**Dear Participant, please edit the text below:**

**INTRODUCTION**

This collection of case studies is an attempt of the experts of the Eurasian Harm Reduction Association (EHRA) to systematize and introduce various models of alternative financing that have already been successfully implemented in the current environment.

In recent years, many non-profit organizations in the countries of Eastern Europe and Central Asia (EECA) have witnessed significant changes in the structure of their revenues: the volume of grant financing provided by the charitable foundations has been decreasing gradually. Such development forces the NPOs to search for alternative funding sources for their programs and projects. At present the NPOs are moving towards significantly more complex financing models, such as crowdfunding, involvement of businesses in charitable projects, establishment of social enterprises, etc. These activities are reaching a new level and are becoming more mature and professional: they are now taking into consideration the interests and peculiarities of all stakeholders involved in the process.

This publication offers a description of various alternative financing mechanisms which the NPOs can utilize while researching the available financial resources, specifically the forms such mechanisms could take, how the work should be built from the scratch, what the motives of the partners to participate in such initiatives could be, what the secrets of success and possible risks are, and much more.

The collection is prefaced with an analytical article offering a typology of alternative financing models for the NPOs. Further, specific case studies are provided as illustrations of those different models. The examples provided include both large and small scale projects.

The presented examples of the NPOs utilising alternative financing mechanisms demonstrate different outcomes. Certain organizations are successful in their implementation of one or another of the approaches listed, others may have not had similar efficient experiences, but still continue to be active in this sphere while learning from their mistakes, while the rest may just be starting their journeys and are only considering additional opportunities.

This collection is intended to provide help for both experienced and beginner NPOs. It could be useful for the heads of the organizations, for the fundraisers and other specialists working for them. It may also be of interest to the specialists of state bodies, business structures and also to everyone who is involved in the establishment of long-term relations with the NPOs, who is willing to enhance their competences in the field of strategic partnerships and fundraising.

A number of semi-structured online interviews with representatives of the NPOs working with vulnerable groups and implementing various alternative financing practices were conducted to collect the data introduced in the publication. Most of the respondents were the heads of such organizations.

In total, 20 representatives of the NPOs from 15 countries of Western, Eastern and Southern Europe took part in the survey: Ukraine, Georgia, the Russian Federation, Moldova, Poland, Romania, Bulgaria, Slovenia, Serbia, Armenia, Croatia, the Netherlands, Switzerland, Great Britain, Scotland.

We hope that many public organizations will be able to use the experience presented here to obtain alternative financing for the implementation of their own projects.

**TYPES OF ALTERNATIVE FINANCING MODELS**

The issue of securing funding from alternative sources is not an unfamiliar one for the NPOs. This matter is regularly addressed at various conferences, during the tenders and through research. We have been able to trace the dynamics of changes in the activities of non-profit organizations in this area. In this regard, the publication takes on the key areas of NPO activities that have already shown their effectiveness and could be used as examples to be implemented in any country regardless of the region. These examples lay the foundation for the basic typology of modern models of alternative financing for the NPOs.

**MODEL 1. INDIRECT STATE SUPPORT**

The first possible source of alternative funding for the NPOs is the money that can be obtained from the state in the form of indirect support. Such opportunities are defined in the support programs for the socially oriented non-profit organizations as subsidies available at the federal, regional and municipal levels. Such subsidies may be allocated to pay for the services provided by the NPOs, to compensate the costs of renting the facilities, to cover the costs of the utilities, etc. In addition to the subsidies, there exist other forms of indirect support rendered by the state, such as tax deductions, provision of benefits, etc.