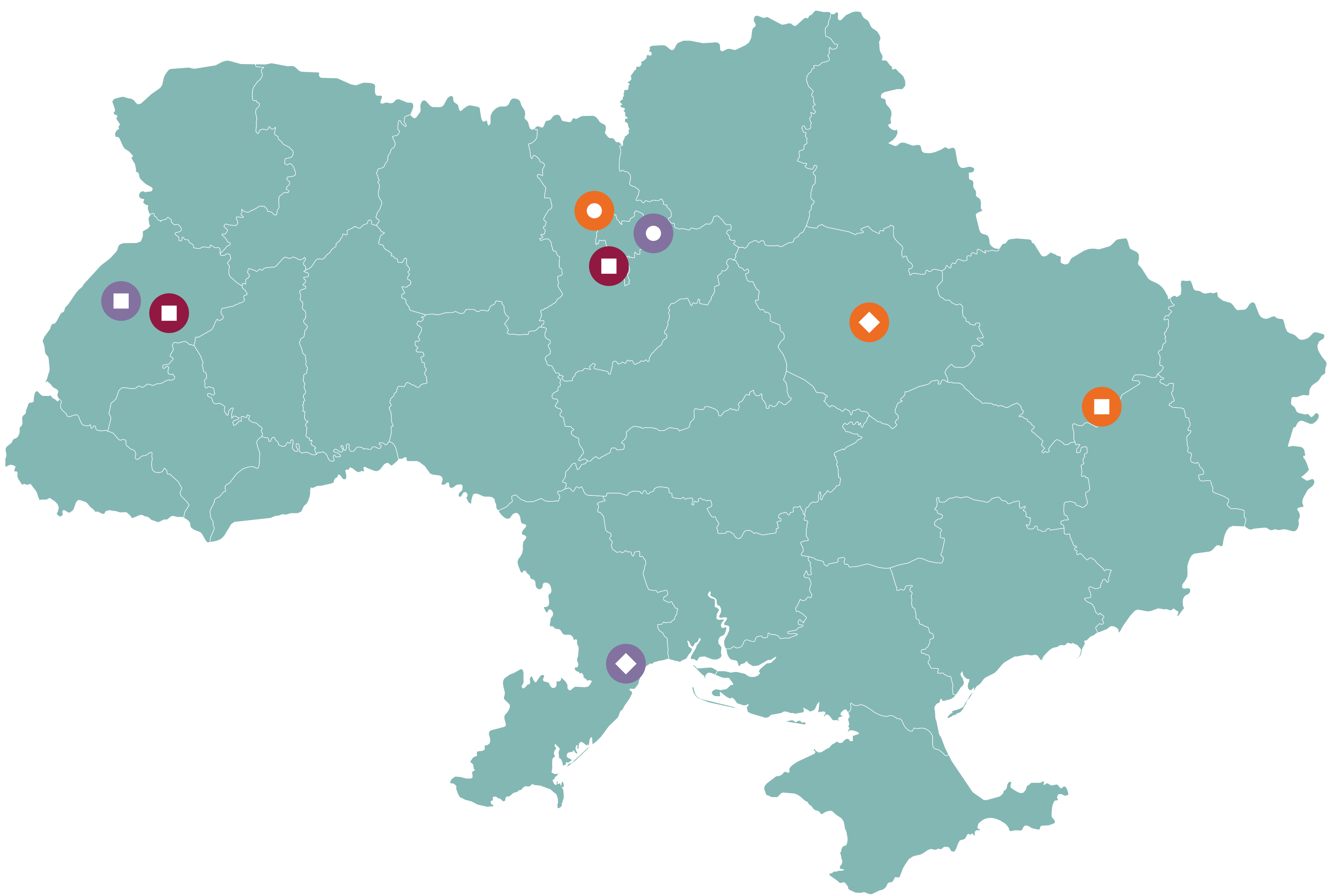
Methodology

To identify the main trends and changes in the field of Ukrainian charity during the war, we decided to use semi-structured in-depth interviews with key actors in the field (Key Informants Interviews). This method directs respondents to talk about important aspects of their organizations and enables probing the hypotheses of the study, while leaving room for additional clarifying questions. Also, the method of semi-structured interviews helps identify things that may not have been taken into account during the preparation of the study.

