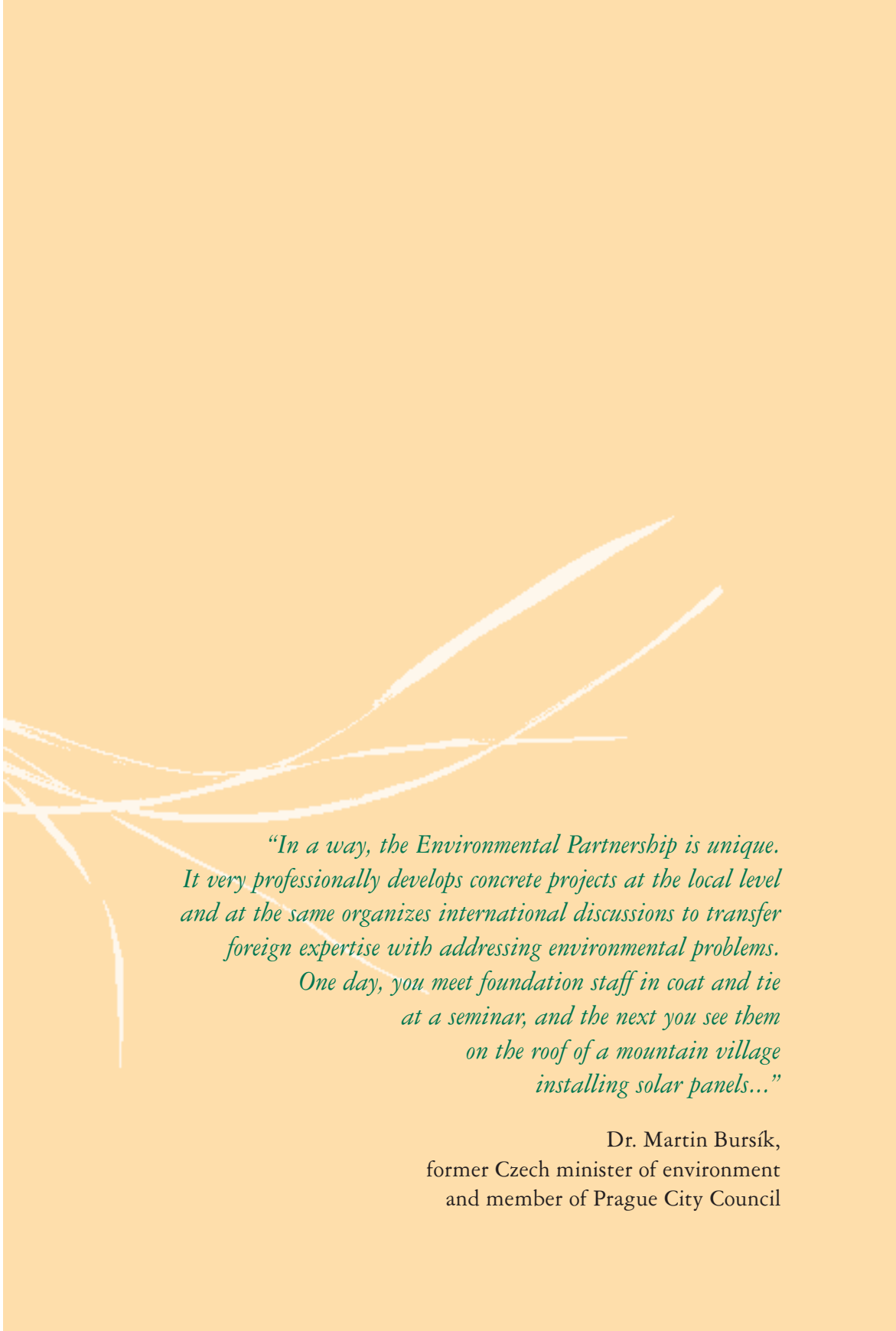




THE ENVIRONMENTAL PARTNERSHIP FOR CENTRAL EUROPE 1991-2000

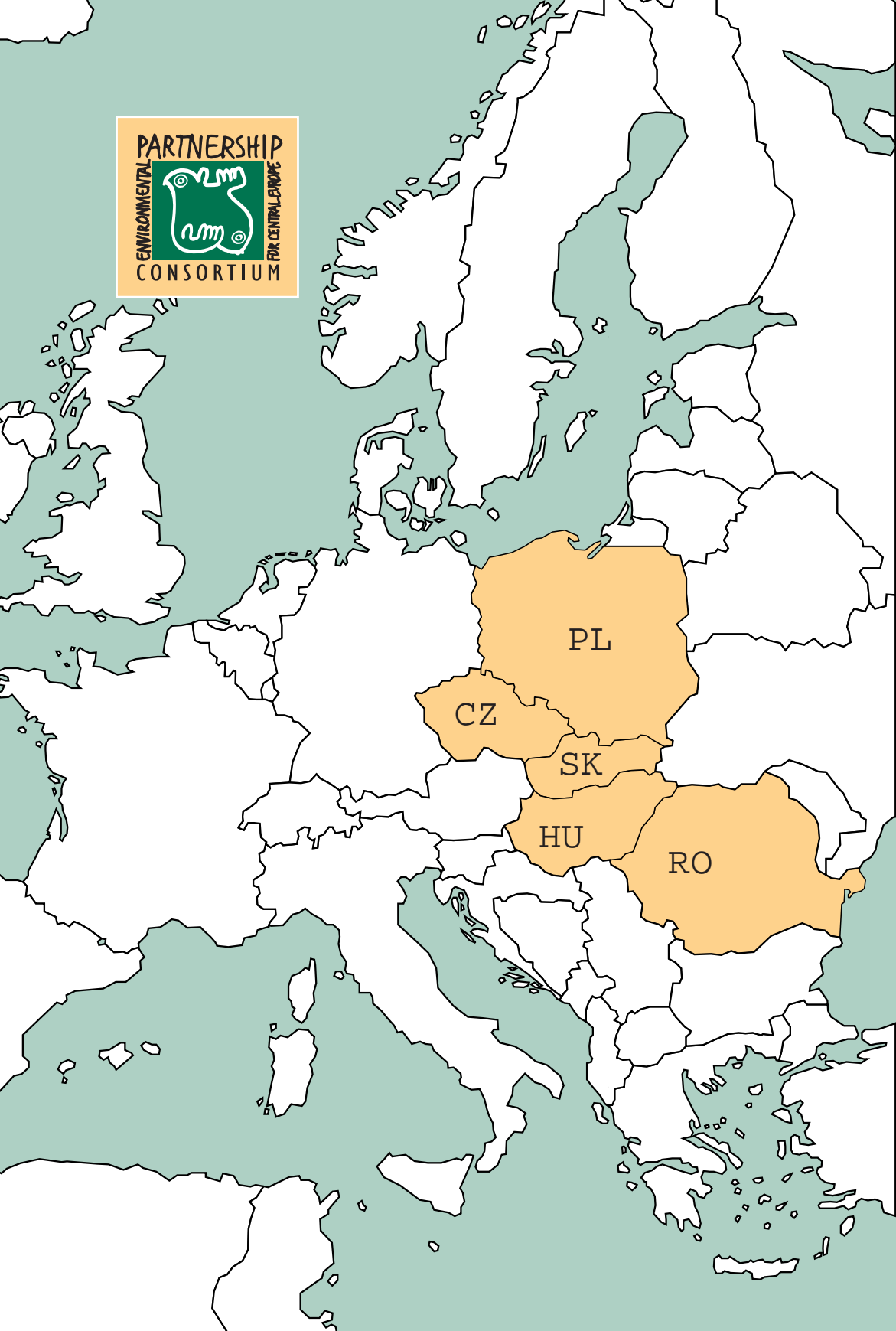
A Decade of Nurturing the Grassroots





*“In a way, the Environmental Partnership is unique.
It very professionally develops concrete projects at the local level
and at the same organizes international discussions to transfer
foreign expertise with addressing environmental problems.
One day, you meet foundation staff in coat and tie
at a seminar, and the next you see them
on the roof of a mountain village
installing solar panels...”*

Dr. Martin Bursík,
former Czech minister of environment
and member of Prague City Council

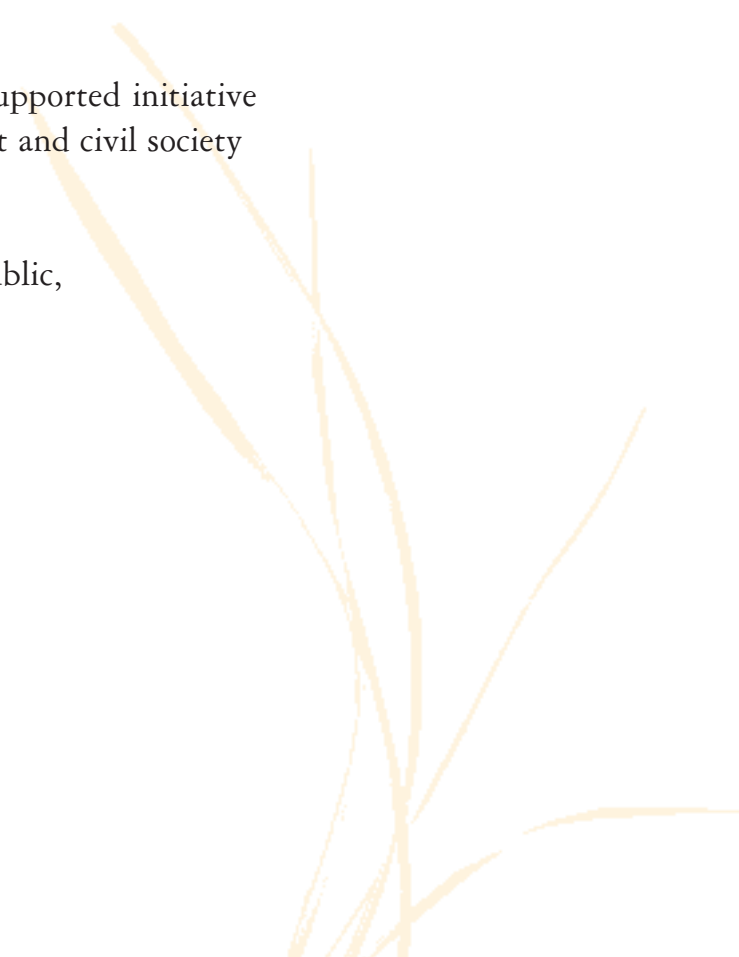


1991-2000


A Decade of Nurturing the Grassroots

THE ENVIRONMENTAL PARTNERSHIP FOR CENTRAL EUROPE

A foundation-supported initiative
for environment and civil society
in Hungary,
Poland,
the Czech Republic,
Slovakia
and Romania



