THE MARKET FOR CHANGE

ROMANIAN-AMERICAN FOUNDATION 2019 ANNUAL REPORT

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MONA DÎRTU

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Last October when we celebrated our 10-year anniversary, there was no way to imagine that we would write our annual letter in the midst of a pandemic. But here we are, confronted by a new reality that arrived suddenly and recast our understanding of "normal", twisting it in unimaginable ways.

As all of you are doing, we, as Board and staff, have spent time reflecting on how our values as an institution are important grounding as we face uncertainty of the present and near future. We are a perpetual foundation, and this requires us to continue to think long-term, even as we try to be the best partners we can be during this time of crisis and support immediate needs.

In the immediate term, we have provided our partners with maximum flexibility in how they use our grants in these troubled times. Our program staff have reached out to all of our grantees to better understand the best ways RAF can support our partners and advance our shared work now. We recognize that activities are changing, convenings are cancelled, and what can be achieved is affected because of the lockdowns and the economic and health uncertainties that we all are facing. So our main grantmaking has been shifted to general operating support or institutional grants, and all current contracts are in the process of being amended, in consultation with our partners, to reflect this approach.

It is during such trying times that we realize the power of people coming together and the strength of the partnerships we have forged over the years. We would like to thank all our partners for the exceptional mobilization in facing the crisis. It matters now more than ever, and we are so grateful to each of you for everything you do. And this gratitude goes not only for our civil society partners, but also for the group of corporate and institutional donors with whom we usually keep close and who are also our partners. About this group, you will hear more during 2020. Stay tuned…

PHILLIP HENDERSON
Chair of the Board of Trustees

ROXANA VITAN
President
RAF STRATEGY
AT A GLANCE

MISSION

The mission of the Romanian-American Foundation is to strengthen and promote conditions for a sustainable market economy and a democratic society that provides access to opportunity for all segments of Romanian society.

The Foundation is a gift from the American people to the people of Romania, a symbol of the enduring commitment to support Romania’s historic transition to democracy and a market-based economy.

VISION

We believe in a more engaged, entrepreneurial and prosperous society in Romania, in which people think innovatively and act responsibly. The change we seek in the long-term:

- Communities are actively engaged in shaping their future.
- The rural economy is a vibrant contributor to Romania.
- Young people are empowered to become drivers of economic and social progress.
- Innovation is a normal, integral part of day to day life and culture.
- Philanthropy becomes a societal value of solidarity and trust.
More small farmers graduate from semi-subsistence farming to become economically viable:
- Small farmers have better access to markets, know-how and financial services.
- More young people have the interest and the necessary skills and know-how to become small farmers.

There are greater local economic benefits from eco-tourism spending:
- Local businesses have a good inflow of tourists and offer them relevant services.
- Young people from eco-touristic destinations have the interest, skills and knowledge to contribute to the development of eco-tourism.

The new generations have the skills and knowledge to contribute to the quickly changing innovation economy:
- University students have the interest and access to attend adequate university programs that build the skills and knowledge needed for innovation economy.
- High school students, including girls and students from rural areas, have the interest to follow higher education in technical or scientific fields and have the necessary academic knowledge and skills.

Philanthropy and civic engagement are values in the Romanian society, with strong roots in solidarity and trust:
- Individuals and companies donate, volunteer and pool their resources to solve community/society problems.
- Young people become active citizens and value democracy.

The business infrastructure (e.g., coops, food hubs, etc.) for small farmers increases their market capacities;
The extension service mechanism provides appropriate access to know-how for small farmers;
Public policies are appropriate and supportive for small farmers;
Agricultural high schools across the country are an attractive option for students and provide relevant and effective training in collaboration with local farmers;
The Ecotourism Destination (ED) delivers the expected tourism services while preserving the natural assets;
The ED management is functional and financially sustainable;
The national network of ED is functional;
Schools and other community actors from ED provide opportunities for children to discover the value of local assets, to develop foreign language skills, and an entrepreneurial mindset, etc.

Universities have a revised curriculum which includes entrepreneurship, cutting-edge topics and interdisciplinarity;
Professors have updated knowledge and skills;
There is an active community of fellows, mentors and industry advisors around the university;
Teachers of scientific and technological subjects teach effectively and engagingly;
Communities provide sustainable and attractive extra-school opportunities for children to learn science and technology.

There are viable/strong support mechanisms/organizations that bridge society issues with existing resources (money, expertise etc.) to the benefit of the public good.
Schools and other community actors provide effective and sustainable opportunities for young people to learn active citizenship and democratic values.

* only indirect influence from RAF programs
The Romanian-American Foundation was founded in 2009, as a successor to the Romanian-American Enterprise Fund (RAEF). The Fund was created in 1994 by the United States Congress and funded through the U.S. Agency for International Development (USAID), under the umbrella of the Support for Eastern European Democracy (SEED) Act. The SEED Act laid the foundation for a mechanism of public-private partnerships designed to establish enterprise funds to assist the former communist countries in Central and Eastern Europe transition to a free market economy and democratic society.

RAEF pioneered a combination of investment and development activities that proved very successful in the Romanian marketplace. At the end of its mandate, RAEF returned half of the initial grant to the U.S. State Department ($25 million), the remaining half and all the profits generated constituting the endowment for a foundation in perpetuity.

RAF’s current endowment has reached $150 million.
TIMELINE

1989
Support for Eastern European Democracy (SEED) Act.

1994
The Romanian-American Enterprise Fund (RAEF) is established by the United States Congress under the SEED Act, and funded through a $50 million dollar grant from USAID.

2008
USAID accepts RAEF’s liquidation plan to allow for the establishment of a U.S. in-perpetuity foundation with an initial endowment of 50 million dollars.

2009
Creation of the Romanian-American Foundation (RAF).

2009-2018
RAF invests over $21 million dollars in programs affecting change in Romania.

2018
RAEF investments fully divested.

2019
RAF endowment reaches almost $150 million dollars.

Photos:
Left: RAF launch event, March 2010
Middle: RAF 5th anniversary event, 2014
Right: RAF 7th anniversary event, 2016
reflection on
NINE YEARS
ON RAF’S BOARD OF TRUSTEES

BY MILLS KELLY

When I joined the RAF board nine years ago it was impossible to imagine how much we would accomplish in such a relatively short time. In those days, RAF was still trying to figure out how to be a foundation and was more focused on the details of internal governance and membership than we were on developing a robust and complex strategy for investing in Romania’s future. Being able to play an integral role in the development of that strategy has been one of the most professionally challenging and fulfilling efforts of my life.

Mills Kelly is Executive Director of the Center for History and New Media and a Professor of History at George Mason University. His new media interests center on the influence of digital media on student learning in history. He was awarded the Commonwealth of Virginia’s Outstanding Faculty Award and George Mason University’s Teaching Excellence Award in 2005, in recognition of his work on teaching with technology. Mills Kelly has served on RAF’s Board of Trustees since 2010.
In those early days everything was possible because there were so many needs that we might address. Over the course of several years, thinking on the board slowly coalesced around several key strategic investments – rural development, civic engagement, and technology and innovation – that allow us to help our partners achieve the goals they have set for themselves, their communities, and for Romania.

Looking back over the past nine years, what jumps out at me is just how important it has been to invest in building the capacity of our many partners to address the goals they see as central to Romania's future rather than dictating those goals to them. By emphasizing capacity building and partnerships we've been able to play a very important role in building a resilient ecosystem of social entrepreneurs who are in close touch with local needs, but who have a clear understanding that those local needs are part of larger national challenges. This focus on local capacity has been essential to our strategy because building that kind of capacity means that our partners will eventually step beyond our support to be self-sustaining agents of change. And, just as important, the next generation of Romania's leaders are beginning to emerge from this network.

When we built our strategy around creating a resilient ecosystem of community partners, we never could have imagined a crisis like the one set off by Covid-19. It has been incredibly gratifying to watch the ways our partners have been able to respond, to change direction, and to step in where government either could not respond quickly enough or has not had the resources to respond sufficiently to the crisis at the local level. Of course, no one would choose a crisis to validate a philanthropic strategy, but the heroic work being done by our partners to help alleviate suffering, to educate students, to sustain local economies, and to keep Romanians connected with one another is living proof that capacity building is one of the best investments a foundation can ever make.

As I depart the board at the end of my term of service, I look back at how far we've come in just nine years and am intensely proud of our staff, the hundreds of people who have worked with us as our partners, and of the small contribution I was able to make to the work of these wonderful people. I step down from the board knowing that Romania's future is in good hands.

"The next generation of Romania's leaders are beginning to emerge from this network."
TIMELINE OF RAF PROGRAMS

Photo: Bâile Tușnad Marathon
RAF INVESTMENTS
2009-2019

+$27.3 million
in RAF grants and Program-Related Investments 2009-2019

+$9.9 million
granted for rural economy programs

+$7.6 million
granted for technology & innovation programs

+$7.8 million
granted for philanthropy and civic engagement programs

300 grants awarded

+$12.7 million
co-invested or attracted by our partners

+$2 million
in Program-Related Investments (PRIs)
RAF INVESTMENTS

2019

+$3.70 million in RAF grants and Program-Related Investments in 2019

+$1.10 million granted for rural economy programs

+$1.23 million granted for technology & innovation programs

+$1.22 million granted for philanthropy and civic engagement programs
AF House is emblematic for what the Foundation is and stands for. First of all, it is a symbol of our long-term commitment to contribute to Romania’s development. Secondly, it is a civil society hub, a space open for meetings, sharing ideas and networking for organizations whose activity is aligned with our mission. The ground floor rooms are offered, free of charge, to not-for-profit organizations to host events in line with our scope of work.

