

# Introduction

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## THE PARADIGM SHIFT

In 2020, as COVID-19 shut down operations in multiple industries, long-standing calls for a ‘paradigm shift’ in the philanthropic sector gained momentum with a slew of reports highlighting inefficiencies and the need for change. From claims that philanthropic capital was insufficiently flexible and overly bureaucratic, to criticism of its often myopic approach and lack of ‘risk-taking’, practitioners seized the opportunity of crisis to champion long-awaited structural transformation. The pandemic amplified the growing feeling that philanthropy was not empowering its recipients enough, with too many micro decisions about the allocation of funding taken remotely rather than by the communities in need. At a macro level, concerns were raised about the absence of co-funding and collaboration in the sector and the missed opportunities that this represented for a capital market estimated at several trillion US dollars.

In our respective work, including the report written in 2020 for the Centre for Strategic Philanthropy (CSP) at the Judge Business School on the impact of COVID on philanthropy,<sup>1</sup> we set out to better understand these issues. Why wasn’t philanthropy able to effectively do more, more quickly, and more collaboratively? Why was this well-intentioned source of social investment with the potential to change lives positively and permanently not systematically delivering value at scale? We explored the extent to which the pandemic

<sup>1</sup> Munir, K., and Woodcraft, C. 2020. *Philanthropy and COVID 19: Is the North–South Balance of Power Finally Shifting?* Centre for Strategic Philanthropy, [www.jbs.cam.ac.uk/wp-content/uploads/2020/12/csp-report-covid-2020-executive-summary.pdf](http://www.jbs.cam.ac.uk/wp-content/uploads/2020/12/csp-report-covid-2020-executive-summary.pdf).

had reinforced the need for change, accelerated it, or both, and sourced empirical evidence around how practitioners had overcome operational challenges.

As evidenced throughout this book, we observed that the pandemic highlighted the imbalanced power relationship between the Global North and South and that

this is particularly true in the case of the North–South relationship in philanthropy which has long been characterized by an unequal power dynamic. Global South philanthropy is as old as that of the Global North with often long traditions of community support and local giving. However, the resource-poor nature of many Global South SPOs [social purpose organisations] has meant that many are reliant on Global North foundations for funding. This in turn has meant that these foundations have tended to set the parameters around which various programmes and interventions are identified for funding and the way in which resources are allocated to them.<sup>2</sup>

These imbalances are further compounded by the source of the capital which, as the Organisation for Economic Co-operation and Development (OECD) points out, tends to be highly concentrated.<sup>3</sup> Of the 143 foundations included in their 2018 global survey, the Bill & Melinda Gates Foundation (BMGF) is by far the most significant philanthropic donor, having provided almost a half of total giving for international development (49 per cent). In addition, 81 per cent of the total philanthropic giving during 2013–2015 was provided by only twenty foundations. Moreover, philanthropic flows, at 5 per cent, are still modest in volume compared to official development assistance (ODA).

Our findings resonated not just with practitioners in the Global South but also with a growing movement that sprung up in preceding

<sup>2</sup> Ibid.

<sup>3</sup> OECD. 2018. *Private Philanthropy for Development*, [www.oecd.org/dac/private-philanthropy-for-development-9789264085190-en.htm](http://www.oecd.org/dac/private-philanthropy-for-development-9789264085190-en.htm).

years. Recognition of this phenomenon of imbalanced power structures coalesced into a new aligned community calling for solidarity and system change. What began as a simple hashtag (#ShiftThePower) has now evolved into a dedicated website, a grassroots-driven movement, and a broad-based practitioner community calling for radical change.

The pandemic empowered practitioner organisations to insist on less funding conditionality, and catalysed funders to openly acknowledge the need to listen better, act faster, and adapt quickly to new ways of doing business. The gravity of the situation meant that ‘business as usual’ was no longer an option and a new level of understanding, responsiveness, and flexibility in philanthropy was critical to prove philanthropy’s worth for practitioners on the front line in desperate need of help. We found multiple examples of impressive new practices that cut across geographic boundaries, sectors, and issues, to demonstrate that philanthropists can do things differently and, more importantly, should.

#### CORE SECTOR CHALLENGES

Our research found that there are core areas where the change that the pandemic catalysed was sufficiently positive and progressive that it should be encouraged and institutionalised. Three opportunities to radically improve impact stood out.