During May 12-24, we conducted eight in-depth semi-structured interviews based on a pre-compiled guide consisting of five thematic blocks. The sample consisted of representatives of NGOs and charitable organizations from different parts of Ukraine. Although this study is not representative, to obtain the widest possible range of ideas about changes and new trends in the field, the sample included important key parameters, namely – the time when the organization was set up, its size and location.

Research methodology

Eight in-depth interviews based on a semi-structured guide, conducted with representatives of NGOs and charitable organizations of various sizes and dates of establishment in five regions of Ukraine. Time frame of the field stage – May 12-24, 2022.



Organization size

- Small/local organization/fund
- ◆ Medium/regional organization/fund
- Large (national or international) organization/fund

Date of establishment of organization

- After February 24, 2022
- 2014-2021
- Before 2014

Research findings

The study guide (see Annex 1) consists of five thematic blocks, which cover various aspects of the respondents' organizations and allowed to find out their expert opinions on the changes in the field of charity. The main blocks of the study are the activity of the organization, relations with donors and partners, features of reporting in the emergency period, changes in external and internal communication, assessment of prospects for charity in the near future.

Activity

Russian invasion into Ukraine in one way or another affected the activities of all organizations included in the sample. More experienced organizations have significantly reformatted their work and launched a number of new initiatives because of the large-scale crisis and the needs that suddenly emerged and required immediate response.

Most long-running organizations continue to run their current projects, although they face declining donor funding due to a sharp shift in priorities.

In addition to main activities, such organizations have immediately added new areas of work. However, these areas are usually related to statutory activities or at least to groups of key beneficiaries. For example, the organization that worked with HIV-positive people and women's empowerment, began to actively use its premises for hosting IDPs, as well as expanded the list of major groups of beneficiaries.

«In our new formats of work, we are now focusing not only on women, but also on men and people with disabilities. We help children and families with many children, although we have not worked with them before. We added pensioners and people in difficult life circumstances to our beneficiaries. We added legal work, too.»

– **Regional organization, South**

The organization from Kyiv, which dealt with homeless animals, continued to deal with this topic, but new aspects were added, such as the evacuation of animals. In addition, requests for food and shelter support have increased significantly.

Almost all of the surveyed organizations began collecting and distributing humanitarian aid. More experienced organizations – in particular those with a wide range of beneficiaries and well-established communication with municipal authorities – have become a kind of humanitarian hubs in their communities.

The full-scale war also affected the staff of charitable foundations and organizations, as some employees left their settlements. Some employees had to leave their jobs, but most were able to go online and work remotely. Respondents noted that due to recent experience of the pandemic, the transition to remote work was easy, causing significantly less damage to civil society.

When a part of the staff of organization or foundation moved to one settlement, its representatives set up a 'branch' on the spot. In this way, part of the team was able to continue its activities elsewhere, further facilitating the integration of IDPs into host communities.

Volunteering is yet another important topic to consider. In the first days of the Russian invasion, the newly-formed organizations and those involved in humanitarian aid were able to attract a large number of volunteers who were needed to unload, load and redistribute aid, as well as for more complex tasks such as fundraising or reporting.

A few weeks after the full-scale invasion, the flow of volunteers decreased. Many of them returned to their previous jobs or started devoting significantly less time to volunteering for personal reasons or due to burnout. Organizations and foundations of individual respondents decided to hire new volunteers, which allowed volunteers to devote more time to activities, and organizations, to cope with the sudden load.

Most of the volunteers who joined the organizations were internally displaced persons. Respondents to the study noted that – contrary to popular stereotypes – the IDPs were often the most dedicated and proactive volunteers.