And last but not least, RAF House is the Romanian-American Foundation’s headquarters.

In 2019, RAF House hosted 65 events that gathered over 1,750 participants.
The team at the Friends for Friends Foundation coordinated the Marketing and Communication Polyclinic program, supporting thirty-nine RAF partner NGOs to build their capacity to communicate better.

Photo: Claudiu Popescu
Every year, countless organizations worldwide launch projects and programs that claim to change systems, societies or even the world. No wonder words like “change” or “innovation” are met with skepticism. In reality, most of these activities last a limited amount of time – sometimes a mere few months – and once they’re done, implementing organizations pack up, leaving behind beneficiaries with a few inauguration photos, some extra pennies that will soon be spent and a glimpse into what might have been. In this day and age, can an organization focused on raising the next generation actually change much – especially in Romania?

If there’s anyone hellbent on proving that’s possible, it is the CEO of Junior Achievement Romania (JAR), Ştefania Popp.

Ioana Burtea is a Romanian freelance journalist and communications expert. She mainly writes for DoR magazine and helps organize their annual conference, The Power of Storytelling. Her work was published in outlets such as Europe & Me, New Eastern Europe, BIRN, Nieman Storyboard and The Washington Post.
She’s been spearheading the Romanian branch of the international entrepreneurial education organization since 1997, just four years after its launch in the country. Under her guidance and vision, JAR enriched the curricula in over 1,700 schools all over Romania with classes on entrepreneurship, work readiness, personal development or financial literacy. Their method of “learning by doing” is what sets them apart in a landscape characterized by memorization and learning theories – students were able to learn from and shadow actual business owners and create their own businesses, the best of whom then compete in JAR’s annual competition.

The parent-organization, JA Worldwide (founded in 1919), and the European network provided Popp and her team with know-how, but not money for their programs. It’s every branch’s job to gain financial support from the business community in their respective countries. And while JAR’s flagship program of teaching students to build their own pilot companies had always done well in big cities (with partners such as Citi, Google and EY), Popp faced serious obstacles when she thought of taking it to small towns and rural areas. “Companies funded the entrepreneurship JA program when we were talking about big cities, but the situation was different outside the major cities. Over time, local businesses started chipping in, too, but at the time they were reluctant.” So, Popp found an organization that had the resources to take the program to the next level and whose mission aligned with theirs.

"Junior Achievement was the Romanian-American Foundation’s (RAF) first grant, 10 years ago", RAF president Roxana Vitan remembers. Before RAF was officially launched as a foundation in Romania, she had already met with Popp, who had told her about the difficulties JAR faced in scaling the mini-company program, their most successful one, in towns and villages. The move would make the program more expensive – teachers needed to be trained, supported with materials, transported to seminars and so on. "So Ștefania suggested we partner up with the promise that in three years, with RAF’s help, they would train a number of local teachers and see some results, which would make it easier for them to get financing from JAR’s core funders, because they could package smaller towns with big cities and not have such large discrepancies. Which is exactly what they delivered. It was spectacular", RAF’s president remembers.

It was a partnership that covered the whole country and in the past few years focused on agricultural high schools in a consortium involving World Vision Romania, Civitas Foundation for Civil Society – Cluj, the Center for Economic Education and Development Romania and the Romanian Center for European Policies. All this time, RAF and JAR saw their relationship grow into something more than a financial agreement.

"Ștefania is one of the best market leaders and an extremely creative visionary. That’s probably essential to her success. She has the talent to be a good listener and anticipate what a donor may want – especially corporations. And through
creativity and an extraordinary capacity to execute things well, she delivers really coherent programs”, Vitan said of JAR’s CEO, who last year won a Lifetime Achievement Award at the Global Leadership Conference in Berlin. As a result, the two organizations became strategic partners that helped further each other’s missions.

RAF was aware that agricultural education was failing to keep up with changes in the economy and saw that high schools were stuck on the model of preparing employees for labor-intensive large farms, while three quarters of Romanian farms are subsistence holdings making up 13% of the agricultural land. With a plunging relevance and a large number of young people who would rather work abroad than on Romanian farms (since 70% of those working on Romanian farms make less than 2,000 Euros per year), these schools became neglected, and attracted insufficient students who were less motivated and had lower academic performances.

Enter JAR, which took its programs to 12 agricultural high schools and 40 others with agricultural classes and tried to modernize the existing curriculum by introducing entrepreneurial knowledge, training teachers and bringing in business owners. “Our program helps children come up with their own ideas and find a way to implement them. It was particularly useful in the Agribusiness in Schools project, because students can actually apply a lot of those ideas. Inventing a spring onion jam or grape marmalade based on their grandmothers’ recipes are things they can actually do”, said Dorin Călin, JAR Senior Operations Manager who oversees the agribusiness program.

As they develop their ideas and progress within the program, students enter a business plan competition where the best proposals are included in a business incubator, allowing them to work closely with local firms from relevant industries. At the end, the best teams enter JAR’s Company of the Year and test their market potential. “It’s a competition they can only win if they come up with a truly innovative product”, Călin said.

Over 300 teenagers from 26 high schools with a focus on agriculture are developing pilot companies this year and 80% of the teachers involved in the program have participated in the previous competitions. At last year’s national competition, the Technological High School Dorna Candrenilor won best financial plan and four other agricultural schools received awards for the Agribusiness Investment of the Year. Considering Romania’s struggle with an aging population (especially in rural areas) and a low level of agricultural training for farmers (according to a Eurostat study), the agribusiness program seems timelier than ever.

“The other objective we decided to work on together with RAF was encouraging technology, innovation and creativity, within an academic environment”, JAR’s CEO said. That’s how, in 2016, the program Entrepreneurial University came to life, with an objective to support universities in becoming entrepreneurial entities. It wasn’t the easiest program to implement.

“Universities were always a hard nut to crack from several points of view: they’re more autonomous, and less receptive to outside initiatives”, RAF’s president noted.

Popp noticed that as well. “Initially, program attendance wasn’t spectacular, because universities have an autonomy. Each has their own programs; they find it hard to collaborate with one another; they hardly share information. It’s difficult to attract all of them using the one program with the same content.”

Therefore, JAR and RAF came up with a series of steps packaged together and adapted to each university. “No change is a straight road. It’s multiple winding roads that interact, reject each other, explode. Some are abandoned. That’s why we need a package of programs that support each other”, Vitan explained.

One of the first steps was to apply an OECD and EU survey called HEInnovate to question university stakeholders including students, professors, administrators, and the business
community in 34 Romanian universities about their entrepreneurial and intrapreneurial needs. With nearly 5,000 completed surveys, JAR received the knowledge to proceed further. They organized a series of workshops called Innovation Days attracting nine universities in nine cities and challenged students, teachers and business owners to develop entrepreneurial approaches to their work. That collaborative energy led to developing “blended learning” classes (that combine online tools with on-site workshops) and 17 university entrepreneurial hubs.

Annually, 80-100 university students participate in the National Final of the Company of the Year competition, and the winner of the 2018 challenge, who later went on to the European phase of the competition, was Alexandru Bodea from Cluj’s Technical University. Now a master’s student in informational technology in economy, Alexandru and his partner Eduard created BEaTech, an innovative web platform that helps both headhunters and job seekers in the IT sector find each other based on more than just a resume. “Both companies and candidates create profiles and then we customized different stages of the recruitment process: a psychological evaluation, talent validation, soft skills, hard skills, tech testing and a video session”, Alexandru explained. The purpose was to ease the recruitment process for big companies who are constantly in search of new employees.

He and his partner created the business model from scratch and at the national JA competition they pitched a mock-up of the final product, which was in itself nerve-wrecking. “We were intimidated because we were the only competitors whose product did not actually exist yet. We focused on proving the business potential, though, and they valued that, as well as how you work as a team, how you anticipate clients’ needs.”

The most important thing they learned from the experience, Alexandru said, is the value of team work and “building trust so that everyone on the team can have a separate task while all the others are confident they’ll perform that task well, and there’s no need to step in or worry”. He also learned the value of sharing his ideas with the world so that he can validate them, but “not let haters discourage you”. Because once your idea is validated by the industry and someone would pay money for it, other people can say what they want.

Nowadays, Alexandru, Eduard, and four other friends are developing Molly, an app that suggests future purchases for users based on the needs they previously expressed through a questionnaire. It’s easy to see how a program like JAR’s is helping someone like him – a tech savvy 23-year-old with an appetite for business. But does the program deliver something to students who aren’t interested in being business owners?

Dorin Călin loves that question, because he knows JAR’s programs by heart and has seen their impact firsthand. “In entrepreneurship you can find all the components that link you to the real job market: which career suits you (because in a company you have all sorts of roles); financial education that helps you understand money and budgets; interacting with real businesses”, he explained. “And it teaches kids to communicate, to present an idea, to work in a team – all the abilities they’ll need regardless of the job they’ll choose.”

One of his favorite memories is from a JAR program three years ago that trained aspiring future doctors beginning...
in the 10th grade. They would observe live surgeries and work with medical professionals and hospital managers. “Out of the 50 students, 31 applied to medical school”, Dorin recalls with a smile on his face. “But for us it was a success that 19 people didn’t become those bored doctors that wouldn’t have benefited the medical system. On the other hand, we had teenagers who shadowed local public employment offices and realized that’s what they wanted to do and later got a job there. They just realized what fits them.”