##### *Mobilising Networks*

First, we call for more funding for networks and a general commitment to fund infrastructure. We note that funding Global South professional philanthropic networks plays a significant role in supporting the development and institutionalisation of philanthropy in these markets. They help under-resourced SPOs collectively bargain for better conditions where they might fear repercussions were they to do so alone. By articulating the collective demands of the sector to local governments, global grant-makers, and the broader development community, philanthropic networks in the Global South can elevate the voice of SPOs, create stronger collective advocacy

platforms to lobby for improving practices, connect Global South SPOs to their peers for knowledge exchange, and help build richer and more accurate analysis of the needs and potential of the sector. Professional networks allow for faster scale-up of knowledge-sharing, technology transfer, and the creation of operational partnerships. Only with a collective voice can Global South SPOs make the case for system change.

Since the publication of our 2020 research report, we have seen professional networks in the sector gain exponential momentum and demonstrate their value. Two venture philanthropy networks focused on the Global South – the Africa Venture Philanthropy Alliance (AVPA) and the Asian Venture Philanthropy Network (AVPN) – launched an initiative that unites Global South practitioners for peer learning, in collaboration with the Oxford Said Business School. The Africa-Asia Impact Fellowship nurtures asset owners and capital managers to become effective impact investing practitioners and explicitly leverages its respective networks to build capacity and knowledge to increase social investment into these regions. Similarly, on the back of AVPN's annual conference in July 2022, in partnership with The Rockefeller Foundation, the seeds were sown for the creation of the Global South Impact Community (GSIC), which subsequently contributed a statement to the 2022 G20 summit in Jakarta,<sup>4</sup> calling for a shift in the architecture of global development finance to empower Global South voices and enable philanthropic investment.

### *Partnerships with Governments*

Secondly, we call for increased Global South government/grant-maker partnerships, arguing that as emergency market philanthropy grows (largely due to the multi-trillion-dollar inter-generational wealth transfer expected in coming decades), there

<sup>4</sup> GSIC G20 Statement: [www.rockefellerfoundation.org/news/the-global-south-impact-community-presents-public-statement-to-g20-leaders-at-the-t20-summit-indonesia/](http://www.rockefellerfoundation.org/news/the-global-south-impact-community-presents-public-statement-to-g20-leaders-at-the-t20-summit-indonesia/).

is an opportunity for Global South philanthropists to work more closely with governments. Such partnerships increased during the pandemic and served to respectively highlight the mutual benefits that they offer. Governments get much needed additional capital and social innovation. Global South SPOs and grant-makers have an opportunity to align with national development policy and scale up their initiatives faster. Perhaps most importantly, Global South philanthropists and governments can build harmonious – rather than contentious – working relationships to create a new narrative around system change.

In 2021, our partners at the OECD Centre on Philanthropy produced the second edition of their *Philanthropy for Development* report,<sup>5</sup> which demonstrated that progress is accelerating in this space as more philanthropists commit to pooling their capital with that of development funds and government-underwritten efforts. The report noted that the percentage contribution of philanthropy to global development funding is increasing, and according to the OECD's Secretary-General Mathias Cormann, it is 'playing a pivotal role in providing targeted resources, leveraging private capital, and testing innovative approaches in support of many communities in the Global South'. As Cormann acknowledges, this newfound commitment to partnering with governments brings previous unseen levels of innovation and agility as philanthropy – essentially 'risk' capital – is married with governmental capacity to scale. The report further notes that more can be done to promote this form of collaboration, including encouraging greater transparency in the sector through formal reporting and enabling regulation that removes constraints on cross-border philanthropy, including differential tax exemption for activities carried out domestically versus abroad, or denial of tax exemptions for activities whose beneficiaries are foreign public benefit organisations.

<sup>5</sup> OECD. 2021. *Philanthropy in Development*, [www.oecd.org/dev/private-philanthropy-for-development-second-edition-cdf37f1e-en.htm](http://www.oecd.org/dev/private-philanthropy-for-development-second-edition-cdf37f1e-en.htm).

Indeed, since COVID-19, partnership with government no longer feels like an alien practice and more like a logical step to ensure real system change. Even some of the most 'third-sector averse' regimes that fear the threat of civil society insurgency are now embracing the possibility of deploying philanthropic capital for more scalable and sustainable outcomes (shrinking public-sector spending no doubt also plays a role). In the Kingdom of Saudi Arabia, the government is actively trying to build capacity in the sector and encourage its investment in critical areas such as health care, education, housing, research, and social programmes. This support was epitomised by the 2021 announcement that the country would create an entire city dedicated to the not-for-profit sector. While such lofty ambitions may not translate quickly into systemic outcomes, they do evoke a burgeoning enabling environment in stark contrast to earlier years where SPOs might face abject hostility from the ruling regime. It also suggests new opportunities for building trust where historically a third-sector partnership might have been perceived as a threat.