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Foreword

This report traces the development of a promising initiative to help citizens of the countries of Central Europe deal with profound environmental challenges and in the process, strengthen the transition to democratic societies after decades of Communist rule. Originally established as a temporary measure for supporting grassroots initiatives in Central Europe, the Environmental Partnership for Central Europe (EPCE) over the past decade has developed into a consortium of indigenous foundations in the Czech Republic, Poland, Hungary, Slovakia and (from 2000) Romania that are now helping their societies face new challenges, including those related to the expansion of the European Union. One of many initiatives conceived and funded primarily by private foundations in the West during the tumultuous changes that began with the fall of the Berlin Wall and the collapse of Communist regimes throughout the region, the Environmental Partnership has since emerged as a model from which many lessons can be applied to other areas of social policy and parts of the world.

The Environmental Partnership will complete ten years of operation in 2000. As EPCE moves into its 11th year of existence, this report presents an overview of its history, an examination of current activities, observations on future directions, and lessons that might be applied to other settings. Examples are given throughout the text of initiatives undertaken by partnership participants to curb air, water, and soil pollution, to inform the public of what is at stake, to strengthen democratic processes, and to persuade official and unofficial centers of

power to become more vigilant caretakers of the environment. In all of its efforts EPCE has adopted a holistic approach to environmental problem-solving that takes into account the role of economic and social factors in building environmentally healthy societies.

The report was written and edited by Robert Tolles, an independent consultant, and Andreas Beckmann of the Czech Environmental Partnership foundation with extensive input from EPCE staff and funders. It draws extensively on “Building Civil Society in Central Europe: An assessment after six years,” an analysis undertaken in 1997 by Graham S. Finney at the behest of the three American foundations that provided initial funding for EPCE. Mr. Finney is an independent consultant who has had extensive experience assessing the work of non-profit organizations, foundations, and public-private partnerships.

The report was commissioned by the Charles Stewart Mott Foundation, the German Marshall Fund of the United States, and the Rockefeller Brothers Fund, the three American foundations that initially developed the idea of an environmental partnership in Central Europe and provided a significant part of the funding.

May 2000

Charles Stewart Mott Foundation

| *Flint, Michigan and Prague*

German Marshall Fund of the United States

| *Washington, DC and Berlin*

Rockefeller Brothers Fund

| *New York, New York*

1989: Challenge and Opportunity

The appalling consequences of environmental neglect and mismanagement could be seen in many parts of Central Europe in 1989. Destruction of natural areas, dying forests, undrinkable water, and high levels of carcinogenic toxins contributed to widespread citizen dissatisfaction and the eventual demise of the Communist order.

A World Bank study of the situation in Czechoslovakia in the early 1990s highlighted the seriousness of the problem. “Czechoslovakia vies with its neighbors as one of the most polluted countries in the world. Air pollution is serious in all urban/industrial centers and in northern Bohemia poses an immediate threat to human health, contributing to the death of much of the surrounding forest. Nearly 70 percent of the country’s waterways are heavily polluted and the drinking water of many cities does not comply with international standards... A majority of animal species is considered endangered.”

Looking at the situation a few years later, the U. S. National Intelligence Council noted that environmental conditions in Central and Eastern Europe, while having improved, remained among the worst in the world. Decades-long abuse of the environment produced a large stock of accumulated pollution in the form of extensive soil contamination, salinization of water, and acidification of both. Sulfur dioxide pollution has damaged nearly 50 percent of the region’s forests.




Foto Ibra Ibrabimovič

Concern over this situation spawned a diversity of environmental groups, many of which were tolerated by the Communist regimes, as they did not threaten their authority directly but served, instead, as an outlet for growing restlessness. The hundreds of branch organizations of the official Czechoslovak Union of Nature Conservationists, for example, engaged in a variety of conservation and educational activities that occasionally spilled over into criticism of dams and other projects planned by the state. In Hungary, members of the Danube Circle openly opposed plans to build the Gabčíkovo-Nagymaros dam. In 1989, environmental concerns played a prominent role in the groundswell of popular opposition that toppled the Communist regimes.

With the collapse of Communism, the situation for citizens groups and environmental conservation changed rapidly. The environment was a major issue in the first elections in 1989 and 1990. New civic groups mushroomed throughout the region. However, the concept of a private voluntary, nongovernmental sector working on social problems was largely alien to the region. The organizations had limited experience in proposing constructive alternatives to government policies and practices. There was no adequate legal framework sanction-

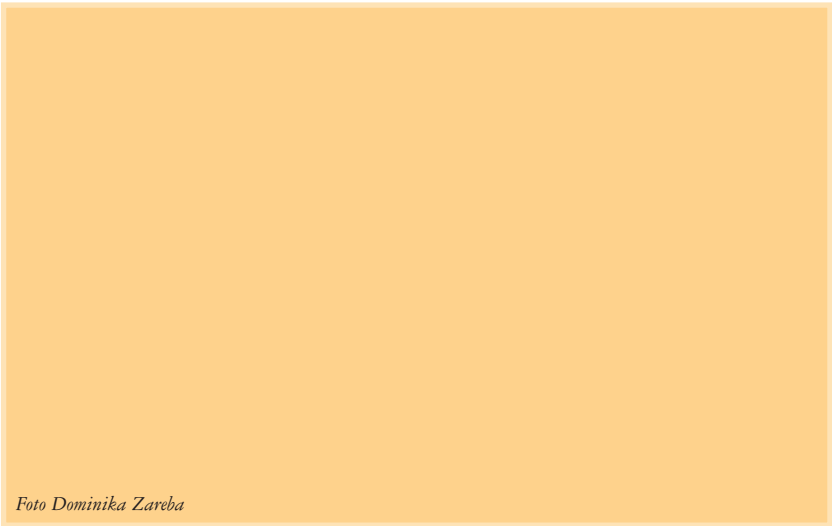


Foto Dominika Zareba

ing the nonprofit sector, no existing infrastructure, few trained leaders, no experience with Western-style fiscal and management practices, and no funding for such organizations. There was, moreover, a severe legacy of distrust and totalitarian conditioning to overcome. Four decades of centralized decisionmaking had undermined individual creativity and initiative.

The new societies that emerged in 1989 faced the challenge of not only addressing the environmental destruction that was the legacy of Communism but also of preserving some of the positive things that the previous regimes had left behind. Seemingly paradoxically, next to appalling environmental devastation, the top-down organization and benign neglect of Communist regimes also served to preserve significant treasures of natural and cultural heritage. Despite the corrosive effect of acid rain and the poisoning of the region's waterways, the diversity of plant and animal life in Central Europe in 1989 was higher than that in West European countries, where development had cut into habitats and consumed more resources.

Central European societies emerged in 1989 with very serious environmental problems, but also a richer biodiversity than in Western Europe. Holding onto this natural wealth in the face of changing land use, increasing development pressures, and growing consumption has posed at least as great a challenge as treating the devastation inherited from the Communist regimes. Photo: Czech Environmental Partnership

The centralized effort to exploit coal for energy and increase industrial production ravaged northern Bohemia, but left the virgin forest of Bielowieza in Poland, large stretches of the Carpathians, and other areas relatively untouched. As a result, the distinctive features of these landscapes and local cultures remained better preserved than similar areas in Western countries, which bore heavier marks of modern civilization. Areas such as the Biebrza wetlands in southeastern Poland, an important nesting site for many different species of birds, are significant treasures not only for the region but for Europe as a whole. In addition, while many Western countries are coming to realize the costs associated with automobile-dependence, including problems of urban sprawl, post-Communist societies inherited excellent public transportation networks and relatively compact communities.

A remarkable partnership between citizens groups in Central Europe and Western foundations and organizations helped the societies that emerged from under Communism in Poland, Czechoslovakia and Hungary in 1989 to address the problems inherited from the previous regime as well as to gird themselves to face new challenges.

Birth of the Partnership

The demise of Communism created an unparalleled opportunity for governments and philanthropic institutions in the West to move quickly to support the emergence of democracy in Central Europe. Western foundations concerned with U.S.-European cooperation sent officials to the region to talk with newly elected political leaders and with representatives of nascent groups eager for a voice in public policy and searching for ways to turn their, often informal, associations into self-sustaining nongovernmental organizations (NGOs) that would play an active role in building new civil societies. Western environmental experts were assigned to assess the situation in individual countries and the level of development of the various environmental groups. The Western foundations concluded that helping to curb the deterioration of the region's environment was not only critically important in its own right but could also be a promising route for building democracy and civil society in Central Europe.