Scale that to around 200,000 students participating in JA’s program each year and you can imagine all this individual impact leading to shaping generations and their professional futures. And at a time when Romania ranks third in Europe for student dropout rates and 124th worldwide in financial literacy (behind Congo and Burkina Faso) – and with 20% of its young people neither in school nor in the workforce and only 50% of university graduates working in the industries they trained for - a guiding force in education seems urgent.

“What I found remarkable in JAR was that it was the first time I saw programs of that scale. It had become possible to think that a program outside the system could reach thousands or tens of thousands of children each year. It had become possible for someone outside the system to influence public curriculum. It’s possible, if you work hard for years and make a huge effort, to gain support from big corporations and take your program to villages”, Suzana Dobre, RAF program director for educational initiatives, said.

And what helped JAR – named JA Europe Model Organization of the year in 2019 – was not only its large-scale program or the quality of its teaching methods, but also its adaptability. Rather than imposing a rigid structure over the Romanian school system, it worked on entering anywhere it saw an open door. “We try to serve the style and change the content”, Popp explained.

“If the educational style of the school or university we’re trying to build a partnership with requires a curriculum, we’ll try to make a curriculum for those classes. If they want a class plan, we’ll deliver a plan. We won’t use rigid words and rigid structure. We design the classes in a simple, modern way.”

At first, JAR’s activities were seen as insignificant by other teachers, but they quickly realized the importance of including practical activities and easy-to-read lessons in the highly theoretical curriculum of most Romanian schools and universities.

“Taking a step back and looking at the educational system as a whole, counting the number of education ministers who have been in office since 1993 (25) or the number of times graduation exams and curriculums were changed, one has to admire the consistency and evolution of JA Romania and the things that can be achieved when two organizations work together. Dobre said it best: “It’s really a story about how you can actually change things and how long it takes. And there’s no glitter, no wow factor”.

“What I find remarkable is that if you talk about entrepreneurial education in Romania, I think most of what it became is due to JAR and Stefania Popp”, Dobre said. “It’s an organization that massively influenced a whole educational sector, on a topic that didn’t exist here before them.”
“Change before you have to”, said Jack Welch, probably the first CEO with rock-star status in business history. His most praised accomplishment was a 34-fold increase in General Electric’s market value; otherwise, Welch’s mantras, his methods and his techniques still serve, decades later, as a management textbook. On March 1, 2020, while the world he knew plunged into a new kind of crisis, Welch quietly passed away. His legacy? “Change before you have to”. Especially now.

Mona Dîrțu is a journalist and trainer. She currently writes the weekly newsletter Monday Memo, a news & business digest for busy people, and trains individuals and teams on effective writing and storytelling techniques. She also works with Superscrieri, a journalism project, as a juror for their annual awards and as a trainer and mentor for young journalists. Previously, she edited two business weeklies, Business Magazin and Money Express, and led the online division of the Romanian public broadcaster.
“It was a mindset change”, says Mihai Dragomir, who teaches engineering in Cluj, the most economically vibrant city in Romania (even the self-confident Bucharest, the capital city, keeps a jealous eye on Cluj’s dynamic IT&C industry). “Before Rochester”, Dragomir explains, he saw entrepreneurship as “a closed, hermetic field: to start a business, you needed to have a lot of money and to know a lot of things”.

Things started to change, for him, in 2017. A fall semester spent at Rochester University, with a Fulbright-RAF Scholar Award, brought about a fresh perspective. “What I understood there was that entrepreneurship is not such a hermetic world: you don’t have to graduate first and then start a business”, he says. What you actually need is a good idea and the courage “to fail hard and fail fast” - and someday all those past failures might prove priceless.

For experienced entrepreneurs this doesn’t sound like a mind-blowing revelation: they usually understand early in their careers - sometimes with costs included - to look at failure as a fountainhead for future successes.

But for non-entrepreneurs, "fail hard and fail fast" can be counter-intuitive - and it can bring about a critical shift. “You know how we, the academics, are: we first read a lot, then debate a lot…”, laughs Dragomir, “and only afterwards start doing things”. This is the most common approach in universities - an inescapable one, as the educators’ main focus still is, in most countries, passing knowledge to their students - and little else.

And while a knowledge-focused education served decently the so-called knowledge economy of the 20th century, we’re now experiencing a cascade of disruptive transformations.

Anyone browsing the “Future of Jobs” report, issued annually by the World Economic Forum, can see - in the constantly changing list of skills needed in innovative companies - things like “analytical thinking and innovation”, “cognitive flexibility” and “coordinating with others”; or “creativity, originality and initiative”, “reasoning”, “active learning strategies”, and “emotional intelligence”.

So, here’s the one million-dollar question: where, when and how can future employees acquire the critical skills that enable businesses - or countries - to successfully compete in a field like technology? There’s little research, in Romania, on how well prepared university graduates are for their future workplace challenges. But, their employers do not need a lot of research to give a straight answer: for IT professionals, almost every non-technical skill is molded and practiced on the job, not in the classroom.

And that’s a burden for companies - and, ultimately, for the economy: the cost of recruiting and integrating a single IT professional in Romania was estimated at $9,947 by SDA, the largest programming school for adults in Central and Eastern Europe; and “these costs will increase in the coming years”. And while Romania’s IT&C sector is growing steadily, industry insiders warn we’re not preparing enough for the next decade - and the next wave.

“Someone had to start this conversation - because without a conversation, you don’t even have an ecosystem.”
"When we started, there was a 'missing public conversation' about the future of technology and innovation in Romania", says Roxana Vitan, the president of the Romanian-American Foundation, "and about how the whole ecosystem - business community, universities and authorities - should work together".

Someone had to start this conversation - because without a conversation, you don't even have an ecosystem.

But first, a little history.

In 2009, during the previous economic recession, Mark Gitenstein - a former US ambassador in Bucharest - predicted that "the IT&C sector will take Romania out of crisis [...] because it is a strong economic engine".

Gitenstein was right: IT&C's slice in Romania's GDP grew almost two-fold - from 3.2% in 2009 to 6% in 2019 - in a decade of remarkable economic expansion, when Romania's GDP itself increased by over 68%, from $164 billion to $239 billion.

There were unforgettable years: the sector's decade-long exuberance, fueled by fiscal facilities, was welcomed - and loudly acknowledged. Romania, a country that never lacked self-confidence in its tech aptitude - not even under the communist rule, when it proudly mentioned Ștefan Odobleja as "one of the precursors of cybernetics" and complemented itself for building computers since the 50s and 60s - welcomed the foreign investment whirl, the applause, the success stories. Cities like Timișoara, Cluj - and, later, Iași - reaped the benefits of their university-driven IT&C industries.

One year after the ambassador’s prediction, in 2010, Intel - one of the industry's most revered pioneers - opened in Bucharest a software development center, expanding its sales and marketing operations established in 2005. High expectations followed. And then, in 2016, Intel closed its Bucharest center.

What happened? Nothing unheard of in an industry where tech giants - particularly the new darlings of the Internet economy - move fast and break things. In Intel's case, the 2016 decision was part of a strategic refocus that slashed 12,000 jobs globally in a move from the declining PC market to cloud computing sales, according to FT.com; the chipmaker left Bucharest and regrouped its R&D operations in Poland, where it now has 1,500 employees in Gdansk and Warsaw.

To be sure, Intel's 150+ fired employees were welcomed elsewhere, and while the Romanian IT&C sector continued to expand, so did the industry's anxiety about its long-term future.

First, the industry has been struggling to cope, for years, with a chronic shortage of IT professionals. While the Romanian universities' output is 7,000-8,000 graduates per year, the industry's talent deficit is now estimated at 15,500 employees per year, according to ANIS - the oldest and the most representative voice of Romania's software industry - and will grow to over 21,000 employees in 2021, according to an estimate made before the pandemic by KPMG and the National Institute for Economic Research. The market? We're talking, now, of "some 100,000 employees", says Gabriela Mechea, ANIS's executive manager, maybe 120,000, according to other sources. The resulting arithmetic is, whatever the source, pretty distressing; while doing their best in terms of numbers, the Romanian universities can only cover half of the industry's increasing demand. Add to the equation the migration factor - over 37,000 IT professionals left the country since the beginning of the 2000s, according to Brainspotting, a consultancy - and you can easily connect the dots: the Romanian companies, large and small, multinational and local, are in a bloody price war for attracting and keeping their employees.
Second, there’s the sector’s unhealthy dependence on outsourcing. The sustained growth of the last decade has changed little in the industry’s internal structure: of the $5.4 billion a year in 2019, over 90% still comes from outsourcing. And while the investment lore insistently brands Romania as “Europe’s outsourcing gem” - “an ‘outsourcing valley’ for BPO, ITO, software development, etc.”, as one HR company puts it - there’s a lurking risk here. Even Romania’s central bank has warned, in a 2016 report, about the sector’s reliance upon outsourcing - an industry where “the arbitrage is made by the cost of the workforce”. And the cost of the workforce has increased constantly, to be sure. “The wages increased so much they’re almost on par with the American market”, says George Butunoiu, an experienced recruiter who owns a HR consultancy in Bucharest. The silver lining? The increase in wages has tempered the brain drain - but the arithmetic remains unsettling. Romania’s competitive advantage - “the relatively low cost of the workforce”, mentioned in investment brochures - gets thinner and thinner.