### *Building Resilience*

Finally, the importance of core philanthropic funding for building resilience cannot be overstated. Grantees all over the Global South want the simpler, faster due diligence and application processes that COVID-19 engendered to continue. These reduced time and transaction costs and quickly freed up funding for unexpected purposes where previously it might have been rigorously restricted.

Since the initial publication of the CSP's report, the drive for more core funding and unrestricted philanthropic capital has gained further momentum. As NPC reported in July 2022,<sup>6</sup> funders must 'give more and give flexibly if they're to achieve any impact' during the cost-of-living crisis, which it said was 'as big a crisis as COVID,

<sup>6</sup> [www.civilsociety.co.uk/news/funders-told-to-offer-urgent-covid-type-support-to-charities-amid-cost-of-living-crisis.html](https://www.civilsociety.co.uk/news/funders-told-to-offer-urgent-covid-type-support-to-charities-amid-cost-of-living-crisis.html).

possibly bigger'. One of the core outcomes of the AVPN's annual conference in July 2022 was the conclusion from hundreds of practitioners attending that

there is the need for social investors to take greater risks with their capital and give investees the freedom to decide how they use their funding. Unrestricted funding is also essential in providing investees with the flexible support they need to build resilience and remain sustainable. Further, for funding to be catalytic, investors need to be open to risks, learning from mistakes and making long-term commitments.<sup>7</sup>

#### GENESIS OF THIS BOOK

Upon publishing our overview of the grassroots-level shifts that were underway in the sector, we quickly realised the need for further insight into actual cases of SPOs in the Global South engaging in these dynamics. That is when we – Clare Woodcraft, Kamal Munir, and Nitya Khemka – came together as an editorial team to identify exemplars and request them to contribute to a volume that would bring their experiences to a wider audience. This volume is thus an effort to showcase the possibility of a different way of using philanthropic capital to create system change. It is an opportunity to amplify the voices of leaders in the Global South who have already developed their own parameters around best practice and have already tested new thinking and new ideas about how we can do things better. It is also a call to action for a more united community of global change-makers who believe that philanthropy can have a disproportionately powerful role in changing and improving socio-economic realities of the developing world but only if it undergoes a radical transformation.

In this edition, you will find contributions from thirteen Global South philanthropic experts on three themes that we have derived from

<sup>7</sup> [www.sei.org/wp-content/uploads/2018/12/avpn-global-conference-2022---post-event-report-compressed.pdf](https://www.sei.org/wp-content/uploads/2018/12/avpn-global-conference-2022---post-event-report-compressed.pdf).

our original research findings, which we felt merited additional exploration. These are areas that we deem critical to the improvement and institutionalisation of best practice in philanthropy. They comprise building multi-sector partnerships, fortifying networks, and creating institutional resilience. Each of our authors has produced their chapter by drawing on their actual work and experience. They have shared their views with us candidly so that other practitioners can not only benefit from the potential replicability of their work but also appreciate the myriad challenges they face in delivering system change.

#### WHAT TO EXPECT

This compendium presents a view of how ‘newer’ models of private philanthropy in the Global South are grappling with the most pressing development challenges. The curated essays provide a frank assessment of the challenges and opportunities of emerging market philanthropy and lessons learned from how the pandemic has affected giving. It highlights how philanthropy in the Global South can become more independent of its reliance on large Northern foundations. Several topical themes are examined: What steps can be taken to share data and best practices among local philanthropic organisations? What new strategies should the philanthropic sector adopt to increase its impact? How can the philanthropic sector work more closely with the state? What initiatives are already underway that need to be strengthened in this respect? How has COVID highlighted new possibilities for a more robust, impactful, and democratic philanthropic sector in emerging markets? Through our contributing authors, we explore further some of the COVID-induced sector changes and the responses to them of recipient organisations in emerging markets within the framework of our three themes:

#### *Building Networks: Infrastructure, Capacity, and Knowledge*

This theme brings together authors who have developed networks to improve ‘philanthropic infrastructure’, be it databases, knowledge-sharing platforms, professional associations, or events and outreach.



Their work allows us to appreciate how emerging market professional philanthropic networks can potentially play a huge role in supporting the development and institutionalisation of Global South philanthropy. This section (Chapters 1 and 2) gives real world examples of how professional association can drive greater impact through knowledge-sharing, co-funding, peer learning, and practical operational collaboration.

In Chapter 1, 'From Transactional to Transformational: Leveraging Networks to Catalyse Bold Philanthropic Action in Asia', Naina Subberwal Batra examines the power of networks with the creation and growth of the AVPN. Batra explores how connecting like-minded Global South peers and building bridges to collaboration is a core function of ecosystem builders such as AVPN. Since it was established in 2011, AVPN has grown into Asia's largest social investment network and has incubated several successful partnerships. However, the journey has not always been smooth sailing – building networks is challenging given the heterogeneity of their communities and the need to build compromise and clear collective 'value add'. Batra explains how the network strove to create a robust value proposition and against the odds built an entity that is inclusive, responsive, and resilient.