They also realized that they would need to pool their resources if they were to have maximum impact. *"Only by joining forces could we hope to make a difference,"* says Marianne Ginsburg of the German Marshall Fund, an American foundation created on the basis of a gift from the Federal Republic of Germany to thank Americans for their postwar Marshall Plan aid.

"Acting alone, the danger was that we would get stuck on random local problems and fail to attack the underlying need for broad-based and effective citizen involvement. Certainly, we needed our combined resources. But we also needed the individual know-how and special strengths of our various institutions and the added security of knowing we were sharing both risks and experience."

Nurturing the grassroots

It was already clear in 1990 that small citizens groups and registered NGOs throughout Central Europe had good ideas and an eagerness to address priority environmental problems, and that relatively small amounts of money could be very effective in supporting and encouraging people to address their own challenges. Western foundations also realized that it would be preferable if recipients of support were selected in the region rather than from abroad, since Central Europeans knew their own countries best and were in a position to review applications in the local languages, thus extending the opportunity for support to even the smallest citizens groups in the remotest areas.

The Charles Stewart Mott Foundation, the German Marshall Fund, and the Rockefeller Brothers Fund decided to pursue a “bottom-up” approach to environmental decisionmaking by empowering grassroots nongovernmental organizations in key countries of Central Europe. Local leaders would be selected to head offices that would coordinate activities in Poland, Hungary, and Czechoslovakia (a fourth office was added when Slovakia became independent).

The various local partners would identify particular needs and goals. For their part, the Western partners would provide them with technical and financial support to build their organizations and to push for reforms in decisionmaking affecting the environment. The local offices would also serve as liaisons to environmental groups elsewhere in Europe and North America, including such well-known NGOs as the World Wildlife Fund, Natural Resources Defense Council, Grüne Liga, Environmental Defense Fund, and others.

Thus began the Environmental Partnership for Central Europe during the heady days following the tearing down of the Berlin Wall and the one-by-one collapse of Communist regimes across Central and Eastern Europe. It was a partnership in the full meaning of the word: among Western funders, the new country-specific organizations, and existing and emergent grassroots environmental groups in the various countries.

In 1991, the three core funders made an initial commitment of USD 1.8 million for the program, later supplemented by USD 3.4 million to carry the initiative through the year 2000. 15 other foundations, including several in Western Europe and Japan, contributed an additional USD 3.9 million. The partnership offices in the four countries themselves have raised a further USD 6.3 million in the past several years. Altogether, over the nearly ten years that EPCE has been in operation, more than USD 15.4 million has been contributed to support the program.

The bulk of these funds have been disbursed in the form of over 3,000 small grants to some 1,300 grassroots environmental organizations — a total of USD 8 million through mid-1999, with each grant averaging 2,400 USD. The remaining funds have supported administrative costs plus training, leadership development, capacity building, and technical assistance. These latter activities often involved fellowships, study tours, and expert advice.

The core funders sought to select local professionals to head the grant-making offices, who were entrusted with building and training staff and implementing programs. Committees made up of local environmental leaders, scientists, journalists, educators, and others advised each office, approving all grant proposals and recommending strategies. In several cases in the early years, young Americans provided start up leadership in tandem with active local engagement.

Recruiting top-quality people to head the offices in each country was considered critically important to the program's success. *"We were looking for people who had a strong commitment to public service and an entrepreneurial spirit to help transform their countries into open societies,"* says Bill Moody of the Rockefeller Brothers Fund. *"We were looking to identify people who were respected by their colleagues, would work with others, and move ahead. They needed to be familiar with environmental issues and have political savvy and leadership qualities. They would need to talk with government and other people outside of their own networks. This was a real challenge in the beginning; but we did, indeed, find the top-quality people."*

Small country offices were opened in 1991 in Czechoslovakia (with offices in Prague and Bratislava) and in 1992 in Hungary and Poland. Local advisory committees and staff, assisted by Americans and West Europeans, designed programs to fit prevailing conditions in each country.

There were many bureaucratic obstacles to overcome. Because the three Central European countries had no adequate foundation laws, the country offices were the responsibility of the core funders in the initial years. The German Marshall Fund became the project administrator and opened a special EPCE office in Washington, naming Marianne Ginsburg, and later Irmgard Hunt, as coordinator.

EPCE's style of management delegated significant day-to-day responsibility to the individual country offices. In many instances the offices were called upon to fund grassroots groups with little experience but with ideas worthy of support. They did not have the luxury of leisurely analyzing every decision. The situation revealed a willingness on the part of the Western funders to rely on the judgment of local staff and staff, in turn, to trust that the local groups would spend the money wisely.

"These foundations trusted us with what, for us, was huge money," says Krzysztof Kamieniecki of the Institute for Sustainable Development in Warsaw, one of the first environmental NGOs in Poland to receive EPCE support, *"and yet they never interfered with our activities."*

In the early years, the core funders and other funders met regularly face to face and by telephone to review programmatic and institutional development issues. Then, annual meetings provided a venue for reviewing the performance of the partnership and planning next steps. These meetings, held in different parts of the region, brought funder representatives and country staff together in two- and three-day working sessions to discuss grantmaking, fundraising, and governance issues. The meetings facilitated timely adjustments, such as the decision to open a Slovak office in 1993, when the Czech-Slovak federation disbanded. In keeping with EPCE's charter to promote open decisionmaking, reports detailing activities in the individual countries were published and distributed each year.

Country Leaders

Although the Environmental Partnership for Central Europe was directed from Washington in its initial years, the goal was to have people on the scene in positions of responsibility. By 1994, local professionals, all with backgrounds in the sciences and years of experience as environmental activists, were managing the four country offices. They included:

Zsuzsa Foltanyi, director of the Hungarian Environmental Partnership since 1991, has an MS in chemical engineering and biology from the Technical University in Budapest. She has worked as a journalist, edited an environmental newsletter for the Panos Institute, and has a particular interest in energy conservation and nuclear issues.

Miroslav Kunderata, who became Czech Environmental Partnership director in 1994, holds a doctorate in physical geography and was a co-founder of the Czech Union of Nature Conservationists and of the environmental quarterly VERONICA.

Juraj Mesík, Slovak country director, is a physician with a degree from the Comenius University School of Medicine in Bratislava. He served as vice president of the Slovak Union of Nature and Landscape Conservationists from 1990 to 1993, co-founded the Green Party in 1989-1990, and has been a member of Parliament and an advisor to the minister of the Federal Committee for the Environment in Prague.

Rafał Serafin, Polish director since 1996, has degrees in the environmental sciences and geography from universities in Waterloo and Toronto in Canada and East Anglia in England and a special expertise in urban and rural planning and ecological economics. He returned to Poland in 1990 to participate in the country's economic, political, and environmental reforms.

Krystyna Wolniakowski, the first country officer in Poland who later became the partnership's regional coordinator, an American who had worked as a water quality specialist for the Oregon State Department of Environmental Protection before moving to Wrocław in southeastern Poland. She has an MS degree in biological oceanography from Oregon State University.


The success of EPCE owes much to the skills that each of these leaders has brought to the partnership. Jon Blyth, who monitors third-sector developments from an office in Prague for the C. S. Mott Foundation, says that they and their staff have created flexible and effective organizations that are highly responsive to the needs of both the environment and the third sector. *"Their dedicated work has transformed a largely Western, short-term initiative into a close family of native institutions capable of playing an important role in the development of their societies. Throughout this development, the organizations have not lost sight of their original mission to foster civil society and achieve tangible results for the environment."*

In response to intense development pressure on the Jura, a beautiful karst landscape near Krakow, the Polish Environmental Partnership has joined forces with Ojców National Park and the Jura Upland Landscape Protection authorities to promote awareness of the rich natural and cultural heritage of the area as well as to foster alternatives for local development that both respect and protect these treasures. A number of initiatives focus on schools, including the school garden in the village of Biały Kościół, which schoolchildren, teachers, and parents have developed to feature plants and flowers that are native to the region. Photo: Dominika Zaręba

A Consortium of Independent Foundations

By the mid 1990s, the core funders realized that what had been established as a short-term vehicle for delivering support to grassroots initiatives in Central Europe had the potential to assume a permanent presence in the region.

In 1995, after a year of preparation, strategic planning, staff training, and analysis of developments in each country, EPCE started the process of converting the four country organizations into independent and self-governing foundations. The move was an explicit attempt to contribute to the revival of philanthropy, absent from Central Europe for over 40 years. Each country office was responsible for its own grant-making and fundraising under the supervision of boards of directors. Except in Slovakia, where a hostile political climate persisted, the boards were constituted as legal foundations, each created under the terms of newly enacted laws regulating nongovernmental organizations. To enable the new foundations to get off the ground, the core funders pledged continued support to the year 2000, including earmarked funds for capacity development and training of foundation staff and boards. By June of 1997, the transfer of administration was complete, the Washington office closed, and its functions of record keeping and financial management transferred to the country offices.



The transformation of the country offices into independent, indigenous foundations presented the organizations, their boards, and staff with major challenges and required considerable flexibility. Organizations focused primarily on supporting grassroots initiatives were confronted with the need to raise and manage funds, communicate with the public, and formulate long-term development strategies. Essential to the long-term success of this transformation has been the ongoing support of the Environmental Partnership's core funders, not only in terms of funding but also technical assistance and practical advice.

One of the principal challenges has been to develop governing structures for the new foundations. The original advisory boards, whose main role was to select grants, have gradually evolved into boards of trustees fully responsible for providing strategic direction for the foundations. Transforming the boards has been a step-by-step process requiring balance between the need for experience and stability on the one hand and the need for a host of new skills on the other. The environmentalists who made up the bulk of the original advisory boards have been gradually joined by lawyers, financiers, businesspeople, and prominent personalities.