Yet neither the head count, nor the sector’s revenue structure tell the bigger story: while Romania’s sparkle as an “outsourcing gem” is fading gradually - and predictably - because of the workforce shortage and the growing costs, there’s too little preparation for “what’s coming”, says Paul Baran, consultant for the Technology and Innovation Priority of the Romanian-American Foundation.

And if we’re not prepared to make the leap from outsourcing-based businesses to innovation-based ones, “we’ll lose the battle, as a country - and we’ll lose it badly”, says Paul Baran. Why?

“Not because we’re not good enough technically”, he says. But because our engineers, while well equipped as IT specialists when they graduate, are not trained to adapt smoothly in a notoriously competitive sector - one where soft skills can make the difference.

Of course, there’s nothing soft about soft skills; the technically brilliant 22-year-old entry-level employee should be able, when he’s 27, to become a team leader: this means people management skills; it means understanding a product and its market; and working at the intersection of technology and other fields - like medicine, or agriculture, or energy, explains Paul Baran.

He knows a lot about the various discrepancies between the demand and the supply on the IT&C market: in 2015, he crisscrossed the country, talking with both industry leaders and professors from technical universities. His objective was to first understand the needs and then to co-create with both partners - companies on one side, universities on the other - a program that would help to bridge the gap.

“After one year”, says Roxana Vitan, “we were back to the drawing board”; co-creation proved to be, as any entrepreneur can tell you, a tricky task. The objective remained the same, but the imagined solution was different; what if we, RAF, spark a little appetite for entrepreneurship inside the technical universities and then assist them in becoming more entrepreneurial? Wouldn’t that be a better opening if we try to start a meaningful conversation between academia and businesses - and between universities themselves?

Four years later, there are lots of superposed conversations about - and around - tech & entrepreneurship, and many of them include both universities and businesses.

They all started in 2016, when the first six selected professors spent a semester at the University of Rochester’s Ain Center for Entrepreneurship; now there are already 24 alumni from 11 Romanian

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"Co-creation proved to be, as any entrepreneur can tell you, a tricky task."
universities. They came back home with fresh perspectives and ideas; sometimes they instilled new energy in whatever entrepreneurial projects already existed in their universities and sometimes started new projects. “It was interesting, because at Rochester they gave us a little taste of everything: lectures, events, competitions, business angels”, says Mihai Dragomir - in other words, the program was designed to show them an entrepreneurial ecosystem as a whole.

But why Rochester? There’s a whole story here, says Paul Baran. Helped by Center for International Educational Exchanges, RAF selected Rochester University from a list of 10 universities not only because of its entrepreneurial expertise, but also because the university played a central role in the economic recovery of the city. “The community was a big company town dependent on a small number of pillar industries that suddenly crashed”, says Paul Baran.

“Rochester is a very unique city”, says Duncan T. Moore, Vice Provost for Entrepreneurship, in a video posted on the university’s website. “It had a long history of being a big company town, with iconic names like Xerox, Kodak, Bausch & Lomb. 30 years ago those companies employed more than 80,000 people in Rochester. Today they employ less than 10,000. So this community had gone through a complete reorientation of the way we treat intellectual property, how we start businesses. We’re much more small company-focused”.

For some, the Fulbright-RAF Scholar Award meant a totally unexpected career shift. “Truth be told, I applied because some friends and colleagues convinced me to apply”, says Corina Forăscu from Alexandru Ioan Cuza University of Iași. “I wasn’t even sure I could explain what entrepreneurship really is”, laughs Forăscu. She has a PhD in computational linguistics and no entrepreneurial ambition, yet those who pushed her to apply told her she has “an entrepreneurial mindset”. She now agrees, finally: being an entrepreneur “means to identify a problem and to find a solution, not to establish a company”.

After Rochester, she started teaching an optional course of entrepreneurship. “The limit was for 80 students, but 100-110 enrolled in the first year”, she says. Why do they come? Because they can learn “something more than programming and informatics”.

But there’s something more than what every alumnus can bring back from Rochester. Corina Forăscu remembers something that happened before she even got there: “We were recommended by RAF to identify, in our communities, a 10-person support team meant to help us implement projects and initiatives when we returned home”, she explained. It was a useful exercise - it makes you think and evaluate the people you know, their skills, their potential; in other words, it may create new conversations. Did the 10-person support team prove to be useful in any practical way? “Yes indeed”, says Forăscu: “I just had one of the people I have chosen, Andrei Postolache,
“It was about the individual application, of course, but it was also about the university’s commitment”

as an invitee to a Zoom session with my students”.

“What RAF did was very smart”, says Livia Ilie, former vice-rector at Lucian Blaga University of Sibiu (with 5 of the 24 alumni, Sibiu - a city of 170,000 in central Romania - has its own fraternity of Rochesterians). “That’s what happens when private money is involved; not only have they chosen a very good university, but the selection process was designed on two levels: it was about the individual application, of course, but it was also about the university’s commitment”, says Ilie.

For the university administrators, the university put together a 5-day program - “a very intense one, with many visits and meetings”. The goal: when both the professors and the administrators are exposed to the same entrepreneurial experiences and ideas, chances are some things will start to happen at home.

There are already, in two generalist universities - in Sibiu and Constanța - cross-campus courses of entrepreneurship; it’s an important step in a country where larger universities are designed according to the Russian model, with separate campuses for medical school, for polytechnics, for agriculture”, explains Paul Baran. That physical separation is a barrier in an era of interdisciplinarity, where innovation often means to put together, in a safe space, the programmer with the physician and the data scientist. This is easier done, now, at Innovation Labs, a pre-accelerator program that has expanded from Bucharest to four new universities (Iași, Sibiu, Cluj, and Timișoara).

Finally, all the Rochesterians - besides exchanging ideas and keeping in touch in a 31-member WhatsApp group named “Rochester Fulbright-RAF family” - regrouped in the Association for Entrepreneurial Education, their own NGO. “We’re part of the change”, announces the association’s homepage. Among the objectives: promoting the need to introduce entrepreneurial education in universities as a means for society’s development. This September the association plans to bring to Bucharest, in partnership with RAF, the Babson College Global Symposium for Entrepreneurship Educators.

“One of my advantages is that I’m not from here”, says Paul Baran; he was born and educated in the United States and has lived in Romania for 20 years. “So when someone tells me ‘it can’t be done here’, I usually ask ‘why not?’”

After five years spent building the context for the missing conversation, the goal is pretty much the same as it was in 2015: “What we want is the kid who graduates tomorrow to be better equipped for the economy than the kid who graduated yesterday. It’s simple”.

It’s simple, but between yesterday and tomorrow there’s an awful lot of time.
It is very possible, and highly likely, that it will be months, maybe even years, before the tourism industry returns to what we knew it to be before the beginning of 2020 and the Coronavirus pandemic. Not only do we find ourselves dealing with a serious medical crisis that will result in an economic recession, but this particular moment clearly shows us that we need to rethink the way we consume and live.

In a recent report by Ipsos, the global research company, citizens from 38 countries (including Romania) placed the climate emergency at the very top of their concern. It is expected that from now on it will play an even more predominant role on the public agenda.
If, when talking about development and progress (including tourism development), we build from a model of excessive consumption, which pays little to no consideration for people, resources, local ecosystems and the corresponding consequences, then more serious questions will emerge regarding the price we have to pay for this progress. A return to proximity, to products and services that add value, to the communities they come from and to being aware of who makes what we consume and how, can become natural consequences of this particular moment in history.

Considered from this angle, the Development of Ecotourism Destinations Program suddenly gains an entirely new meaning. Paradoxically, the tourism industry will not recover easily, but the world of responsible tourism could gain a force it has never had, far beyond the annual growth rates of 10% or 15% registered so far. The notion of responsibility, seen as placing society’s progress at the heart of the concerns of corporations and organizations in general, has suddenly risen on our agenda.

The Development of Ecotourism Destinations Program (Ecodestinations Program) is an ambitious endeavor: it aims to bring economic development to seven areas in Romania, by transforming them into attractive ecotourism destinations. It is, above all, an effort to
change mentalities and culture that cannot be imposed from the outside. Its core idea is that the local community itself will understand the value of local resources and will find solutions to protect and sustainably take advantage of the potential of an area.

The findings from the first five years of the program show how much an investment in local development can create long-term effects in concentric circles: the Ecodestinations Program has mobilized communities to create infrastructure, tripled the number of hostels, “gave birth” to new local entrepreneurs and created new jobs and local products.

This doesn’t necessarily mean that any investment in local development has the same impact. In order to work, the investment needs to create local identity and differentiation, especially in a world where people choose much more carefully if and where to travel.

The Ecodestinations Program brought together a consortium of partners experienced enough to know that imposing a pre-established formula on a destination was not a viable solution, so they sought to identify the “ingredients” that would lead there – the Romanian-American Foundation, whose funding came with a lot of flexibility and risk tolerance, Fundația pentru Parteneriat, whose expertise in local communities was essential, and the Romanian Ecotourism Association, which brought to the table its extensive knowledge in building and marketing an ecodestination.

We may all experience a certain degree of reluctance when thinking about traveling again. Perhaps we will lose a little of our appetite for crowds, mass tourism and depersonalized experiences.