«They said that the people who were evacuated were not helping. But what I saw was that the displaced persons were helping more than the others.»

– **New local organization, West**

According to one respondent, an unprecedented number of people have received their first volunteer experience in the last three months, and their further engagement in volunteering in peaceful time will be contingent upon what it was like for them. The same is true for the experience of making financial or in-kind donations.

Organizations that were founded after February 24 have a slightly different dynamic. They were formed around the most pressing topics – assistance to IDPs and the army, collection and distribution of humanitarian aid, reconstruction.

Two new organizations with different experiences were included in the sample. The former was founded by an interest group of like-minded people, some of whom have significant experience in the third sector, and the latter was the initiative of volunteers who met at a hub that provided assistance to the IDPs and decided to systematize their activities.

Several weeks of intensive work have demonstrated the key role of project and team management skills, responsibilities and communication with donors and beneficiaries.

The first organization was able to systematize its activities, narrow the number of areas and geography of work, develop a team structure and establish several sources of revenues and funding.

The second organization faced difficulties, primarily in terms of identifying a leader, as well as the inability to focus on several key areas of work. Different participants in the initiative worked on the same tasks without coordinating their work too much. This caused a rapid burnout of participants and disruption of harmony in the team, calling the future of the organization into question.

«Some of the volunteers dropped out and returned to their previous jobs. We are all exhausted and we have a small team. You also have to do something for a living.»

– **New local organization, West**

Donors and partners

All organizations that were founded before the Russian invasion are trying to maintain their traditional sources of revenues. However, the outflow of donor funds was still observed. First of all, this applies to public funding for social service programs, as well as those projects that address needs that seem less relevant in wartime.

In other cases, donors agreed or proposed to change the focus of existing projects to be able to respond quickly to the urgent needs of IDPs or to rebuild liberated settlements.

Some of the projects that have been approved but have not yet entered the implementation phase have been postponed indefinitely by donors.

One of the most noticeable trends was about a large number of new donor organizations having set up in Ukraine and a significant increase in the project portfolio of existing donor organizations and funds. Moreover, donors have demonstrated unprecedented speed and flexibility in the disbursement of grant funds, significantly reducing the reporting requirements to grantees and simplifying project applications as much as possible. Respondents mentioned situations where a donor simply transferred funds “to support activity” without clearly defined goals and even in cash.

However, a month after the invasion, the amount of paperwork increased. On one hand, this allowed to address the uncontrolled spending of funds. On the other hand, the respondents were very supportive of a more flexible approach to granting, which helped them actually carry out their activities rather than “adapt projects to donor requirements,” so they hope that the trend towards flexibility and prioritization of institutional support will continue.

Organizations that were largely funded by donors have maintained their focus on this source of revenue. However, the NGOs that relied on community donations or other fundraising sources benefited from the emergence of large numbers of new donors and received their first grants.

The majority of respondents concurred that there will be no imbalance in the distribution of donor funds in a few months and most organizations will be able to return to previous activities, as well as continue projects that were put on hold.

«Not everything will be used to support humanitarian response. People from think tanks will return to think tanks. But not right away.»

– **National organization, Kyiv**

However, not everyone shares such optimistic forecasts.

«For the last three years, we have been working with the government on HIV and the support of the seriously ill, and this year they will not receive this money. NDI has closed its gender project. Some topics have become less relevant.»

– **Regional organization, South.**

One of the organizations included in the sample is one of the largest Ukrainian donors in the field of charity, which helped us look at the issue from another angle.

During three months of full-scale war, the approach to working with partners on regranting has changed. Both international and Ukrainian donors are simplifying and speeding up grant aid procedures for relevant projects. In addition to working on obviously relevant topics – such as humanitarian assistance or support for IDPs – institutional support is important. This is true both for experienced organizations and those that have been set up recently.