The gradual evolution of the boards has also involved more subtle but essential changes, particularly the development of a sense of responsibility among the organization's board members and a shift from the selection and management of individual projects to the provision of strategic direction for the organization as a whole. Though elementary, the shift proved a long-term challenge for the Environmental Partnership as for virtually all nonprofits in Central Europe, where experience with nonprofit governance is still nascent. Particularly helpful in spurring this development, along with the addition of new board members with experience from the corporate sector or working abroad, was a training program developed by the Center for Nonprofit Boards in Washington D.C. in which EPCE board members participated.

The challenge of regional partnership

The loss of a central point in the Washington office forced the new foundations to consider how best to mediate their relations with one another. This, too, proved challenging, given the sheer diversity among Central European countries and the rapid development taking place in the region.

Lingering Cold War perspectives, accustomed to dividing Europe into East and West, continue to obfuscate and oversimplify the breathtaking diversity both within and among the countries that lie east of the former Iron Curtain. The differences serve to complicate communication and cooperation. For one, communication between the foundations must take place in English as a lingua franca, and many attempts to network NGOs in the region have been hindered by the basic problem of people not being able to understand one another. The differences also present each of the foundations with very different concerns and conditions.

Operating in a country that is larger than the Czech Republic, Slovakia and Hungary combined, the Polish Environmental Partnership is just one of a number of sources of support for environmental initiatives. Its Czech sister foundation, in contrast, has become a mainstay of funding for NGO projects in the Czech Republic. One consequence of this is that the Polish foundation has had much greater freedom to use its support as seed-money and focus on specific issues, while the Czechs have had to maintain a broad-based program of support. While the Slovak foundation for many years operated in an unfavorable political environment, its Hungarian counterpart enjoyed relatively good working relations with the state and, for a time, administered the state Central Environmental Fund for environmental initiatives.

In order to mediate cooperation amidst such diversity, the Environmental Partnership foundations initially set up a regional organization, but soon exchanged this in favor of a looser and more flexible consortium structure. As members of the Environmental Partnership for Central Europe Consortium, the foundations share a common mission, philosophy, and approach focused on environmental improve-

ment, partnership, and grassroots initiatives. Frequent meetings take place between the directors and staff of the foundations. As the foundations' governing structures have evolved, key board members have also joined in these consultations.

Special programs and projects with an element of cross-border cooperation have provided concrete links between the foundations as well as with neighboring states, including Germany, Austria, Romania, Estonia, and Ukraine. The so-called "Black Triangle" program has supported cooperative initiatives between German, Polish, and Czech organizations to improve the devastated environment in the German-Czech-Polish border area. All four foundations have been working together on developing "green" corridors for sustainable development and environmentally friendly tourism throughout the region, including the Amber Trail from Krakow to Budapest, and the Prague-Vienna Greenway. Other cooperative programs focus on energy conservation and rural sustainability.

Communication and cooperation require an ongoing investment of time and energy but yield valuable rewards not only in terms of concrete cooperation but also learning. Over the years, each of the foundations has developed distinctive areas of concentration and expertise from which other members of the consortium can profit. The Hungarian Environmental Partnership is particularly strong on energy issues and working with Roma, while in Poland the foundation has been leading the way in developing productive relationships with the corporate sector as well as reforming water and flood management. EPCE Slovakia has developed an expertise in rural development as well as the creation of community foundations, which the Czech Environmental Partnership is now tapping for some of its own community development initiatives. The Czech foundation has, in turn, led the way in promoting citizens' right to information and participation in decisionmaking processes.

Both the potential and challenge of regional cooperation have acquired a new dynamic as of January 2000 with the extension of the Environmental Partnership for Central Europe to include Romania. The new Romanian EPCE, which is located in the Transylvanian town of Miercurea Ciuc, distributed its first grants for nonprofit initiatives in May 2000.

The Environmental Partnership has played a leading role in the efforts of a unique coalition of civic groups, local leaders, state officials, farmers, businesspeople, and foreign donors to nurture a broad range of small-scale local initiatives that, taken together, provide a strong impetus for economic development in the White Carpathians, a beautiful patchwork landscape straddling the Moravian-Slovak border that, like many rural areas in Central Europe, has been buffeted by high unemployment and crises in agriculture and industry. Just as importantly, these initiatives present the best hope for preserving the area's social fabric and rich cultural and natural heritage.

One group of initiatives focuses on exploiting market forces to develop the local economy while also preserving the rich biodiversity of the area. The first of several juice-extraction plants planned for the White Carpathians is being completed in the village of Hostětín and will produce pure, unfiltered juice from apples grown in the area. The juice will be sold under the “Traditions of the White Carpathians” label, a marketing brand that the association has developed to market

Over 60 do-it-yourself solar collectors have been installed on homes and public buildings in the White Carpathians thanks to the Sun for the White Carpathians project developed by the Veronica Ecological Institute. The project is one of dozens of initiatives being undertaken by local communities, farmers, nonprofits, and state organs to achieve sustainable development in the UNESCO-designated Biosphere Reserve. Photo: Jiří Dobrovolný



high-quality natural products from the region, including dried fruit, juices, and jams, as well as traditional handicrafts. *“The idea is to develop a clear association with the White Carpathians region and its special qualities,”* explains Miroslav Kundra of the Environmental Partnership.

Dozens of solar collectors have been installed on homes and public buildings in the White Carpathians thanks to a project developed by the VERONICA Ecological Institute with a grant from the Environmental Partnership. The program subsidizes half the Kc 30,000 (about USD 800) price tag for the simple solar collectors in order to create a critical mass of collectors in the region that can spark a broader market for solar power. The strategy seems to be working. *“When some of my neighbors saw that {the system} works and makes warm water even in winter, they installed it as well,”* says Jaroslav Boleček, the first Hostětín resident to install a solar panel on his house. *“Now, when I get together with other guys from the pub, we show off whose system works better,”* he said.

About a quarter of the houses in Hostětín now have solar panels. The village is quickly becoming a model community for rural sustainable development: besides solar energy, homes are heated from a central biomass heating plant fueled by wood from area forests, and sewage waste is treated by a low-cost natural reed-bed sewage treatment plant (a form of biological treatment of waste water). A driving force behind Hostětín’s transformation has been Drahomír Orsák, a mason and mayor of the village, who has played a key role in convincing local residents to try out the new approaches and technologies.

Other initiatives in the region are focused on promoting organic agriculture, re-introducing the tradition of sheep grazing, developing products and markets for wool, creating land trusts, as well as a variety of cultural activities, including traditional fairs and celebrations.

Sustainability

The long-term sustainability of the Environmental Partnership depends on developing new and more diverse sources of support. Considerable strides have been made toward this aim; compared with a virtually 100 percent dependence on private U.S. funders a few years ago, the EPCE foundations in recent years have managed to raise over half of their income from other, particularly West European, sources. The trend is promising and will reduce the impact when core funding draws to a close early in the new millennium.

Key to this success has been the ongoing support of the core funders, which has given the foundations a position of strength, stability, and flexibility while they developed new sources of support. Significant new funds have come from West European sources, including the Deutsche Bundesstiftung Umwelt (for projects in the Black Triangle of northern Bohemia and southwestern Poland) and the Luxembourg and Austrian ministries of environment (for projects focused on energy conservation and CO₂ reduction). In Poland, support for flood-related projects has come from the Stefan Batory Foundation, while rural leadership programs in Slovakia have attracted significant support from Canadian and British aid programs.

In 1997, the Hungarian Environmental Partnership was selected to manage the state NGO-support fund, and the Slovak Environmental Partnership was recently chosen to manage a USD 2 million civil society support scheme from the United States Agency for International Development. All four foundations have also been building endowments to assure their long-term stability. The Czech Environmental Partnership has made the most progress in this regard, thanks to over Kc 38 million (over USD 1 million) received from the state's proceeds from privatization.



Significant steps have also been made toward generating support from the corporate sector. All four foundations are currently working with the Honeywell Corporation on a special program to support energy conservation and education. The Polish Environmental Partnership is working with British Petroleum on a major initiative called Czysty Biznes (Clean Business) to engage small and medium-sized enterprises in environmental action for the benefit of local communities, for which the corporation has committed USD 2.3 million over seven years.

As the most dynamic sector of society, business is not only a promising source of support for environmental projects but also clearly must be engaged in its own right in protecting the environment. As businesses increasingly recognize the need to communicate, understand, and work with citizens and communities and begin addressing environmental concerns, the Environmental Partnership foundations have great potential to serve as intermediaries and catalysts in this process. At the same time, the controversy surrounding support from the biotechnology producer Monsanto for a very successful program focused on rural sustainability in Poland and the Czech Republic has revealed the sensitive position that environmental organizations, including the Environmental Partnership foundations, face in their relations with the corporate sector.

A major challenge for the future will be to find replacements for the unrestricted funding provided up to now by the core funders. Most donors, be they governments, other foundations, or the private sector, require their support to be limited for specific purposes, and businesses usually want to have a direct association with the projects they support. Though understandable, such limitations prevent the Environmental Partnership from responding flexibly to the greatest needs. Support from the core funders has been remarkable in that it has come with no strings attached.

How EPCE Works

The Environmental Partnership foundations have developed a broad palette of instruments to support grassroots environmental problem-solving, including small grants, training and technical assistance, study tours and fellowships as well as a range of special programs.