But, maybe we will find ourselves more attracted to the idea of visiting the “small” places where people are connected by story, tradition and concern for the community, such as the Transylvanian Highlands, Eco Maramureș, Pădurea Craiului, Țara Hategului, Țara Dornelor, Băile Tușnad or Ținutul Zimbrului.

“It is, above all, an effort to change mentalities and culture that cannot be imposed from the outside.”

Picnic in Țara Dornelor
ECODESTINATIONS PROGRAM

For almost a decade, Andreea Roșca has documented our interventions seeking to reboot rural Romania through ecotourism, gathering detailed insight about the communities and the people we work with and the business models piloted to generate economic growth while preserving the natural resources and cultural heritage.

In 2019, she coordinated the report ECODESTINATIONS – A Model of Leadership and Sustainable Local Development.

DEVELOPMENT OF ECOTOURISM DESTINATIONS PROGRAM

Deployment period: 5 years (2014-2019)

Consortium Management Funder: Romanian-American Foundation

Program Manager: Fundația pentru Parteneriat

Technical Partner: Asociația de Ecoturism din Romania

Total budget: 1.77 million USD RAF grant + 1.8 million USD grants attracted by Fundația pentru Parteneriat

7 ECODESTINATIONS

• Băile Tușnad and Surroundings
• Eco Maramureș (Mara Cosău – Creasta Cocoșului)
• Transylvanian Highlands
• Țara Hâțegului – Retezat
• Pădurea Craiului
• Țara Dornelor
• Ținutul Zimbrului

MAIN OBJECTIVES

1. Support local organizations to draft and apply sustainable plans and create local institutions for the development of the area as an ecotourism destination.
2. Contribute to public policies in ecotourism.
3. Create a network of destinations and a communication strategy to promote Romania as an ecotourism destination.

Click on the cover to download the report.
Our partnership with RAF has generated a project which is recognised as both innovative and highly effective, receiving praise and close interest not only from leaders in schools across Romania but also from British Council colleagues who lead our global educational programmes.

As Country Director for the British Council in Romania, Nigel Bellingham coordinates the British Council’s work in six countries in southeast and central Europe. He has previously worked with the British Council as Country Director in Tunisia and Czech Republic, and in senior posts in Hungary, Romania, Belgium, Saudi Arabia and Egypt. He speaks Arabic and French and he is a fellow of the Royal Society of Arts (FRSA).
Now in its third year, the project has set up Teacher Activity Groups in nine rural locations across Romania. These TAGs, as they’ve become known, take place every month and are attended by approximately 15 teachers each month. Maintaining this attendance is one of the project’s main achievements, confounding everything we were told to expect when we first launched the project. Clearly the combination of RAF and British Council in Romania has helped to build trust and confidence, and the connection of the project with RAF’s wider work to develop Ecotourism in the 9 regions has given a relevance that educational projects sometimes lack.
A second major achievement of this project is the enthusiasm it has won from all who are involved in it, from the nine expert trainers the British Council recruited to provide initial teacher training workshops and continued support, to the 18 local facilitators who run the monthly TAGs (all unpaid), to the 150 or so teachers who regularly attend. All this bodes very well for the long-term sustainability of the project once the initial three-year programme ends later this year.

But the greatest achievement of the project is the impact it has had on students. While it’s hugely gratifying to hear teachers talk about the renewed enthusiasm and motivation the project has given them, what’s most rewarding is to hear about the impact their new teaching methods has had on the learners: they report improved attendance, fewer drop-outs, and better exam results. One teacher told me that a young Roma girl from her class had won the county prize for English - a first for the teacher and the school!

As English for the Community draws to a close, we’re preparing to conduct an Impact Survey to capture more of these stories and to share them with the wider educational community in Romania. In that way we hope that the project’s benefit will spread far beyond the 180 teachers who join TAGs and the 5,000 or so students we estimate they’ve taught since the project began.

“One teacher told me that a young Roma girl from her class had won the county prize for English - a first for the teacher and the school!”

Photo: The British Council
Every change comes with great resistance and involves a lot of resources. Code for Romania is an organization that has attacked several layers of change in a country that, in 2016, was finding itself in an important transformational process from a civil society perspective.

The first civic technology organization in the country. The term "civic tech", as common as toast in places like the United States of America, has met a lot of enthusiasm in Romania, where software development, due to cost and complexity, was anything but accessible to the local non-profit organizations. The situation was new to donors who, in the beginning, had to deal with the completely different mechanic of investing in civic technology, in comparison with the usual CSR projects they had been funding.

Olivia Vereha is the Chief Operations Officer at Code for Romania, managing Civic Labs, one of the two main programs of the organization. With a background in communications, Olivia is passionate about technology and how it can shape and improve our day-to-day lives. Having a strong focus on usability and learning, her work concentrates on information architecture and inclusive design, in an effort to help build great digital tools for our society.
This was all happening while our community grew bigger and bigger, reaching over 400 members just a few months after the official launch, in September 2016. We had managed to access a professional category that had never before contributed to social change, who had then found a place where their skills were needed. What had started as an initiative to develop social apps, has rapidly turned into a movement, a movement that needed a platform and the necessary infrastructure to scale healthily.

Fast forward to 2020, Code for Romania is the biggest civic tech organization in Romania, and one of the biggest in the world, counting over 1200 volunteers. The second division of volunteers in size, after Bucharest, continues to be the diaspora, Romanians living abroad who now have a way to give back to their country, other than by voting or sending donations. Our volunteers have built 12 web and mobile apps and managed to score a premiere for our country - the first election monitoring app to be used in Romania, and one of the very few ones around the globe. Today, the app is being scaled in three other countries. We are doing research in six different areas every year and we incubate solutions to help civil society and public administration develop the right tools at fair cost. It has already been a full year since our local chapters - Iași, Cluj-Napoca and Timișoara have become more independent and started forming local communities and, currently, Code for Moldova is shaping up in Chișinău, started by Code for Romania volunteers.

What has got us through these years full of challenges was staying true to our beliefs, methodologies and code of conduct. While it would have been easy for us to jump at opportunities and get enough funding for comfortable sailing, we refused to build anything blindly, without thorough research and incubation. We refused to build anything that did not have a measurable impact on the long run.

Looking back, we could list many obvious wins, such as awards or successful launches, but what really counts, and what gives us the driving force to move further are the moments when we see our work is making a difference in how things work in a community and when we manage to break bad habits and practices that have weakened both civil society and institutions in the past decades.

Getting donors to invest time and funds in research and analysis, is when we realized we can move mountains. The first phone call from a CSO asking us to help them incubate the right solution for a challenge in their field was the moment when we knew that all the time spent translating technology for the civil society was worthwhile. Small wins such as signed contracts, protocols, procedures, and best practices, that we obsessively insisted on, paid off and changes started happening.
Always on the long run

Bogdan Ivănel, president for Code for Romania says that “technology has been one of the major engines for social change for millennia. It is even more so the case in a world like ours, where technology is becoming embedded into most aspects of our lives and is used to its fullest potential by government and the private sector alike. It is the mission of our times to channel the power of technology for social good and this is exactly what Code for Romania is doing.”

We are now entering our fifth year of work and we realize how much we have grown and how much we have changed as an organization. Our best skill was adapting and knowing that we can always do better. In the dawn of a new decade we are now looking at what we want the future to be like and, judging by the results of our two main programs so far, it will definitely be exciting.

We believe there are several driving forces that can bring social change, and it is time for technology to be the centerpiece in this era. The role we decided to fill is one of strategic partner for every organization and donor who is shifting towards technology. It is essential, in developing technology in the public space, to build it strategically, taking every other digital ecosystem into account and bringing to life a tool that is useful and sustainable. We want to make sure that the technology built is solving problems, not treating symptoms.

In the following decade, we are looking at machine learning, artificial intelligence, simplicity in design and accessibility for all, all while tackling higher and higher concerns regarding the protection of people in the virtual space. Therefore, matters such as personal data and security overall will continue to be high on the agenda. From a civic technology perspective, the landscape that we hope to create with the help of our supporters and community is one where professionals in IT will come together in more groups such as Code for Romania and start getting involved in solving social and civic issues from local to national, then regional and global, having a very strong network in between them, in order to coordinate efficiently.

From an end-products perspective, if we continue to stay true to our mission and take all of our platforms further, in ten years we will have enabled one of the most important resources in any society: open data. A state that does not take care of its data and does not use this data to make informed decision for its people, will not manage to improve healthily. In the same equation, civil society needs data to be able to shift from "because I said so" activism to data driven activism, supported by facts and numbers. This has been and will
continue to be one of our most important concerns and we will continue to improve collection and access to public information for every single citizen and organization, as technology is single-handedly the most important instrument in facilitating this.

Last but not least, this new decade will be one of commitment to change and innovation, which we have already begun. We consider simple things like research and user experience design to be innovative because moving blindly through growth stages that are not supported by research is not innovative, but irresponsible. And the one key message we want to impart to every single group and volunteer we come in contact with is that the future is open. We are the ones we’ve been waiting for and it’s up to us to be this change.

Right: A snapshot from the EU parliamentary elections call-center, where Code for Romania has been offering support to independent observers in Romania and the diaspora.
Photo: Code for Romania

Left: The first Hackday overseas, held at GitHub headquarters, has brought over 30 Romanians living in the diaspora together, to work on tools that make Romania a better place.
Photo: Code for Romania
Traditional dance, Maramureș
Photo: Emil Pop
STRATEGIES AND PROGRAMS
UNDER THE RURAL ECONOMY PRIORITY

Creating Opportunities for Small Farmers Strategy
Piloting possible solutions for rural economic development in agriculture.