Institutional support is seen to become a new trend in the field – primarily because it is a prerequisite for the survival of many organizations, and also it helps them be flexible in times of turbulence. Institutional funding secures resources for the growth, development and professionalization of NGOs and foundations, which is a prerequisite for a sustainable and strong civil society.

Institutional support during the war is especially critical, because many organizations have experienced incredible stress as they lost some staff due to the inability of project work or the loss of offices and equipment.

New organizations and foundations were primarily involved in fundraising. The money was mostly raised to bank cards, with subsequent reporting in photo format on the pages of their social networks. Thus, the main benefactors were the residents of the community in which the newly established organizations are located, as well as their Internet audiences.

In addition to monetary donations, a significant part of the revenues is in-kind humanitarian aid. At first, it came en masse and unstructured, but after the first days, the organizations become more meticulous about accepting it, which significantly reduced the burden on staff and helped avoid the accumulation of unnecessary things.

Representatives of pre-war organizations and foundations do not welcome raising money to private bank cards, as it makes it harder to track the movement and destination of money and leaves room for fraud that damages reputation of the sector.

«Organizations in our field are now playing dishonestly, speculating on the feeling of pity and raising money to private cards, tarnishing the reputation of the entire sector. I have already noticed a lot of abuse and manipulation.»

– **National organization, Kyiv**

The respondents mentioned such methods of raising money and in-kind assistance as Spilnocosht, Ukrainian Charity Exchange and UAhelpers volunteer platform.

Respondents involved in fundraising and procuring humanitarian aid said that businesses often offered significant discounts on goods, and sometimes provided them at cost or free of charge.

For one of the newly created organizations surveyed, private sector has become a regular partner and a major source of revenues. In other cases, certain stores became regular partners, providing special discounts for the procurement of humanitarian items.

At the same time, organizations that received regular donations and business support before the start of the full-scale war saw a significant drop in revenue. This is primarily due to the fact that many companies ceased operations after February 24, as well as suffered significant financial losses due to destroyed warehouses and declining sales.

All respondents noted that the amount of fundraising decreased significantly within a month after the start of a full-scale war. To maintain the level of revenue, organizations had to be more creative in their messaging. At this stage, the simple method of “announce and raise” was augmented with the sale of merch, charity auctions and the above-mentioned specialized platforms for raising donations.

The unprecedented intensification of civil society processes has led to a number of new partnerships, which all the respondents noted. In many cases, representatives of foundations and organizations noted that they began to work more closely with the municipal authorities. In addition, in the context of providing humanitarian assistance or promptly responding to the needs of IDPs, the organizations involved new partners – colleagues in the sector whom they had known about for a long time, but for some reason had never interacted with before.

«In our city, we have never worked with Protestant organizations before. But when the war broke out, we started working with them to find accommodation for the IDPs.»

– **Local organization, East**

Reporting and communication

Experienced and newly-established organizations demonstrate different approaches to reporting during the war.

New organizations emerged spontaneously as a quick response to new urgent needs. Their activities are still undergoing systematization and formation. This also applies to reporting, which at first could be quite generalized and mainly involve photo reports and purchase checks, but was later complicated and supplemented with new information – for example, tracking the movement of funds from a particular donor or benefactor to a beneficiary.

There were no strict reporting requirements at the beginning of the invasion from either individual benefactors or institutional donors. However, over time, more formal requirements have developed, as well as requests from the Internet audience of organizations.

The organizations and foundations that existed before February 24 are more consistent in their reporting approaches. None of the survey respondents changed them even after the invasion.

The main motivation for public reporting was about to develop and preserve the organization's reputation, and for financial reporting, it was about good relationship with the tax authorities.

«The war will end and the tax inspection will come.»

– **Regional organization, South**

All surveyed foundations and organizations maintained and continued their usual channels of communication. These are mainly social networks, namely Facebook, Instagram and Telegram channels.

The content of social networks has changed, now they do much more reporting. New organizations mostly used social networks as fundraising platforms.

