**Global Drug Policy Program – Summary of Presidential Portfolio Review of May 18, 2015: Small grants.**

This portfolio review focused on a select group of small grants (under $25,000) made by the Global Drug Policy Program that served a number of aims, including building the capacity of fledging drug policy organizations and expanding the number and variety of voices that take part in drug policy debates. The period covered by the review was 7 years, from 2008 to 2014. The review focused on how GDPP used these small grants as a tool to achieve its ambitions over this period. This, our attempt at a “cross-cutting” portfolio of grants designated by size, cut across several parts of GDPP’s strategy.

In the onset, it was noted that a larger selection of grants presented at these portfolio reviews would allow for a more thorough examination of what worked and what didn’t over the given time period and would ensure that important trends or patterns were seen, and we were encouraged to include the entire selection of grants in following reviews. In the discussion, the strategy of using small grants to “seed” organizations was discussed in depth. It was noted that a preferred strategy might be to award a fewer number of larger grants (e.g. $100,000 instead of 4 x $25,000) in order to provide the most robust support to an organization instead of diluting the effect on an organization and, subsequently, taking the risk of not providing enough support for them to build sustainability. It was noted that $25,000 may be insufficient to meaningfully give an organization a financial foundation to develop and grow over the long-term. Our program explained our rationale behind the existing strategy of smaller grants as a way to explore and test which partners are best suited for continued collaboration with OSF and, ultimately, scaling up of support. Small grants aimed at supporting the start-up of new organizations often allow us to get to know the organization better. Success has been measured based on their success implementing the projects that at the same time narrows our ability to know them well enough. We measured their success based on our projected expectations.

Chris Stone made some interesting observations on the metrics by which success can be measure in such grants. It was noted that being the only donor (or a particularly dominant one) is not necessarily a good practice in the early life of any organization as it significantly affects their fundraising dynamics. To what extent can we call an organization successful if they are on life support by OSF? It was also noted that maintaining a good balance with the proportion of our support is critically important in seed funding organizations. Successful organizations are to be defined by financial health, backed by several donors and a significantly strong voice and presence in the field of operation.

New organizations may benefit more from a small grant aimed improving their organizational development (for example enabling participation in training courses in fundraising and management) rather than funds made available for a small project that might not be in line with their original strategic objectives and is heavily donor driven. Seed grants are part of a bigger picture on supporting strategic development and small grants under $25,000 cannot serve this purpose. GDPP was encouraged to clarify its approaches to organizational development and capacity building in future strategy documents.

The program expressed limited ability to provide technical assistance to youth groups, in particular. Supporting them often requires more hands-on work than any other organization. Collaboration with the Youth Exchange (formerly Youth Initiative) has helped a lot in this regard as they were better positioned and equipped to do this.

Another difficulty for small organizations often observed was the requirement to use English language. Not many of these are proficient in English language that limits their ability to fundraise from the western world or international organizations that only accept applications in English.

GDPP stressed that a *seed* *grant* is only one of the tools used in the early stages of funding the development of organizations. There have been an opportunistic element in our work in the past and multiple tools were used. The underlying factors were always the same: this part of our work has been aimed at filling the gaps wherever we identified those in the field. Supporting the organizational development [capacity building] of organizations, while designing projects to address these gaps at the same time, have been a difficult task.

Outcome statement:

**Small grants awarded by GDPP have been successful in great majority of the cases. They have led to significant results in spite of their limited size and led to successful collaborations in the life of the program. The expertise we gained over the years serves us well in identifying what projects of this size and scope will work well, however, as the observations of the portfolio review support, GDPP needs to think more strategically about supporting organizational growth and development instead of providing project-based support in all of the cases. The real nature of seed funding is strategic [general] support that is more substantial in size than OSF’s concept of small grants.**