Warsaw, Poland, June 27th 2024

**IS THIS REALLY THE END OF ONLINE CROWDFUNDING ON FACEBOOK AND INSTAGRAM?**

**As of July 1st 2024, Mark Zuckerberg's companies will cease their fundraising collections. However, Meta's platforms will introduce a new feature that allows users to add a button on social media to support online collections set up on external, professional, and secure crowdfunding portals. Who will Meta talk to about this?**

Meta's fundraising tools are a reasonably popular way for charities around the world to raise money online. The company reported that through these tools, internet users made donations worth billions of dollars every year, more than $5 billion in 2021 alone. However, starting July 1, 2024, online collection tools will no longer be available on Facebook and Instagram platforms for public benefit organizations in the European Economic Area (EEA), including Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Norway, Poland, Portugal, Spain and Sweden, among others. The changes will affect a total of 30 countries, including the 27 EU member states and Iceland, Norway, Liechtenstein, and more than 463 million of their citizens. These modifications to regulations and rules for organizing crowdfunding collections in Europe do not apply to the UK, as it is not a member of the EEA.

**Revolution**

This fundamental change means virtually the end of charities' ability to run crowdfunding collections on Europe's most popular social media platforms. - *After June 30, 2024, all previously available online fundraising tools on Meta's platforms will discontinue to function or disappear, including Facebook Donate ads, donation buttons in posts and on fundraiser pages created via Instagram and Facebook (all active fundraisers will automatically end at the end of this month, and donation buttons will be disabled), the fundraiser API function, charity manager and PayPal Giving Fund, among others. Also, donation receipts will be blocked automatically from July 1 this year. Receipts will only be provided for processing refunds or chargeback requests. Charities will also lose access to previous data from fundraising activities carried out on Meta platforms, including, among other things, lists of supporters, or donors.* - says Krzysztof Ilnicki, vice president of 4fund.com.

Meta is currently restricting who can donate to charitable collections until the end of June 2024. Citing regulatory requirements, the company is now only allowing online donations to people who have previously used an "e-money" account to donate. Internet users who have not previously used such an account will no longer be able to create or donate to collections on the social media platforms Facebook and Instagram.

Some consolation, however, is that Meta will continue to support charitable organizations. According to the company, the possibility of making donations through carefully selected, secure and reliable platforms specializing in crowdfunding collections is currently being explored. The possibility of improving the "Donate" button to redirect Facebook and Instagram users to crowdfunding platforms such as 4fund.com is being analyzed.

**What does this mean for nonprofits and charities?**

The change may come as a shock to many NGOs, which often benefited from the popularity of Facebook and Instagram, and their cost-free tools for crowdfunding. Their popularity was also due to convenient features, allowing users to create fundraisers on behalf of their favorite foundations. In turn, nonprofit organizations could add a convenient donation button to their profiles.

Since July 1st, the only alternative for NGOs has been online collections conducted on dedicated crowdfunding platforms. Given the large crowdfunding market and the many operating portals, the question remains: which crowdfunding platform should be chosen?

Meta's fundraising tools were free, so organizations should seek portals that allow them to conduct online collections at no cost. However, as reality shows, very few platforms in Europe offer the opportunity to raise money completely free of charge.  - *We monitor and analyze the offers of crowdfunding platforms around the world on an ongoing basis, and one fact has always amazed us. The portals operating in this sector, including the most popular ones, charge high commissions, reaching up to 15% of the value of the money raised, unlike 4fund.com, which is entirely free. We don't charge commissions or any mandatory fees, so organizing online collections is completely free of charge with us. It is worth mentioning that we live primarily from donations.* - summarizes Krzysztof Ilnicki, vice president of 4fund.com.

**What are the implications of the Meta changes for NGOs, their volunteers, and supporters?**

Organizers need to remember that Meta not only allowed NGOs to create fundraisers but also provided an important tool for individuals to show their support by creating fundraisers on behalf of NGOs.

Meta provided a simple tool where users could easily create birthday or event fundraisers and quickly share them with their community without worrying about the money going directly to the chosen NGO. Replacing this is crucial for NGOs, but it can be complicated as not every crowdfunding platform has such features.

To replace Meta's fundraising tool, NGOs need to find crowdfunding platforms that are free and have features that allow them to create fundraisers on behalf of organizations. This change can be a great opportunity to make online fundraising even better. It's a good idea to consider other features of crowdfunding platforms, such as secure, fast withdrawals, the ability to add buy-now offers and auctions, or features that help promote a fundraiser and make it more engaging for supporters.

4fund.com, an international crowdfunding platform, has a unique option called Money Box that allows anyone to raise money on behalf of any fundraiser (not just NGOs). Anyone can create a Money Box, share it with their community, and see how much money they have raised together. All funds raised through the Money Box go directly into the main fundraising account. This simple and fast solution doesn't even require verification! The organizer of the Money Box can personalize it—add a title, description, thank you message, and links to unique content.

Furthermore, July 1st 2024, 4fund.com will launch a new solution called Fundraisers on Your Behalf, allowing users to create not only Money Boxes for campaigns but also entirely new fundraisers, with funds going directly to the organization's account. A table with a comparison of the most popular crowdfunding platforms (including fees, withdrawals, analytics tools, features for organizers and supporters, and more) is available.

**Major changes to Meta already last year**

The phasing out of Facebook and Instagram's online donation tools, effective July 1 this year, is the second fundamental change to Meta's platforms in recent months. In the fourth quarter of 2023, the company changed both the way it processes donations and the entity that accounts for them. Previously, when an organizer accepted donations via Facebook, Instagram, or WhatsApp, the recipients received the funds directly from Meta Payments. However, as of October 31, 2023, donations are received and processed by the PayPal Giving Fund (PPGF) and are subject to PayPal's own third-party policies.

In addition, Meta has announced a change in payout timelines with the transition to PPGF payment processing. Nonprofits registered with the PPGF can expect to receive funds within 15 to 45 days. Meta Pay used to transfer funds within 30 days of receipt, so the new schedule is comparable as long as you are registered with the PPGF. Otherwise, you may have to wait up to 90 days for funds.

With the 2023 change, Meta stopped covering third-party payment processing fees. It also changed the donation flow to allow donors to increase their donations to cover the processing fees. Meta will also stop supporting new recurring donations and recurring donation campaigns on September 15, 2023.

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**About 4fund.com**

4fund is a platform designed for creating online fundraisers for any purpose, such as gifts, trips, businesses, and charitable actions. Using 4fund.com is completely free; the portal does not charge any fees for contributions, withdrawals, or commissions, and it offers convenient deposit options including payment by card, Apple Pay, or Google Pay. Users can create one-off campaigns or collect regular contributions for a project or business. 4fund.com boasts 813,000 registered users, 1.2 million fundraisers, and nearly €300 million total donations paid to various types of projects on the platform. The platform has been operational for over 10 years and is a licensed payment services provider in the European Union, regulated by the Polish Financial Supervision Authority (UKNF).