How EPCE Works

Small grants

Technical assistance

Training

Fellowships and study tours

Special programs:

- *Energy Alternatives*
- *Right to Know and Advocacy*
- *Landscape Stewardship and Sustainable Rural Development*
- *Greenways for Central Europe*
- *Czysty Biznes-Clean Business*
- *Rural Leaders Program*
- *Greenworks*
- *Partnership for Public Spaces*



Small grants

The Environmental Partnership's core activity, and the one for which it is most well known, is its provision of small grants for environment-related projects of NGOs and communities. The microgrants, which can be up to USD 8,000 but average USD 2,400, have proven very effective in enabling nonprofit organizations to mobilize local resources and so do much with little. They have also been a key factor in nurturing a strong and stable network of organizations; experience shows that civic organizations that have grown bit by bit are much more likely to survive over the long-term than those that have received sudden infusions of large-scale support.

Grants, which are approved by the boards of directors of the foundations several times per year, have gone to a broad range of initiatives, from environmental education for schoolchildren to the creation of nesting sites for white storks. EPCE funds have enabled NGOs to identify areas of mercury contamination, to assist rural homeowners in installing insulation in their homes, to introduce land trusts to the region, and to promote public access to information and decisionmaking.

Initially, a main focus of grantmaking was the development of environmental NGOs in the region. In recent years, with a strong and relatively stable network of organizations in place, more support is going to communities, which are becoming increasingly active in environmental protection. The foundations particularly favor projects that yield concrete results, are community-based, involve some form of public participation and cooperation (between organizations and across sectors as well as national borders), and are holistic, approaching environmental issues within a broader context (that is, one that incorporates economic and social concerns).

Another hallmark of EPCE's work is its active approach to grantmaking. In contrast to many other funders, which limit themselves to awarding grants and filing reports, the Environmental Partnership foundations stay in close contact with the projects they support, often sending representatives to visit and consult with project managers.



Waste management has become one of the most pressing issues in Central Europe over the past decade. In the Polish town of Brzeg, the municipal government introduced a recycling system with support from the Environmental Partnership. The project was part of a larger program of cross-border cooperation in the environmentally devastated “Black Triangle” along the Polish-German-Czech border that was developed by the Environmental Partnership in cooperation with the German Marshall Fund and the Deutsche Bundesstiftung Umwelt. Photo: Dominika Zaręba

This enables the foundations to target their grantmaking more effectively and to assess and respond to additional needs at the local level. Notes Grzegorz Tabasz, president of the Association for Active Nature Protection “Greenworks” in Poland: *“We especially appreciate the Environmental Partnership’s special relationship with grantees. It works in close contact with the organizations and helps in project implementation.”* Assistance often takes the form of leveraging additional support for projects from other sources.

The effectiveness of using small grants to develop social infrastructure has served as a model for other organizations. The Regional Environmental Center, which serves countries in Central and Eastern Europe with funds provided by Western governments, established country offices in 1993 to administer its own mini-grant program, based largely on the EPCE model. The US-based Initiative for Social Action and Renewal in Eurasia conducts a similar program in Russia and other countries of the former Soviet Union.

Capacity building

Because of a dearth in qualified staff to run environmental programs, EPCE gave early attention to training activities. Partnership grantees and staff from the country offices have participated in study tours, training sessions, and fellowship programs. Training activities at first concentrated on developing management and leadership skills but have since expanded to include courses in strategic planning, advocacy, fundraising, media skills, and other specialized subjects. At first, experts from the United States and Western Europe ran these sessions, but with time, trainers from the region have taken over this function.

The Hungarian Environmental Partnership has developed a complex program of support for NGOs that includes assistance with strategic planning, development, as well as small grants to implement plans. Other activities of the Partnership foundations have focused on introducing new ideas and methods to the region, including new approaches to flood and water management, land trusts, and other instruments for land conservation.

All told, some 600 individuals have participated in various EPCE capacity-building programs. This growing “alumni association” of trained environmental specialists is regarded by many as the Environmental Partnership’s most enduring legacy.



Special programs

The Environmental Partnership foundations have developed a number of special programs to focus on particular issues or respond to specific needs. They include:

Energy Alternatives: Energy is of key importance not only for the economy but also the environment in Central Europe. A decade after the fall of the Iron Curtain, energy use in the countries of Central Europe is still more than twice as inefficient as in Western countries. National energy policies continue to emphasize coal and nuclear power rather than seeking to develop renewable sources like their neighbors in the European Union. EPCE small grants and activities focus on promoting energy conservation and renewable energy sources, including solar, wind, water, and biomass.

The Slovak Environmental Partnership has been one of the driving forces behind the establishment of the Healthy City Foundation of Banská Bystrica and Zvolen, one of the first and most successful community foundations in Central and Eastern Europe. The Healthy City foundation has not only mobilized resources for a wide range of local initiatives, but also and more importantly has challenged the culture of passivity inherited from the Communist era by fostering initiative and public participation in local decisionmaking. Photo: Healthy City Foundation



Right to Know and Advocacy: Formal guarantees of citizens' access to information and decisionmaking that are embedded in constitutions and laws throughout Central Europe in many cases do not translate into actual practice thanks to vague wording, entrenched bureaucratic mindsets, and citizens' lack of awareness of their rights. The Environmental Partnership foundations have been spearheading efforts to promote access to information generally and with regard to consumer products and toxic substances in particular.

Landscape Stewardship and Sustainable Rural Development: After years of being neglected, development of rural areas in Central Europe is attracting increasing attention from national governments as well as the European Union. In a number of areas, including the White Carpathians of eastern Moravia, the Jura Upland north of Krakow, and the area of Babia Gora on the Polish-Slovak border, the Environmental Partnership foundations are working with a broad range of partners to implement practical initiatives to generate jobs and economic growth in a way that respects and even protects the rich cultural and natural heritage of these areas.

Participants of one of the first landscape stewardship workshops organized by the Environmental Partnership and the QLF Atlantic Center for the Environment in eastern Moravia in 1994. In addition to the international team, the group included farmers, local and state officials, nature conservationists and other stakeholders who sought a common vision for both using and protecting the landscape. Hundreds of people from Central Europe have participated in study tours and workshops of the landscape stewardship program. Photo:

Veronica Ecological Institute

Greenways for Central Europe: Greenways present attractive opportunities for preserving cultural and natural heritage by developing sustainable tourism. The Environmental Partnership foundations are currently working on a number of such “green” tourist routes and development corridors, including the Prague-Vienna Greenway, the Amber Trail stretching from Krakow to Budapest, and the Wine Trails of Southern Moravia. The routes are about much more than tourism: they foster local pride and regional identity and provide a clear focus for cooperation between communities, businesses, nonprofit groups, and state authorities.

Czysty Biznes — Clean Business: Taken together, small and medium-sized enterprises are a major source of pollution in Central Europe, but also a resource for local innovation and leadership. To address this issue, the Polish Environmental Partnership has partnered with Groundwork Blackburn from the United Kingdom and BP Poland to develop a program of local business clubs that promote environmental and community best practice among their members. *“From a larger perspective, the environmental problems of a single bakery are not very significant, but when we consider that there are thousands of bakeries in southern Poland — and each one can reduce costs, recycle wastes, save energy and pollute less — then the opportunity for environmental improvement is enormous,”* notes Jan Ozga, owner of the Ozga bakery and a member of the Czysty Biznes Club in Tarnów. Some 200 small and medium-sized enterprises in southern Poland are currently participating in the program.

Some 200 small and medium-sized enterprises in southern Poland are currently participating in the Czysty Biznes (Clean Business) program. Photo: Polish Environmental Partnership



Rural Leaders Program: Though small villages are home to the majority of Slovaks, rural areas rarely benefit from the various foreign support programs designed to assist the transformation of society toward democracy and a free market economy. The aim of the Slovak Environmental Partnership's Rural Leaders Program is to reach out to rural communities, identify natural leaders in those communities and provide resources in the form of micro-grants for small projects selected, designed, and implemented by citizens of villages that focus on improving local conditions, culture, access to information, and the quality of life.

Greenworks: Developed by the Hungarian Environmental Partnership in cooperation with the Autonomia Foundation, the program supports environmental projects involving the minority Romani population. By providing small grants and loans, the program seeks to promote rural sustainability while fostering racial cooperation and integration of the minority population.

Partnership for Public Spaces: Inspired by the New York-based Project for Public Spaces, this program is focused on revitalizing small communities in the Czech Republic by involving local citizens in making their parks, squares, and other public spaces more attractive.

Experience has shown that the greatest effect is achieved when different instruments of assistance are combined. In the Czech Republic, the Environmental Partnership has been able to support with small grants a number of concrete projects to introduce land trusts and other practical landscape stewardship concepts gleaned from fellowships in the U.S. The projects, in turn, have added value to other initiatives supported by the foundation in the framework of special programs focused on rural sustainability.

Together with the Quebec-Labrador Foundation's Atlantic Center for the Environment, based in Ipswich, Massachusetts, the Environmental Partnership has been working to reintroduce the concept of land stewardship to Central Europe. Rooted in the notion of responsible care for the earth, in the United States, the concept is usually associated with the creation of land trusts as well as tax, legislative, and financial incentives for land conservation. In the post-Communist societies of Central Europe, the idea of landscape stewardship has had broader and more profound effect, touching on the development of a civil society.

Over the past eight years of the program, more than 60 professionals from the region have been on month-long fellowships to the U.S. to study conservation issues and techniques. Many more people have participated in related workshops and seminars held in the region.

Istvan Gyarmathy, head of the Alliance of Greens and of the Hungarian Ornithological and Nature Conservation Society in Debrecen, Hungary, notes the importance that the 1992 fellowship in which he participated with the QLF Atlantic Center for the Environment has had on his career: *"Before {the fellowship}, I was only familiar with the traditional top-down conservation methods used in our nature conservation. In New England, I learned about different approaches involving NGOs, local people, and landowners. Two elements were of particular importance to me: methods of encouraging landowners to take care of their land in an environmentally friendly way, and methods of land acquisition by NGOs."*

Among other participants in the program is Petr Roth, head of nature conservation at the Czech Ministry for the Environment. Thanks to his initiative, the Ministry has established an advisory group (consisting mostly of other Czech alumni from the EPCE program) and a special program for working with and supporting the development of land trusts throughout the country, which have been given an important role in the country's new policy on nature conservation. 15 land trusts have already been established in the Czech Republic, and another 35 are currently in preparation.