FOOD HUB DEVELOPMENT
A group of Romanian NGOs develop and pilot Food Hubs as sustainable economic alternatives that can ensure fair market access for small farmers’ agricultural products.

AGRICULTURAL HIGH SCHOOLS – EDUCATING THE NEXT GENERATION OF FARMERS
Agricultural high schools education helps students acquire the necessary skills and interest to become small and medium-sized entrepreneurs in agriculture.

COOPNET
Providing a framework for RAF rural development partners to assist more interested parties in developing new cooperatives in Romania based on an already-tested methodology, by accessing public funds.

Local Development through Ecotourism Strategy
Capitalizing on natural and cultural potential through responsible and economically viable means.

DEVELOPMENT OF ECOTOURISM DESTINATIONS
Accelerating the establishment of ecotourism destinations and consolidating a country-wide ecotourism network.

EDUCATION FOR ECOTOURISM: ENGLISH FOR THE COMMUNITY & GREEN IMPACT
Contribute to the long-run development of the ecotourism destinations, building up the needed skills and attitudes of the young generations.

TEACH FOR ROMANIA
Provides access for young students from vulnerable rural communities to quality learning delivered by teachers trained to become leaders in education.
RURAL ECONOMY

MAPS

FOOD HUBS

AGRICULTURAL HIGH SCHOOLS

2018-2021

2021+

ABOUT  OUR STORIES  RURAL ECONOMY  TECHNOLOGY & INNOVATION  CIVIC ENGAGEMENT  GRANTS  PRIs  FINANCIAL STATEMENTS  PEOPLE
Students participating in the 2019 Innovation Labs Cluj Hackathon
Photo: TechLounge
STRATEGIES AND PROGRAMS
UNDER THE TECHNOLOGY AND INNOVATION PRIORITY

Entrepreneurship in higher education
We work together with technical universities in Romania to provide students with an opportunity to gain a set of technical and soft skills that help them develop their entrepreneurial potential, understand market mechanisms and think innovatively.

INNOVATION LABS
Pre-accelerator for start-ups designed to encourage creativity in technology and entrepreneurship among students and young professionals. After Bucharest, the program expanded to four other technical universities in Romania, namely Cluj, Iaşi, Sibiu, and Timișoara.

ENTREPRENEURIAL UNIVERSITY
Assists Romanian universities in the application of the HEInnovate entrepreneurial capacity assessment tool and provides five universities with accredited entrepreneurship curricula.

FULBRIGHT-RAF SCHOLAR AWARD
Supports 24 Romanian professors from technical universities around the country with the opportunity to gain U.S. university-based experience in developing and sustaining entrepreneurship education.

STEM Education
In secondary education, RAF has intervened to promote teaching methods meant to stimulate both the students’ interest in science as well as their critical thinking and creativity to contribute to the formation of a new generation of graduates who are able to take development opportunities in technology and innovation and match the requirements of an increasingly competitive market.

PHYSICS CURRICULUM REFORM (FIZICA ALTFEL)
Develops teaching through investigation methods, for students to develop high academic skills and knowledge in the field of physics.

FIRST TECH CHALLENGE
Helps students from all educational backgrounds learn and develop 21st century skills by promoting “learning by doing” Robotics.

TEACHING THE FUTURE
Supports middle and high school students in developing computer science knowledge by having access to project-based teaching and active learning school environments.

ȘTIINȚESCU FUND
Supports the setting up of a local funding mechanism for education micro-initiatives aimed at raising children’s interest in sciences.

CODEKIDS – CODING FOR KIDS IN LIBRARIES
Children in rural areas and small towns learn basic coding attending coding clubs activities in public libraries.
Fulbright-RAF Scholar Award University Centers

**Alba Iulia**: Alba Iulia branch of the Technical University Cluj-Napoca

**Bucharest**: Politehnica University of Bucharest

**Cluj Napoca**: Technical University of Cluj, Babeș-Bolyai University, University of Agricultural Sciences and Veterinary Medicine Cluj-Napoca

**Constanța**: Ovidius University

**Craiova**: University of Craiova

**Galați**: University of Galați

**Iași**: Alexandru Ioan Cuza University of Iași, Gheorghe Asachi Technical University of Iași

**Sibiu**: Lucian Blaga University of Sibiu

**Suceava**: Ștefan cel Mare University of Suceava
Entreprenurial University Centers

Universities participating in the First Stage of the Entrepreneurial University Program (April 2016 – May 2018)

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Universities participating in the First Stage of the Entrepreneurial University Program (December 2018 – December 2020)

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CIVIC ENGAGEMENT

RAF team (Bogdan Vernescu, Philip Henderson, Mihai Tudor, Kristina Perkins-Davison, Suzana Dobres, Romeo Vasilache, and Krystyna Wolniakowski) at the 2019 Bikeathon organized by the Țara Făgărașului Community Foundation.
STRATEGIES AND PROGRAMS
UNDER THE CIVIC ENGAGEMENT PRIORITY

**Developing an Infrastructure for Philanthropy & Civic Engagement**

RAF contributes to the development of an infrastructure of mechanisms and models designed to stimulate philanthropy and foster civic engagement.

**STIINTESCU FUND**

Supports the setting up of a local funding mechanism for education micro-initiatives aimed at raising children’s interest in sciences.

**FOCUS ON RURAL DEVELOPMENT**

Designing a framework of journalism with focus on rural development, that is story driven, public-powered, and solutions oriented.

**Civic Education**

We support non-formal civic education programs and explore methods to be used by schools in order to build better civic competences for children.

**TEACHING MEDIA LITERACY**

Contribute to improving media literacy of high-school students, both as media consumers and generators of content.

**DEBATE PROGRAM IN SCHOOLS**

Supports the use of debate as an educational tool both in debate clubs (extra-curricular) and during classes.

**ONE WORLD ROMANIA AT SCHOOL**

Stimulates the use of documentary films about human rights as a civic education tool, both during classes and as an extra-curricular activity.

**MARKETING AND COMMUNICATION POLYCLINIC**

Improving the communication capacities and the performance of RAF’s partner NGOs in the public relations field.

**CODE FOR ROMANIA**

Scaling up the activities and increasing the sustainability of the Code for Romania Association, as well as growing their volunteers, who work to develop digital solutions for issues of public interest.

**GDPR AND AML COMPLIANCE**

Improving the capacity of the Romanian NGO sector to comply with the General Data Protection Regulation (GDPR) and the Anti-Money Laundering (AML) Legislation.

**CIVIC INNOVATION FUND**

Supports the strengthening of a long-term national funding program for a sustainable growth of local organizations active in the field of civic engagement.

**TRANSATLANTIC LEADERSHIP INITIATIVES**

Supporting Romanian emerging leaders eligible to participate in the Marshall Memorial Fellowship program run by the GMF in U.S. and Europe.

**ASHOKA INNOVATORS FOR THE PUBLIC**

Supporting the introduction and replication in Romania of the Ashoka Innovators for the Public model, a program that identifies and enables entrepreneurial individuals to come up with innovative solutions for society’s systemic problems.

**PUBLIC PARTICIPATION AWARDS GALA**

Supporting the annual event that recognizes successful advocacy campaigns developed by citizens and NGOs, as well as best practices of public authorities.

**PROJECT CITIZEN**

Including the Project Citizen method in the current practice of teaching civic education in the seventh grade.

**INTERNATIONAL CIVIC AND CITIZENSHIP EDUCATION SURVEY 2022**

Supports the participation of Romania in an international survey that aims to measure students’ civic knowledge and attitudes.
The main strategies under RAF’s civic engagement priority are presented as three districts grouped around a city’s central square, thus creating the context and the opportunities for people, NGOs, schools, and companies to bring their contribution to the community.
In our experience, successful programs are defined by their power to inspire others.”  
– The Friends for Friends Foundation Team

Building our partners’ capacity to communicate their work efficiently means building up their voice – a strong voice able to reach the right targets, the ears, hearts and minds of supporters, decision-makers, donors alike.