«Even before the war, our communication was about gratitude, not about inquiries and 'we need money.' But now we have to post a little more about our needs.»

– **National organization, Kyiv**

All respondents note an increase in interaction with the media. While in the past, charity topics were not very popular, now journalists – including foreign reporters – get in touch with organizations and initiatives that distribute humanitarian aid or work with the IDPs.

Respondents from organizations that were actively involved in humanitarian aid noted that especially in the first days after the invasion, the main channel of communication was the telephone. In the hottest phase, these were phone calls and direct contacts that helped address most of the issues, although this channel is quite exhausting and resource-intensive for staff.

«Our personal phone numbers got to the city's humanitarian headquarters once and they have been calling us ever since. It helps address a lot of issues, but it's very exhausting.»

– **Regional organization, South**

Future

According to the respondents, the most trending charity sectors in the coming months will be assistance to the army, humanitarian aid to war victims, support and transportation of displaced persons and providing accommodation for the IDPs. In addition, a lot of attention will be paid to vulnerable groups.

These sectors are about emergency response. Therefore, it is expected that some of these needs will be taken over by the state institutions, as well as by large humanitarian organizations that need more time to deploy. Nevertheless, war-related issues will remain a priority.

In the next few months, the basic needs will be more or less met and the topics of IDP employment and their integration into host communities will become more relevant. The representative of the organization from eastern Ukraine told of her experience with previous wave of internal displacement in 2014 – she believes that not all IDPs should be expected to return home as soon as possible, so preparations should be made to promptly provide them with jobs, housing and facilitate good relations with host communities.

A representative of the donor organization also paid attention to the topic of employment and mastering new skills, including entrepreneurial skills.

At the same time, humanitarian aid has been a topical issue for many years. However, it will be handled by increasingly specialized organizations, and the influx of many small initiatives will subside. The same applies to the infrastructure reconstruction and recovery.

«There will be less demand, people will get tired. The government will take on the responsibilities of volunteers and there will be some specific areas that require specific skills, but not everyone has them.»

– **New local organization, Kyiv**

The charity sector will undergo changes, too. According to the majority of respondents, most of the new initiatives will not be able to become sustainable and grow into institutionalized organizations due to lack of experience, regular sources of revenues and specific professional knowledge. At the same time, many new organizations will enlarge and stay on the market as long as they are able to overcome the first internal crises and streamline their work.

According to the respondents, the general trend towards volunteering will not remain high for long and many people who started volunteering for the first time in the lives will leave it because of the need to work for money or because of burnout.

«It is clear that people will burn out, and many will leave volunteering, some people will move to other organizations. Still, you have to have your own life.»

– **New local organization, West**

Opinions were divided on whether the level of involvement in charity would increase compared to what was observed before February 24. Some respondents believe that although civic activity will not stay so intensive, in the future it will stabilize at significantly higher than before the war. The rest of the respondents are less optimistic about it. According to them, both the level of donations and involvement in civic and charitable activities will decrease due to the economic crisis and post-war reconstruction.

Representatives of national organizations expressed the hope that donors working in Ukraine will be able to review their usual way of operation and become more flexible and less demanding of the necessary formal criteria for receiving grants, as well as provide increasing amount of institutional support. This would save time and help build a stable and independent civil society, fueled by a wave of activism.

Diversification of the donor environment is also expected, which will be able to provide grants of different sizes and in different formats to be able to support both more experienced and newly established organizations.

Although the level of competition between charitable organizations and foundations is currently lower due to increased amount of donor funding, it will not go away and the situation will stabilize in a few months.

«The large number of donors, money and requests neutralizes this a bit. But in the post-war period, competition will be back.»

– **Local organization, West**

Also, it is unlikely that this will reduce the problem of donor-driven projects.

«Donors know this well – when announcing a competition, the donor determines the request and the answer to this request.»