Mirek Janík, director of CSOP Kosenka.

Photo: Miroslav Kunderata

The approach of landscape stewardship has helped many nature conservation organizations in Central Europe see their work in a broader context. In the 1980s, ČSOP Kosenka, a branch of the Czech Union of Nature Conservationists in Valašské Klobouky in eastern Moravia, started trying to preserve some of the 30-odd rare species of orchids that grow on the hillside meadows and that are a hallmark of the White Carpathians. “People thought we were a bit crazy and called us *flowerboys*,” admits Mirek Janík, the charismatic director of the organization. “We gradually realized that our efforts to save the orchids would be pointless over the long-term unless we took a more holistic approach that involved the interests of the people living in the area,” he adds.

Today, while continuing to care for the orchids’ meadow ecosystems, Janík and several of his colleagues serve on the town council, and Kosenka has become a driving force for sustainable development in the region. The organization has initiated dozens of projects in the region, from working with farmers to revive the tradition of sheep grazing, which for centuries was a mainstay of the local economy and maintained the flowering meadows of the area, to organizing an annual St. Nicholas Day festival that has become a major celebration of the local Wallachian culture and identity.

The EPCE Record

Certainly the most important achievement of the EPCE partnership has been the contribution it has made to the development of a strong environmental movement in Central Europe. EPCE grants, capacity building, and other activities have nurtured some 1,300 citizens groups and active communities throughout the region, which form an impressive beachhead from which to foster environmental improvements and develop a civil society. Their number, diversity, and effectiveness makes them the strongest part of the nonprofit sector. As the most significant and flexible private source of support for environmental projects of NGOs and communities in Central Europe, EPCE has been important to the development of many of these organizations.

Environmental improvement

Such organizations are behind many of the efforts for environmental improvement in the region. Projects supported by the Environmental Partnership foundations over the past decade have planted over 132,000 trees, worked to protect more than 150 species of endangered flora and fauna, insulated in excess of 630 homes, schools, and public buildings, and developed over 2,620 km of environmentally friendly cycling routes. Dozens of natural sites and areas have gained protection, and more stringent environmental legislation has been put in place.

A national campaign organized by the Polish “Wolf” nature association with Partnership support, for example, led to the introduction of legislation protecting wolves in Poland and developed a strong network of people and organizations for nature conservation not only in Poland but also Slovakia and Ukraine. Grants from the Environmental Partnership have also helped members of the Czech group ČSOP Votice prevent hundreds of birds of prey from being killed on the cross-beams of utility poles every year. The group organized a national campaign involving thousands of volunteers to map the bird fatalities and then worked together with electrical companies to redesign their utility poles. The successful project has since been introduced in neighboring countries, including Hungary, where over a tenth of electrical lines have already been replaced.

While many in Central Europe remain fixated on achieving short-term economic growth, Environmental Partnership grantees are often the only voices for a prudent development that takes into account long-term sustainability and quality of life. As advocates, they have campaigned to halt undesirable, short-term solutions to problems concerning solid waste, traffic, industrial pollution, and urban development. In Hungary, an early grant from the Environmental Partnership helped open public debate on both sides of the Danube regarding the adverse impacts of the proposed Gabčíkovo-Nagymoros dam. A coalition of mayors and citizens groups, supported by the Slovak foundation, helped stop government plans to dam the Upper Torysa River, which would have destroyed a number of villages and damaged the watershed, and proposed a cheaper and less damaging alternative (see case study, page 41). Support from the Environmental Partnership has helped the Slovak Center for Environmental Public Advocacy and Czech Environmental Law Service put the law in the service of ordinary citizens, NGOs, and the environment.

The Environmental Partnership is helping a growing number of these groups develop the capacity and sophistication to play an active and respected role in policymaking. In Poland and the Czech Republic, the foundations have worked with a number of groups to help their societies draw lessons from the devastating floods that hit both coun-

tries in the summers of 1997 and 1998 and reform current approaches to flood management. A study conducted by the Union for the Morava River in Brno, Czech Republic, with Environmental Partnership funding, pointed to serious inadequacies in watershed management and in government estimates of damage caused by the 1997 flood, which put large parts of the country under water. Other environmental groups, such as the Hungarian Energy Club, which has worked closely with the Hungarian Environmental Partnership and other grantees, have become strong and respected voices for reform of national energy policies, which still emphasize coal and nuclear power rather than energy conservation and the more sustainable solutions increasingly favored by the country's Western neighbors.

Concrete, local projects of NGOs and communities throughout the region belie the traditional refrain that innovative approaches cannot work in Central Europe. They prove that there are practical alternatives to present ways of doing things. A network of local and regional organizations working with the Hungarian Environmental Partnership and the Energy Club has developed dozens of practical examples of energy conservation and renewable sources throughout Hungary. Their volunteer "energy brigades" visit private homes and schools to install cost-effective insulation, while special workshops the groups have developed enable people to build cheap do-it-yourself solar collectors for their own homes. Their efforts show, through reduced energy bills, that it pays to be environmental and are driving commercial and political demand for more forward-looking energy solutions.

The four Environmental Partnership foundations have all found ways to leverage their limited resources, to create links with other organizations, companies, and institutions, both locally and across borders, and to build steadily a more cohesive environmental network. While NGO-led local initiatives remain the distinguishing characteristic of the Environmental Partnership approach, the foundations are becoming increasingly involved in facilitating cooperation across the public, private, and nonprofit sectors in national, regional, and international settings.

Developing a civil society

From the beginning, the Environmental Partnership has had a deeper purpose beyond environmental protection. The greater aim has been to use environmental improvement as an instrument for developing a civil society in Central Europe. As Czech President Václav Havel has remarked, a robust civil society, with an active citizenry and strong civic organizations, not only fills the human need for social connection but responds to problems that government and the private sector are unwilling or unable to address. The hundreds of NGO initiatives supported by the Environmental Partnership over the past ten years have involved thousands of citizens, showing them the value of their own engagement and public involvement, and enhancing their leadership and participation skills. Such active citizens who care about their society and surroundings are the bedrock of a healthy environment as much as a stable economy and a vibrant society in the region.

EPCE Results

Over the past nine years, the Environmental Partnership foundations have supported over 1,300 citizens groups and communities in more than 3,000 initiatives to:

- protect over 150 endangered species of flora and fauna
- plant more than 132,600 trees
- insulate 631 homes, schools, and other public buildings
- create over 2,620 km of cycling paths and nature trails
- employ 1,341 people (full- and part-time, for the space of a year)
- mobilize and involve over 15,500 volunteers

As the previous regimes continue to cast a shadow on the political culture of the region, environmental NGOs have been, next to human rights groups, the chief motors for the development of civil rights in the region. They have been the most consistent defenders of citizens' access to information and decisionmaking and a source of constant pressure for holding public officials accountable. In Slovakia, environmental groups played an instrumental role in the OK98 campaign that got out the vote for the 1998 elections and swept democratic forces into power. They are now a leading voice in the fight against corruption and in favor of open and transparent decisionmaking, not only in government and business but also among nonprofits.

With its transformation into independent, native foundations, the Environmental Partnership has assumed an active role in development of the third sector more generally. *"We quickly realized that the long-term prospects for grassroots environmental work as much as for the foundation itself are closely tied to the future of the third sector as a whole,"* notes Miroslav Kandrata, director of the Environmental Partnership in the Czech Republic. The Czech foundation has played an active role in development of the sector, particularly through the Donors Forum, an association of foundations. Most recently, the foundation has been a founding member of a pooled investment fund for foundations, the first cooperative initiative by foundations in Central Europe to maximize the proceeds from their endowments.

The strength of civil society — and its ability to deal with environmental problems — depends on the ability of citizens, organizations, and sectors to cooperate effectively with one another. A consistent feature of EPCE-supported projects is precisely such cross-sector partnership. Jerzy Sawicki, president of the National Parks Unit of the Polish Ecological Club, remarks: *"The Environmental Partnership not only gives financial support for valuable environmental activities but is also an important partner in solving problems and regenerating communities. In Zawoja and Babia Gora National Park, it is a key mediating body concerned with building local support for the national park."*

In addition to being driving forces for the assertion of civil rights in Central Europe, many environmental groups are leaders in community development. Many of the most active groups have developed from a narrow focus on nature protection to adopt a broad approach to sustainable development, including fostering cultural heritage and regional identity. Photo: Jiří Dobrovolný

The environmental initiatives supported by EPCE are playing an integrating role not only across sectors of society but also across national borders. Roughly two-thirds of EPCE-supported projects involve some form of cross-border cooperation. Both the Slovak and Hungarian Environmental Partnerships, for example, work closely with the binational Ipel Union on nature conservation and sustainable development projects (including the Amber Trail Greenway) on both the Hungarian and Slovak sides of the Ipel river.

The Environmental Partnership itself is a remarkable initiative in developing cooperation, not only within Central Europe itself but extending to Western Europe and across the Atlantic. The four foundations — as of 2000, five, including Romania — and the products of their work over the past ten years are powerful testimonial to the power and potential of partnership.

In 1992, the Slovak government revived an old plan to build a large dam at Tichý Potok on the Upper Torysa River that would provide drinking water for the east Slovakian cities of Košice and Bresov and the surrounding region. The proposed dam would have forced evacuation of four 700-year old villages and inundated a large swath of rural countryside.