For four years, these 39 NGOs polished their voices and learned how to better calibrate their messages:

YEAR | NO. | ORGANIZATION
--- | --- | ---
1 | 1 | Fundația pentru Parteneriat
1 | 2 | Asociația de Ecoturism din România
1 | 3 | Fundația pentru Dezvoltarea Societății Civile
1 | 4 | Teach for Romania
1 | 5 | Centrul de Evaluare și Analize Educaționale
1 | 6 | Romanian-American Foundation
2 | 7 | Tînutilul Zimbrului
2 | 8 | Eco-Maramureș
2 | 9 | Bâile Tușnad și Împrejurimile
2 | 10 | Țara Hateșului Rețezat
2 | 11 | Colinele Transilvaniei
2 | 12 | Țara Dornei
2 | 13 | Pădurea Criului
3 | 14 | Asociația Română de Dezbatere, Oratorie și Retorică
3 | 15 | World Vision Romania
3 | 16 | Centrul Român de Politici Europene
3 | 17 | Centrul pentru Jurnalism Independent
3 | 18 | Techsoup
3 | 19 | Centrul pentru Educație Economică și Dezvoltare din România
4 | 20 | Institutul Intercultural Timișoara
4 | 21 | Asociația pentru Relații Comunitare
4 | 22 | Fundația Noi Orizonturi
4 | 23 | One World Romania
4 | 24 | ASHOKA
4 | 25 | Fundația Civitas
4 | 26 | Junior Achievement Romania
4 | 27 | Fundația Progress
4 | 28 | Fundația Comunitară Băcău
4 | 29 | Fundația Comunitară Brașov
4 | 30 | Fundația Comunitară București
4 | 31 | Fundația Comunitară Cluj
4 | 32 | Fundația Comunitară Galați
4 | 33 | Fundația Comunitară Iași
4 | 34 | Fundația Comunitară Mureș
4 | 35 | Fundația Comunitară din Odorhei Secuiesc
4 | 36 | Fundația Comunitară Prahova
4 | 37 | Fundația Comunitară Timișoara
4 | 38 | Fundația Comunitară Țara Făgărașului
4 | 39 | Federația Fundațiile Comunitare din România

LEGEND
- Dezvoltare rurală
- Turism conștient
- Educație
- Comunitate & Societate civilă
COMMUNITY FOUNDATION MAP

MOVEMENT
2008 - 2019

2019
- VÂLCEA
- BUZĂU
- BANATUL MONTAN

2016
- TIMISOARA

2015
- DÂMBOVIȚA
- GALĂȚI
- BRAȘOV

2013
- TARA FĂGĂRAȘULUI
- PRAHOVA
- ORADEA
- BACĂU

2012
- SIBIU
- IASI

2011
- MURES
- BUCHAREST

2010
- COVASNA
- ALBA

2008
- CLUJ
- ORDOHEIU SECUIESC
ȘTIINȚESCU FUND
2015-2019

13 community foundations
+$733,300
RAF investment

+$624,200
raised by community foundations from the communities

+$1,357,500
mobilized for Științescu by RAF and the community foundations

+360
STEM projects funded

+47,100
children directly benefitting from the STEM projects

+7,000
project team members (mentors, educators, other volunteers)
# ACTIVE GRANTS IN 2019

<table>
<thead>
<tr>
<th>PRIORITY PROGRAM MANAGER</th>
<th>PROGRAM NAME</th>
<th>AGREEMENT AMOUNT ($)</th>
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<td>Asociația Teach for Romania</td>
<td>Teach for Romania - Sustainable Growth</td>
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<p>| Rural Economy | British Council | English for the Community | 250,000 | 40,000 |
| | Centrul de Evaluare și Analize Educaționale | Science Education Reform: Improving Scientific Literacy | 300,000 | 90,000 |
| | Centrul de Evaluare și Analize Educaționale | Impact Study Design for Fizica Altfel Program | 124,500 | 59,000 |
| | Centrul de Mediere și Securitate Comunitară | Food Hub CMSC: Start-up Grant - Year 1 | 213,952 | 39,952 |
| | Centrul pentru Educație Economică și Dezvoltare din România | Capacity Development for Agricultural High Schools - Year 3 | 106,000 | 63,000 |
| | Centrul pentru Jurnalism Independent | Teaching Media Literacy | 340,000 | 96,000 |
| | Centrul pentru Jurnalism Independent | Teaching Media Literacy - Phase II | 117,000 | - |
| | Centrul Român pentru Politici Europene | Research and Advocacy for Positioning Agricultural High Schools as Hubs, Year 3 | 131,000 | 50,000 |
| | Centrul Român pentru Politici Europene | Monitoring of Policy Implementation and Impact Assessment - Year 2 | 29,200 | 500 |
| | Clusturul de Energiei Sustenabile din România ROSENCS | Innovation Labs Timișoara | 26,000 | 22,000 |
| | Council on International Educational Exchange | Professor Development and Networking Program | 1,150,820 | 269,154 |</p>
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<tr>
<th>PRIORITY</th>
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<th>AGREEMENT AMOUNT ($)</th>
<th>DISBURSED FY 2019 ($)</th>
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</tbody>
</table>
RAF is the first foundation in Romania to offer Program-Related Investments: soft loans and repayable grants to support the cash flow or investment of qualified Romanian organizations that have charitable purposes aligned with RAF’s mission. RAF developed the PRI mechanism in order to complement the other mechanisms used by the organization to achieve programmatic results. RAF also uses PRIs to expand its impact. The capital used in PRIs is repaid, meaning that the invested funds are recycled into new charitable endeavors.

<table>
<thead>
<tr>
<th>BORROWER</th>
<th>PURPOSE</th>
<th>APPROVED ($)</th>
<th>DISBURSED ($)</th>
<th>OUTSTANDING ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRI to a Bank for Student Loans</td>
<td>Guarantee and Cash Collateral</td>
<td>77,000</td>
<td>77,000</td>
<td>16,500</td>
</tr>
<tr>
<td>Asociația Media DoR</td>
<td>Working capital</td>
<td>100,000</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td>Fundația Civitas pentru Societatea Civilă</td>
<td>Headquarters acquisition</td>
<td>105,600</td>
<td>105,600</td>
<td>8,449</td>
</tr>
<tr>
<td>Fundația pentru Dezvoltarea Societăți Civile</td>
<td>Working capital</td>
<td>200,000</td>
<td>200,000</td>
<td>100,000</td>
</tr>
<tr>
<td>Local Hub SRL Iași</td>
<td>Bridge Loan For EU-funded Project</td>
<td>40,000</td>
<td>40,000</td>
<td>40,000</td>
</tr>
<tr>
<td><strong>TOTAL PRI</strong></td>
<td></td>
<td><strong>522,600</strong></td>
<td><strong>472,600</strong></td>
<td><strong>214,949</strong></td>
</tr>
</tbody>
</table>
CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019

The Romanian-American Foundation is audited by KPMG Audit SRL.

For the full audit report, including notes, please visit http://www.rafonline.org/en/who-we-are/annual-reports/
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF DECEMBER 31, 2019 AND 2018

CONSOLIDATED STATEMENTS OF ACTIVITIES FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>December 31, 2019 ($)</th>
<th>December 31, 2018 ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketable Investments, at fair value (Notes 38):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mutual Funds – Equity</td>
<td>79,957,138</td>
<td>70,174,711</td>
</tr>
<tr>
<td>Mutual Funds – Fixed Income</td>
<td>45,646,889</td>
<td>35,449,385</td>
</tr>
<tr>
<td>Mutual Funds – Other</td>
<td>20,393,856</td>
<td>18,760,391</td>
</tr>
<tr>
<td>Non-marketable investments, at fair value (Note 8)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents (Note 3)</td>
<td>7,313,706</td>
<td>11,071,528</td>
</tr>
<tr>
<td>Cash restricted in bank deposits as collateral for student loans guarantee (Note 3)</td>
<td>16,500</td>
<td>44,000</td>
</tr>
<tr>
<td>Program related investments, committed (Note 3 and Note 9)</td>
<td>248,449</td>
<td>405,099</td>
</tr>
<tr>
<td>Prepaid expenses and other assets</td>
<td>230,059</td>
<td>36,804</td>
</tr>
<tr>
<td>Fixed Assets, net (Note 11)</td>
<td>3,328,199</td>
<td>3,393,540</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>157,746,565</strong></td>
<td><strong>140,576,291</strong></td>
</tr>
</tbody>
</table>

LIABILITIES AND NET ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>112,735</td>
<td>125,782</td>
</tr>
<tr>
<td>Program related investments, payable (Note 3 and note 9)</td>
<td>50,000</td>
<td>50,000</td>
</tr>
<tr>
<td>Grants payable (Note 3 and Note 9)</td>
<td>1,468,144</td>
<td>1,956,906</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td><strong>1,630,879</strong></td>
<td><strong>2,132,688</strong></td>
</tr>
</tbody>
</table>

NET ASSETS (NOTE 5)

<table>
<thead>
<tr>
<th>Description</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Board Designated Endowment Fund (Note 6)</td>
<td>152,913,055</td>
<td>134,406,631</td>
</tr>
<tr>
<td>Fixed Assets, Net (Note 11)</td>
<td>3,328,199</td>
<td>3,393,540</td>
</tr>
<tr>
<td>Undesignated (Note 5)</td>
<td>(125,568)</td>
<td>643,432</td>
</tr>
<tr>
<td><strong>TOTAL NET ASSETS WITHOUT DONOR RESTRICTIONS</strong></td>
<td><strong>156,115,686</strong></td>
<td><strong>138,443,603</strong></td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES AND NET ASSETS</strong></td>
<td><strong>157,746,565</strong></td>
<td><strong>140,576,291</strong></td>
</tr>
</tbody>
</table>
### CONSOLIDATED STATEMENTS OF ACTIVITIES

#### CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2019 AND 2018

#### CONSOLIDATED STATEMENTS OF ACTIVITIES FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

#### CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

#### CHANGES IN NET ASSETS

<table>
<thead>
<tr>
<th></th>
<th>WITHOUT DONOR RESTRICTIONS</th>
<th>WITH DONOR RESTRICTIONS</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INCOME</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Realized gain on sale of non-marketable investments (Note 8)</td>
<td>681,458</td>
<td>-</td>
<td>681,458</td>
</tr>
<tr>
<td>Interest and dividend income, net (Note 8)</td>
<td>3,880,289</td>
<td>-</td>
<td>3,880,289</td>
</tr>
<tr>
<td><strong>TOTAL INCOME</strong></td>
<td>4,561,747</td>
<td>-</td>
<td>4,561,747</td>
</tr>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee compensation and benefits</td>
<td>670,451</td>
<td>-</td>
<td>670,451</td>
</tr>
<tr>
<td>Occupancy expenses</td>
<td>162,739</td>
<td>-</td>
<td>162,739</td>
</tr>
<tr>
<td>Professional services</td>
<td>273,204</td>
<td>-</td>
<td>273,204</td>
</tr>
<tr>
<td>Trustees' expenses</td>
<td>125,703</td>
<td>-</td>
<td>125,703</td>
</tr>
<tr>
<td>Administrative and other</td>
<td>220,109</td>
<td>-</td>
<td>220,109</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>98,438</td>
<td>-</td>
<td>98,438</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING EXPENSES (NOTE 10)</strong></td>
<td>1,550,643</td>
<td>-</td>
<td>1,550,643</td>
</tr>
<tr>
<td><strong>GRANTS AWARDED TO OTHER ORGANIZATIONS (NOTE 9)</strong></td>
<td>3,560,262</td>
<td>-</td>
<td>3,560,262</td>
</tr>
<tr>
<td><strong>INCOME IN EXCESS OF GRANTS AWARDED AND OPERATING EXPENSES</strong></td>
<td>-</td>
<td>-</td>
<td>(549,158)</td>
</tr>
</tbody>
</table>

- Net realized gain on marketable investments (Note 8) 899,040 - 899,040
- Net unrealized gain on marketable investments (Note 8) 17,351,602 - 17,351,602
- Net currency remeasurement (losses)/gains (Note 3 and Note 8) (29,401) - (29,401)

**INCREASE IN NET ASSETS** 17,672,083 - 17,672,083

**NET ASSETS, BEGINNING OF YEAR** 138,443,603 - 138,443,603

**NET ASSETS, END OF THE YEAR** 156,115,686 - 156,115,686
### CONSOLIDATED STATEMENTS OF ACTIVITIES

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF DECEMBER 31, 2019 AND 2018**

**CONSOLIDATED STATEMENTS OF ACTIVITIES FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

**CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

<table>
<thead>
<tr>
<th>CHANGES IN NET ASSETS</th>
<th>YEAR ENDED DECEMBER 31, 2018 ($)</th>
<th>YEAR ENDED DECEMBER 31, 2018 ($)</th>
<th>YEAR ENDED DECEMBER 31, 2018 ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>WITHOUT DONOR RESTRICTIONS</td>
<td>WITH DONOR RESTRICTIONS</td>
<td>TOTAL</td>
</tr>
<tr>
<td><strong>INCOME</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Realized gain on sale of non-marketable investments (Note 8)</td>
<td>2,735,706</td>
<td>2,735,706</td>
<td>2,735,706</td>
</tr>
<tr>
<td>Interest and dividend income, net (Note 8)</td>
<td>3,672,685</td>
<td>-</td>
<td>3,672,685</td>
</tr>
<tr>
<td>Support and Contribution Income</td>
<td>1,207,655</td>
<td>-</td>
<td>1,207,655</td>
</tr>
<tr>
<td>Grants from Romanian-American Investment Foundation (Note 4)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>TOTAL INCOME</strong></td>
<td>7,616,047</td>
<td>-</td>
<td>7,616,047</td>
</tr>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employee compensation and benefits</td>
<td>661,114</td>
<td>-</td>
<td>661,114</td>
</tr>
<tr>
<td>Occupancy expenses</td>
<td>159,746</td>
<td>-</td>
<td>159,746</td>
</tr>
<tr>
<td>Professional services</td>
<td>245,295</td>
<td>-</td>
<td>245,295</td>
</tr>
<tr>
<td>Trustees’ expenses</td>
<td>137,504</td>
<td>-</td>
<td>137,504</td>
</tr>
<tr>
<td>Administrative and other</td>
<td>218,779</td>
<td>-</td>
<td>218,779</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>85,852</td>
<td>-</td>
<td>85,852</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING EXPENSES (NOTE 10)</strong></td>
<td>1,508,919</td>
<td>-</td>
<td>1,508,919</td>
</tr>
<tr>
<td>Grants awarded to other organizations (Note 9)</td>
<td>3,498,345</td>
<td>-</td>
<td>3,498,345</td>
</tr>
<tr>
<td><strong>INCOME IN EXCESS OF GRANTS AWARDED AND OPERATING EXPENSES</strong></td>
<td>2,608,784</td>
<td>-</td>
<td>2,608,784</td>
</tr>
<tr>
<td>Net realized gain on marketable investments (Note 8)</td>
<td>4,463,318</td>
<td>-</td>
<td>4,463,318</td>
</tr>
<tr>
<td>Net unrealized gain on marketable investments (Note 8)</td>
<td>(18,177,063)</td>
<td>-</td>
<td>(18,177,063)</td>
</tr>
<tr>
<td>Net currency remeasurement (losses)/gains (Note 3 and Note 8)</td>
<td>(89,096)</td>
<td>-</td>
<td>(89,096)</td>
</tr>
<tr>
<td><strong>DECREASE IN NET ASSETS</strong></td>
<td>(11,194,057)</td>
<td>-</td>
<td>(11,194,057)</td>
</tr>
<tr>
<td><strong>NET ASSETS, BEGINNING OF YEAR</strong></td>
<td>149,637,660</td>
<td>-</td>
<td>149,637,660</td>
</tr>
<tr>
<td><strong>NET ASSETS, END OF THE YEAR</strong></td>
<td>138,443,603</td>
<td>-</td>
<td>138,443,603</td>
</tr>
</tbody>
</table>
CONSOLIDATED STATEMENTS OF CASH FLOWS

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF DECEMBER 31, 2019 AND 2018

CONSOLIDATED STATEMENTS OF ACTIVITIES FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

CASH FLOWS FROM OPERATING ACTIVITIES

<table>
<thead>
<tr>
<th>YEAR ENDED DECEMBER 31, 2019 ($)</th>
<th>YEAR ENDED DECEMBER 31, 2018 ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS</td>
<td>17,672,083</td>
</tr>
</tbody>
</table>

ADJUSTMENTS TO RECONCILE CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS TO NET CASH USED BY OPERATING ACTIVITIES

- Net realized (gain)/loss on marketable investments: (899,040) vs. (4,463,318)
- Net realized (gain)/loss on sales of non-marketable investments: (681,458) vs. (2,735,706)
- Net unrealized (gain)/loss on marketable investments: (17,351,602) vs. 18,177,063
- Net unrealized FX (gain)/loss on non-marketable investments: 13,610 vs. 85,852
- Depreciation and amortization: 98,438 vs. 85,852
- Adjustments to reconcile change in net assets without donor restrictions to net cash used by operating activities: (1,658,882) vs. 104,657

CASH FLOWS FROM INVESTING ACTIVITIES

- Proceeds from sales of marketable investments: 36,233,166 vs. 62,293,998
- Proceeds from sales of non-marketable investments: 1,296,911 vs. 2,735,706
- Cost of marketable investments purchased: (39,595,920) vs. (95,707,965)
- Cost of fixed assets: (33,097) vs. (126,034)
- Net cash provided by investing activities: (2,098,940) vs. (30,804,295)
- Net decrease in cash and cash equivalents: (3,757,822) vs. (30,699,638)
- Cash and cash equivalents, beginning of year: 11,071,528 vs. 41,771,166
- Cash and cash equivalents, end of year: 7,313,706 vs. 11,071,528
RAF board members and team together with partners in Țara Făgărașului
Photo: Fundația Comunitară Țata Făgărașului
In 2019, RAF also provided support to the establishment of the following community foundations:

- Fundația Comunitară Banatul Montan
- Fundația Comunitară Buzău
- Fundația Comunitară Vâlcea
OUR TEAM

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Senior Program Officer

Oleg Moraru
Consultant, Rural Economy and PRIs
(since September 2019)

Dolores Neagoe
Director, Civil Society and Philanthropy

Anemari Necșulescu
Senior Program Officer

Cristina Nițu
Program Assistant

Ruxandra Sasu
Senior Program Officer

Olga Serghei
Accountant

Romeo Vasilache
Senior Director, Rural Economy and PRIs
(until November 2019)

Roxana Vitan
President
ACKNOWLEDGEMENTS

Everything we achieve is the direct result of our cooperation with our partners, whose passion and commitment help us turn vision into reality. We feel grateful to share this wonderful journey with them.

We would like to thank all the volunteers, peers and supporters who help us advance our mission.

THANK YOU

We are thankful for all of our friends and expert advisors whose feedback and inspiration helped us advance our work in 2019:

- Prof. Mihai Dragomir
- Marie-Luce Ghib
- H. E. Hans Klemm
- Elisabeta Moraru
- Cristian Patachia
- Andreea Roșca
- Timothy Saraille
- Prof. Vladimir Tanasiev
- Vlad Tăușance

A special shout-out to the people who helped make our 10th anniversary event so memorable:

- The speakers, who shared their experiences about working with RAF:
  - Andra Maria Andriucă
  - Radu Iamandi
  - Bogdan Ivănel
  - Alina Kasprovschi
  - Ștefania Popp

- The representatives of the five food hubs that catered the event with local delicacies:
  - Helyenvaló Helyit! (Odorheiu Secuiesc)
  - Merindar (Criț)
  - Nod Verde (Cluj)
  - Nord Natural (Bucovina)
  - Roade și Merinde (Iași)