– **National organization, Kyiv**

Along with more donor funds, the number of NGOs has increased, so the competition for funding will continue. Professional organizations will have a better chance to get new money. However, it is important to understand that the years of experience and professionalism of an organization are two different things.

Hypothesis probing

1. People are much more involved in charity than before a full-scale war. and 2. The proportion of people who continue with their effort – not just money – has increased significantly.

Confirmed. Both in terms of donations (monetary or in-kind) and personal participation, the involvement of Ukrainians in charity has increased significantly. This is a natural response of society to an emergency. However, the decline in the involvement rate is already observed, both due to financial difficulties and to burnout and the need to do work for living.

2. The main activities of charitable foundations today are providing assistance to displaced persons and organization of humanitarian aid.

Confirmed. Most charities have adapted their activities to the needs of wartime in one way or another, while at the same time trying not to abandon their core activities, and to start a new activity in related fields.

According to respondents, this trend will not last long and after the basic needs are met, the most relevant topics will be employment and integration of IDPs, as well as post-war reconstruction and more systematic humanitarian aid, the need for which will remain for many years.

Hypothesis probing

3. Some organizations will close due to imbalances in donations.

Partially confirmed. Although the focus of donors and donations has shifted to the challenges of wartime, donors are trying to support old projects, and organizations and foundations are successfully rebuilding their pre-war sources of revenues. However, some organizations that depended on the government support will no longer be able to carry out statutory activities due to lack of funding.

4. The level of competition in the field has decreased significantly.

Partially refuted. The level of competition in the field of charity has temporarily decreased due to an unprecedented amount of resources coming from both individual philanthropists and donor organizations. However, it has a temporary effect, and a return to business as usual is expected in the near future.

Recommendations

- ◆ To provide institutional support to newly established NGOs and foundations for building their professionalism, as well as to more experienced organizations for the same purpose and to compensate for losses due to staff outflow and destruction/lack of access to equipment.
- ◆ To sustain a trend towards flexibility in the provision of grant support to facilitate crystallization of an organic and independent civil society.
- ◆ Organizations and foundations should build relationships with volunteers, taking into account that for most of them, the experience of volunteering is the first and decisive factor in their attitude and further participation in volunteering and other forms of charity.
- ◆ Organizations and foundations should keep responsible and systematic reporting, even in times of emergency, as this affects the reputation and trust in the sector as a whole.
- ◆ Organizations and foundations should be prepared for the fact that the amount of donations from individual benefactors will decrease significantly in the near future and be ready to diversify the sources of their revenues.

Key informant interview guide

Presentation, acquaintance

- Introducing the interviewer
- Topic of conversation: changes in the field of charity in Ukraine after the full-scale invasion of Russia
- Tell about the format of conversation, that there are no correct or incorrect answers, order of expression their opinions. The conversation lasts up to two hours.

Activity

- What did you/your foundation do before the start of the full-scale war? And what are you doing now?
- How did you activity change? Have the beneficiaries changed? Are there new work formats?
- Are there new formats in involving people in charity? Which?
- Staff workload at this time often affect the quality of work and routine work processes. Do you feel something like that in your organization?
- Which charity sectors do you think are the most trendy?

Donors and partners

- Have your donors changed? Where do you get your main donations and help?
- Do you think there is a risk of imbalance in the distribution of donations? How can this affect sectors of charity other than the most trending ones?

- Do you think there is a reduced competition between charities? If so, how long will this trend last?
- Do you have new partners? From which areas?

Reporting

- Are you able to report on your activities? How do you do that?
- Have you received reporting requests from donors or beneficiaries? Is this any different from the practices that were common before February 24?

Communication

- What are the main channels of communication you use? Have they changed since the beginning of the Russian invasion?
- Have the priorities in communication channels and its style changed?
- Have the creative communications encouraged your benefactors to donate more? Please, give examples.

Future

- How do you see the field of charity in 3-4 months? In one year?
- Will the number of donations and volunteerism increase after the war?
- What can the government do to make the foundations work more efficiently?