Michal Kravčík, a hydrologist and founder of the environmental NGO People and Water, has long been a critic of the government's water management, public transportation, energy, and other policies harmful to the environment. In his view, a huge project such as the Tichý Potok dam is not only destructive but wasteful; existing reservoirs, he argued, are not being used to their fullest capacity, and water is lost because of a failure to repair a leaky, antiquated distribution system.

Kravčík presented an alternative plan, entitled "Blue Alternative," which would provide the same amount of drinking water at 20 percent of the cost of the proposed dam. The alternative included creation of 35 micro-basins and a series of small weirs and dams on tributary streams, as well as plans to restore agricultural lands and protect historic villages. An innovative feature would turn over management of the new system to an association of villages, something quite foreign to the Slovak tradition of centralized authority.

The Slovak Ministry of Environment refused to consider Kravčík's proposal. In response, People and Water organized summer camps in 1995 and 1996, using volunteers to build catch basins to show how water can be stored with minimal damage to the landscape. For their trouble, the Environment Ministry fined the group for undertaking the work without a permit. Then, Kravčík organized a series of public meetings to test a new environmental impact assessment law, giving villagers their first opportunity to express opposing views and to experience democracy in action. Finally, Slovak Minister of the Environment Jozef Zlocha relented and cancelled plans for the dam.



*Photo: People
and Water*

Michal Kravčík and People and Water have continued to work in the region on the even more ambitious “Villages for the Third Millennium,” a sustainable development program involving 24 villages. Activities include an organic farm, agro-tourism, handicrafts marketing, a fish farm, and a reed-bed sewage treatment plant. In 1998, Mr. Kravcik took his ideas of making development sustainable and empowering people to the national level, organizing a nonpartisan voter education campaign that helped produce an unprecedented turnout in a national election. With 85 percent voter participation, the election led to the formation of a new government by four democratic parties.

People and Water was one of the first groups in Slovakia to be supported by EPCE with small grants and technical assistance. The organization and its leader have gained international recognition for their work, including an award of USD 125,000 to Kravčík from San Francisco’s Goldman Environmental Foundation, honoring grassroots environmentalists around the world. He used part of the award to endow a community foundation. He also received a U. S.-European Union Civil Society Award at a ceremony attended by President Bill Clinton and British Prime Minister Tony Blair.

Ten Years After: Lessons learned

To those concerned with stabilizing democratic institutions in Central Europe, or elsewhere, EPCE's experience over ten years provides valuable lessons. Some of the most transferable of these lessons are offered here.

1. Careful, detailed planning is a necessary first step before an initiative of the magnitude of EPCE is undertaken. EPCE's organizing partners spent many months and made lengthy site visits before defining the goals and programs that would constitute the initial design.
2. A decision to operate from within the region and to rely upon carefully recruited indigenous personnel proved essential in implementing the project. Even when young Americans spearheaded the start-up effort, the use of "country offices" to manage grantmaking, to develop strategies for addressing environmental problems, and to foster links with Western funders and the international environmental community was never in question.
3. A close-knit federation of funding sources made possible the partnership's significant level of support. The alliance provided continuity of funding and helped persuade other funders, both private and governmental, to join the effort. It is also important that the core funders provided multi-year, unrestricted, general support, which gave the EPCE country offices, and later the country foundations, valuable flexibility to plan ahead, avoid cash flow headaches, and take some risks.

4. A locally managed small grants program has become the partnership's trademark in the region and a key element to its success. Through this program, an extensive network of environmental NGOs has been built in all four countries. It has led to the offices becoming "intermediary" organizations, able to sponsor cross-border initiatives and to assume responsibility for the direct management of programs.

5. By giving early attention to training and technically assisting local personnel, the Environmental Partnership created a cadre of professional and lay leadership able to function independently and to seek funding from a range of private and governmental sources.

6. The ten years it has taken to establish the Environmental Partnership and make it ready for independent operation have proven to be a realistic time frame for such a venture. The multi-year commitment contrasts vividly with many larger, more ambitious governmental and private efforts, here and abroad, which have only two- or three-year time frames.

7. A regional scale of operation has both enriched and complicated the partnership's implementation and achievements. Language and national distinctions across a large, diverse region have added to the partnership's costs and time frame. These factors have been outweighed by the gains achieved by sharing experiences and associations across quite different settings, by dealing with issues that by their nature are indivisible, and by economies of scale in fundraising and training.

8. Learning to deal with a wide range of institutions in all sectors and at local, country, regional, and international levels is proving to be perhaps EPCE's most challenging task. Working one's way into an emerging, still volatile mixed economy requires skills and access not easily acquired. A more sophisticated and complex, if far more promising, context now exists than when the Environmental Partnership began. Connections with public officials, international organizations, and private corporations must be established both for funding purposes and in order to have an impact on environmental matters. The Environmental Partnership and other NGOs are quickly learning how to play on such a field.

In 1994, the Polish Society of Wildlife Friends (ProNatura) initiated a program to preserve the nesting sites of and build nesting platforms for the white stork in the Opole region of Poland. The white stork is a distinctive European bird whose survival has been threatened. Some homeowners consider them a nuisance, because of a habit of building nests on rooftop chimneys. Many are killed by flying into rural power lines and structures.

To create a protected reserve for the birds away from power lines and centers of population, ProNatura volunteers built 12 nesting platforms, paying for the materials themselves. Small grants from the Polish partnership led to further grants from the Global Environmental Facility Small Grants Program for expansion of the nest-building to other parts of Poland. Other funders, including the EcoFund and National Fund for Environmental Protection and Water Management soon joined and by 1997, 305 nesting platforms were in place. A training program was also developed for volunteers who monitor and maintain the sites.

The interest generated in white stork conservation has resulted in a national network of 1,600 persons and 90 organizations and groups dedicated to preservation of this stately bird. Three wetland areas have been designated as white stork protected habitats, and the program has been included as part of Ciconia, an international initiative to protect the white stork.

Photo: Tomáš Růžička



In the small town of Kereczend, east of Budapest, the local Roma population has developed a close working relationship with municipal authorities and local environmentalists. Initial projects such as cleaning the banks of a local stream have led to more ambitious plans to develop a production facility for traditional clay bricks. The facility, which will start operation in summer of 2000 and provide employment for local Roma, has been developed as part of the Greenworks program and was voted "Project of the Year" in 1999 by the Hungarian Environmental Partnership. On the photo is (left to right) László Gémes, the mayor of Kereczend, Fenő Pusoma, project coordinator; and József Suba, leader of the local Roma community. Photo: Dominika Zaręba

Over half of the initiatives supported by the Environmental Partnership feature some form of cross-border cooperation. One such initiative seeks to enlarge the existing UNESCO Biosphere Reserve in Polesie in western Poland to include neighboring areas in Ukraine and Belarus. Support for local traditions is an important part of these efforts. Photo: Magdalena Kamola

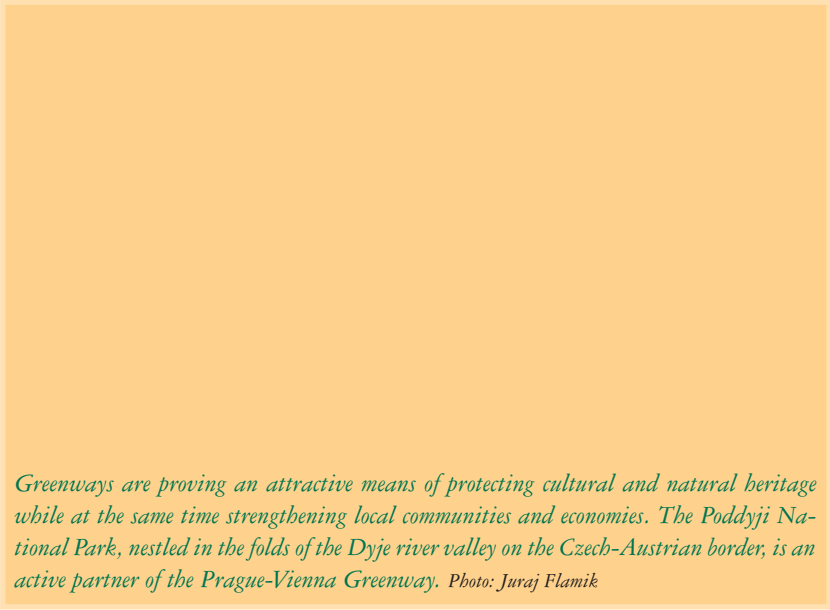


Looking Ahead

The achievements of the past ten years in Central Europe have been substantial. Great strides have been made in dealing with the most acute environmental problems, including water and air quality, and a relatively strong and durable nonprofit sector has taken its place next to government and business in the countries of the region. Nevertheless, the need for the Environmental Partnership for Central Europe and similar initiatives is at least as great today as it was a decade ago.

Many of the challenges faced in 1989 have been replaced by new ones. Environmental concerns are still not given due consideration and are usually treated as separate from economic, social, health, and other issues by government, business, and the general public. Attention remains narrowly focused on short-term economic growth rather than long-term sustainability and quality of life. Central Europeans in recent years have been quickly adopting Western patterns of consumption, for example, but without Western awareness of the problems associated with this. Growing consumption has spawned an explosion of waste in Central Europe; yet there is scarcely any recycling or effective waste management.

Perhaps most challenging is the sheer speed of change that is now taking place in Central Europe. Hypermarkets, highways, and suburban developments are sprouting everywhere, presenting communities with a *fait accompli* before they can even consider the possible consequences of these new developments. As one visitor to the Prague-



Greenways are proving an attractive means of protecting cultural and natural heritage while at the same time strengthening local communities and economies. The Poddyji National Park, nestled in the folds of the Dyje river valley on the Czech-Austrian border, is an active partner of the Prague-Vienna Greenway. Photo: Juraj Flamik

Vienna Greenway noted, if development continues at its present rate, the picturesque communities of southern Bohemia will soon resemble any small town in Ohio, destroying their genius loci and any chance of foreign tourists strengthening the local economy.

