



Case study: Good Deed Foundation

October 2022

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Good Deed Foundation

Tallinn, Estonia

Background

The Good Deed Foundation is the first venture philanthropy organisation in the Baltics and one of the first in Eastern Europe. Established in 2003 by active private individuals with diverse backgrounds - from business, media, public sector and third sector. The goal was to build an organisation that drives social innovation and mobilises the resources from the private sector to build the most innovative and impactful solutions that solve critical societal problems.

Throughout the years the topics introduced in Estonia have been social entrepreneurship, impact measurement and venture philanthropic giving. We established the first venture philanthropy funds solely supported by private donors and raised 4 million euros in the last 4 years to the Good Deed Impact Fund and the Good Deed Education Fund.

The beginning

In 2005, the Good Deed Foundation only had two full-time staff members, who were supported by dozens of part-time advisors, funders and volunteers. The co-founder of Good Deed Foundation met with Doug Miller and Rob John (the Executive Director of EVPA at the time) in Budapest at the European Foundation Centre annual conference. The timing was perfect. Back in Estonia, we were re-thinking our core strategy. How to make a bigger difference and increase our social impact? How to build a pipeline of portfolio organisations, tackling important societal issues, which we could support? How to attract a larger group of individual and corporate funders to back our efforts? These were some of the questions which were top of mind for our team in Estonia. The experience of Doug Miller, Rob John and others involved with the EVPA soon became invaluable for us.

In August 2005, Doug Miller and Rob John visited Estonia and spoke at an event hosted by the Good Deed Foundation. This was the first instance where the concept of venture philanthropy was introduced to the philanthropic community in Estonia. Becoming familiar with the work of EVPA members such as Impetus (UK), NPC (New Philanthropy Capital, UK) and NeSsT (Hungary) helped lend legitimacy to our renewed strategy in Estonia. Staff members and key funders of the Good Deed Foundation soon began participating in the EVPA community. They joined the annual conference and various network learning events to find out more how colleagues across Europe were tackling similar challenges.

The timeline of the cooperation

The support from the EVPA and the Miller Trust has played a pivotal role in two strategic moments of the Good Deed Foundation (GDF). **First**, in the early days when rethinking our strategy and redefining our role in Estonia. This led to developing our venture philanthropy based model for working with our portfolio organisations and also developing the mindsets of local donors. **Secondly**, 10 years later when the more mature market and wealth creation enabled us to develop the full VP fund model that combined grants and investments with the capacity building.

Spring 2005	Artur meets Doug Miller and Rob John in EVPA conference in Budapest
Autumn 2005	Doug Miller and Rob John first visit to Estonia. First Venture Philanthropy seminar, plus meetings with supporters of GDF
2006-2007	Pilot Grant from EVPA to develop the field of social entrepreneurship 4 500 GBP (2006) and 4 400 GBP (2007)
June 2008 to 2009	Continuation Grant from EVPA in two tranches 10 000 EUR in 2008 and 10 000 EUR in 2009 with the aim of broadening the social investor base and developing our VP approach in Estonia
October 2008	EVPA workshop in Tallinn on Starting Up a Venture Philanthropy Operation for the network organisations
November 2008	GDF in financial difficulties after the economic downturn and Miller Trust support to GDF to develop our donor base 5 000 EUR
Autumn 2017	GDF is developing the Impact Fund and discussions started with the Miller Trust to support the work of GDF and the development of the investor base growth with 100 000 EUR
February 2018	Good Deed Impact Fund launched in the size of 390 000 euros from the local investors, plus 100 000 EUR from the Miller Trust added later in the year
April 2018	EVPA workshop in Tallinn for CEE members to share the case study of establishing an Impact Fund. Andrew Muirhead and Ewa Konzal to review the Fund principles and pipeline
November 2018	Doug Miller visit to Estonia to meet with the team, the board of the GDF and the portfolio organisations of the Impact Fund
June 2022	Miller Trust to support GDF with 30 000 EUR to grow the philanthropic giving in Estonia and widen our donor base.