At the same time, civil society in Central Europe still lacks the maturity to deal with these challenges effectively. Civic engagement, initiative, and self-responsibility are still largely foreign concepts. There is still little awareness of citizens' rights and responsibilities.

Even greater challenges are certain to come with the impending accession of the Czech Republic, Poland, Hungary, and soon also Slovakia and Romania, to the European Union. The EU has declared sustainable development and public participation in decisionmaking to be key priorities as it expands eastwards. Yet mechanisms within the EU to follow through on these declarations are little developed. Amid growing economic and political turmoil across the continent, signs suggest that the principles of sustainability and public participation may no longer be a priority.

A decade since the fall of the Iron Curtain, accession to the European Union presents the countries of Central Europe with an opportunity to complete the revolutions begun in 1989 and to achieve higher environmental standards and improve quality of life. But whether EU membership brings net harm or benefit to Central Europe depends most importantly on the new members themselves. Experience to date provides little reason for confidence.

Environment issues continue to be one of the major stumbling blocks for the countries on the road to membership; yet there is still little realization amongst Central Europeans of the changes and hefty investment in the environment that EU membership will require. The process of creating regional development plans in accession countries for future use of EU funds has taken place virtually without meaningful involvement of NGOs or the broader public. It appears that in the rush to bring new members into the European Union's fold the concerns of local citizens and communities have been forced to the sidelines.

These developments are deeply unsettling. They will determine whether the opportunity of EU accession indeed contributes to creating sustainable and democratic societies in Central Europe or whether membership in the New Europe simply ossifies existing political and economic oligarchies and degrades the region's rich store of cultural and natural heritage.

EU accession will be a key focus for EPCE in the next years. The Environmental Partnership foundations will seek to take advantage of the considerable opportunities and minimize the risks that membership poses by empowering their grassroots constituencies to monitor the accession processes, to participate actively in decisionmaking, and to take an active part in preparing their societies for membership in the Union. In doing this, major priorities for the foundations will be to maintain their capacity to nurture community-based initiatives with small grants and technical assistance as well as to foster partnership action between individuals, organizations, and across sectors and national borders.

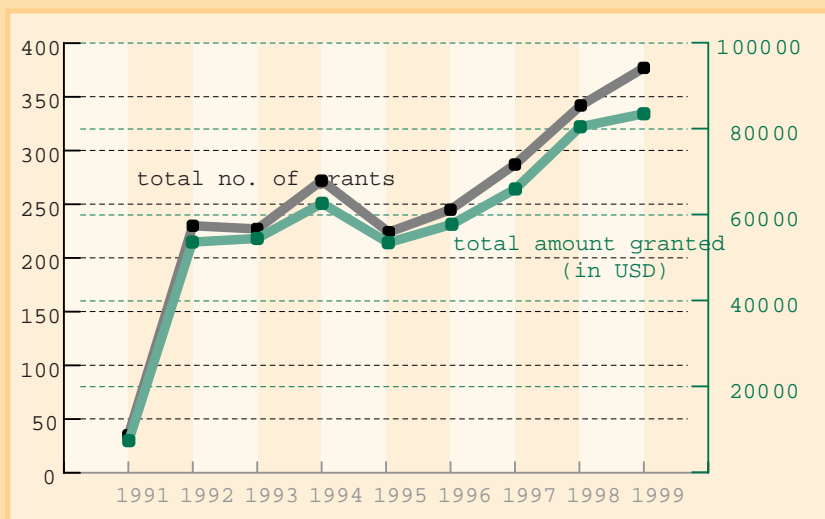
Communities in Central Europe are becoming increasingly active in sustainable development and nature protection. In southern Moravia, 70 wine-growing villages are currently working together with the Environmental Partnership to develop wine tourism and improve organic wine production. Photo: Wine Communities of Southern Moravia



The development that Central European societies have undergone in the past decade since 1989 has been dramatic. Already, it appears that the next ten years will be just as dynamic and challenging. First established a decade ago as a short-term mechanism for funneling Western aid to environmental initiatives in the region, the Environmental Partnership for Central Europe has grown into a close partnership of foundations, funders, communities, and organizations, which will continue helping their societies face those challenges into the future.



Funding History and Funders



Between 1991 and 2000, over 40 foundations, governments, and corporations have contributed a total of USD 15,414,000 million to the four country foundations of the Environmental Partnership for Central Europe. The German Marshall Fund of the United States as administrator of the core funds, has managed 59% of these funds (USD 9,096,000). The remaining 41% (USD 6,318,000) were raised by the Environmental Partnership foundations directly, the bulk of this after 1997 when the foundations became officially independent from Washington.

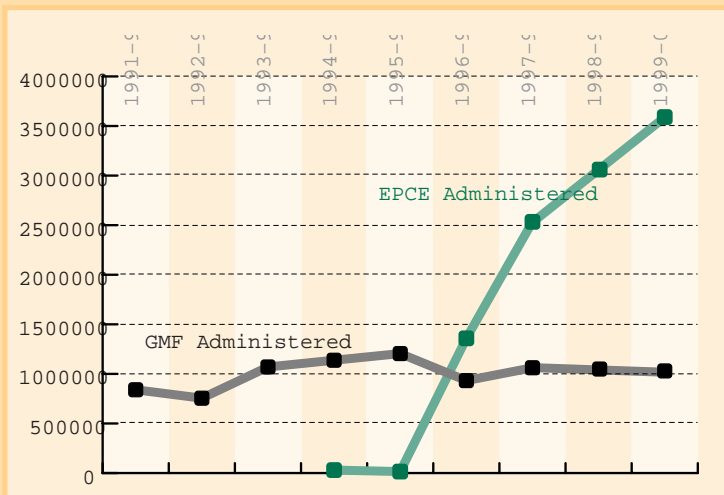
The Environmental Partnership foundations' fundraising success would not have been possible without the sustained support of core funders. Core funds have enabled the foundations to continue their work while at the same time learning how to establish a more secure funding base. The funds have covered rent, salaries, capacity building as well as matching funds for support from other sources, and even enabled the EPCE foundations to start a reserve as a first step toward building an endowment.

Funds raised and administered for EPCE by the German Marshall Fund of the U.S. (in USD)

Includes funds of over USD 5,000 received by first quarter of 2000

Charles Stewart Mott Foundation; Flint, Michigan	(1991-00)	1,732,000
Rockefeller Brothers Fund; New York, New York	(1991-00)	1,740,000
German Marshall Fund of the U.S.; Washington, DC	(1991-00)	1,715,000
Pew Charitable Trusts; Philadelphia, Pennsylvania	(1993-00)	1,000,000
Anonymous Gift (Private Funder)	(1993-00)	990,000
Sasakawa Peace Foundation; Tokyo, Japan	(1991-94)	450,000
Bundesstiftung Umwelt; Osnabrueck, Germany	(1996-99)	300,000
Joyce Mertz-Gilmore Foundation; New York, New York	(1992-96)	220,000
Moriah Fund; Chevy Chase, Maryland	(1991-96)	220,000
Jurzykowski Foundation; New York, New York	(1991-97)	180,000
Trust for Mutual Understanding; New York, New York	(1993-00)	173,000
Conanima Foundation; Switzerland	(1991-92)	150,000
ETP Grant; Washington, DC (USAID)	(1993-95)	88,000
Winslow Foundation; Washington, D.C.	(1992-94)	45,000
Sacharuna; The Plains, Virginia	(1991-92)	30,000
Barbara Gauntlett Foundation	(1993-94)	25,000
Charities Aid Foundation; Kings Hill, United Kingdom	(1993-94)	21,000
Jenifer Altman Foundation; Bolinas, California	(1992-93)	17,000

Toward sustainability: EPCE Funding, 1991-2000*



Funds raised and administered by the EPCE foundations themselves (in USD)

Includes funds of over USD 5,000 received by first quarter of 2000

Hungarian Environmental Ministry (Central Environmental Fund)	(1997-98)	1,925,000
Czech Government (from Foundation Investment Fund)	(1999-00)	1,123,000
BP Poland	(1997-00)	*895,000
PHARE — European Union	(1996-00)	392,000
USAID	(1994-00)	330,000
Austrian Ministry of Environment	(1998-00)	255,000
Rockefeller Brothers Fund; New York, New York	(1997-00)	238,000
Stefan Batory Foundation; Warsaw, Poland	(1995-00)	222,000
UK Know How Fund	(1997-00)	207,000
Luxembourg Ministry of Environment	(1996-00)	206,000
Charles Stewart Mott Foundation; Flint, Michigan	(1996-00)	153,000
WWF Norway; Oslo, Norway	(1996-00)	116,000
Honeywell Foundation; Minneapolis, Minnesota	(1999-00)	165,000
Monsanto Europe	(1997-98)	100,000
Open Society Fund	(1996-97)	55,000
MATRA Funds — Dutch government	(1996-97)	43,000
Canada Fund	(1997-00)	21,000
Sendzimir Foundation	(1997-00)	20,000
Regional Environmental Center	(1994-98)	19,000
Novem	(1999-00)	12,000
QLF Atlantic Center for the Environment	(1997-99)	11,000
National Forum Foundation	(1997-98)	10,000
Trustees Founding Fund	(1997-98)	6,000

** Total of USD 2.3 million committed til 2005.*

** Funds raised and administered for EPCE by the German Marshall Fund of the U.S. versus those raised directly by the EPCE foundations.*

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