The support and the long term value of cooperation

The support over the years from both EVPA and the Miller Trust has combined the financial support with the active engagement (joint events, site visits etc) and distributing the know-how on venture philanthropy.

Becoming a member of the larger community from early on has shaped **the way we think of philanthropy and build a local community of like minded individuals**. The early connections, visits, conversations introduced us to the venture philanthropic model for engaging with both SPO's and our donors and volunteers. This helped us to be among the first VP organisations with the high engagement, long term support model and mixing the capacity building with monetary support. We built a vibrant community of highly capable pro bono volunteers, donors and developing the pipeline of high-impact organisations. Using this model we launched several long standing high impact organisations in Estonia. For example Noored Kooli (Teach First Estonian chapter), Uuskasutuskeskus (leading reuse store chain and the first social enterprise in Estonia) or Kiusamisvaba Kool (research based anti-bullying program). They themselves have become the role models for other NGO's as well run and highly capable organisations.

Doug Miller and other key members of the EVPA network have been available to **help us through difficult times** - and have encouraged us in good times. For example, the financial crisis of 2007-2008 had a big impact on the funders of Good Deed Foundation, as well as our portfolio organisations (some of which were close to bankruptcy). Informal conversations, sometimes in-person, more often by phone or online, have been invaluable at times like this.

The know-how and examples from the EVPA network and practitioners have helped shape our future. This has helped us **to set-up the most impactful funds** in Estonia. Being part of a European network has made sure that there are experienced, like-minded colleagues we can reach out to for advice (even if we are physically located quite far from them). Annual conferences to get to know people and learn from the best.

Adding the financial support to the model and often using the matching principle with the latter **has enabled us to activate and engage high net worth individuals** as our donors.

The setting up and working with the regional units in Central and Eastern Europe and Caucasus has enabled us to **learn from and also contribute back to the communities closer to us**. And we have seen the rise of similar ecosystems of donors, foundations and high-impact initiatives that drive societal changes in countries near us.

Summary of where we stand now and the plans for the future

We established the Good Deed Impact Fund at the beginning of 2018. The size of the fund was 390 000 euros committed by our local donors and duration 3 years. These donations were encouraged and matched by 100 000 euros from the Miller Trust. This cooperation enabled us to reactivate cooperation with some of the early supporters of GDF and bring in new donors. Establishing the fund was a long term vision of the GDF community as it enabled us to develop the full VP fund model and support the growth of 6 organisations in different societal fields (from educational initiatives to rehabilitation of offenders) over three years.

Shortly after the launch of the Good Deed Impact Fund we were approached by local tech entrepreneurs who have founded some of the most successful global tech start-ups. Their interest was to bring more innovation to education and in 6 months we jointly set-up the Good Deed Education Fund. The fund was launched at the end of 2018 and exceeded 1 million euros for three years. In these three years we supported 15 educational initiatives.

In the first half of 2021 we raised the second round of the Good Deed Impact Fund and were able to raise additional 630 000 euros for three years. For the second term of the Good Deed Education Fund we raised additional 2 million euros. Thus the total philanthropic capital raised in the last 4 years is currently at 4 million euros.

Through this work we have more than 60 donors from the local entrepreneur community involved in our activities. Both from the more traditional sectors and from the tech community. To support our portfolio organisations we have more than 100 high quality experts that commit their time pro bono. That makes more than 1000 hours annually.

Impact and impact investing is gaining momentum in Estonia. Many entrepreneurs are adding impact investments into their portfolios and we anticipate the birth of new impact funds. Looking into the future we see our role both as the fund manager, but also advising and consulting the new funds being set up. And inviting entrepreneurs currently not involved to join us in the game. Building the community of philanthropists and investors who are committed to build a better world through investing into meaningful and measurable impact.

The long term commitment from the EVPA, The Miller Trust and our dedicated team in Estonia has established us as the leading philanthropic organisation in Estonia that supports the growth of high impact organisations. We are well positioned to support their growth and their impact in the coming years even more.