In Chapter 2, 'A Model for Promoting Systems-Change Philanthropy by Leveraging Networks', Olivia Leland and Silvia Bastante de Unverhau provide a nuanced understanding of philanthropic networks to promote collaboration and impact. By highlighting the experiences of Co-Impact, a global collaborative that advances inclusive systems change through grant-making and influencing philanthropy, the chapter flags a novel approach to higher-impact philanthropy through pooled funds. By analysing the constraints in philanthropic practice that the Co-Impact model is designed to address, the chapter discusses how to advance 'trust-based philanthropy' that both learns from and inspires others as well as provides a practical approach to addressing inherent power dynamics in philanthropy.

*Forging Multi-Stakeholder Partnerships:  
Global South Governments, Global South  
Philanthropists, and Civil Society*

Authors who have been involved in the development of multi-stakeholder partnerships congregate around this theme. As emergency market philanthropy grows, there is an opportunity for Global South philanthropists to build strong partnership with fellow Global South actors and particularly with Global South governments. These have increased on the back of the pandemic and served to respectively highlight the mutual benefits that they offer. Our authors provide their perspectives on the value of such partnerships. This section (Chapters 3, 4, 5, and 6) highlights the mutually beneficial value of such partnerships.

Chapter 3, 'Building Effective Philanthropy through Strategic Partnerships: A Case Study of the Tanoto Foundation', by Dr Satrijo Tanudjojo, focuses on efforts by the Indonesia-based Tanoto Foundation to engage in knowledge exchange via the creation of collaborative networks and global communities of practice. The chapter highlights how the Foundation effectively partnered with local and national organisations to create collaborative regional platforms that respond to endemic threats, supporting a more sustainable social system and a resilient community through education. In doing so, this chapter examines how the institutionalising of cross-sectorial partnerships and implementation of scalable human capital development programmes can allow philanthropic organisations to expand their value proposition and improve their inherent know-how, ultimately impacting the lived daily realities of communities they serve.

In Chapter 4, 'Forging Multi-Stakeholder Partnerships: Global South Governments, the Private Sector, Philanthropists, and Civil Society', Dr Natasha Matic explores philanthropic partnership best practices in the post COVID-19 world through lessons learned from Saudi Arabia-based King Khalid Foundation's philanthropic partnership journey. The chapter argues that historically, the philanthropic

sector in the Global South has been siloed, with few foundations working together and even fewer engaged in multi-sectoral collaborations. The scale and urgency of the pandemic transformed the way philanthropists work, creating the case for more active collaboration between governments, the private sector, philanthropic capital, and the ultimate stakeholders they serve. The chapter identifies several critical elements of a successful partnership and provides insights and practical tools that will help initiate, develop, and sustain high-impact partnerships over time between governments, the private sector, and philanthropists.

In Chapter 5, 'The Whole Is Greater than the Sum: Forging and Sustaining Multi-Stakeholder Philanthropic Partnerships in Africa beyond the Pandemic', Sahra Noor discusses the vital multi-sector partnerships between the African Union (AU), local governments, and the private sector that arose from the pandemic and helped curb the massive spread of infections due to COVID-19. The chapter highlights the uniqueness and significance of these partnerships at the local and continental levels and some of the values underpinning them. Several salient themes are discussed, including the importance and impact of the AU's strategic leadership and multi-sectoral partnerships in advancing the continent's health and economic agenda, the challenges inherent in sustaining and scaling these alliances in Africa, as well as forging the way forward post-pandemic.

Chapter 6, 'Gender-Based Violence in South Africa and Multi-Stakeholder Partnerships: The Vodacom Foundation Experience', by Takalani Netshitenzhe, examines the extent of gender-based violence in South Africa and the role of multi-stakeholder partnerships to tackle this fundamental violation of human rights. Using the work of the Vodacom Foundation, the chapter outlines how the Foundation's contribution to the fight against gender-based violence has evolved into an ecosystem that supports prevention, response, and survivor empowerment through strong, sustainable partnerships with civil society organisations (CSOs) and the roll out of information communication technologies (ICTs). Most critically, the chapter underscores

key transformative impacts of this evolution in the relationships between the Foundation and CSOs into mutually beneficial and supportive partnerships. The case study serves to demonstrate that big business can do more than just generating revenues and can also work in tandem with governments and the civil society to address societal ills.

*Creating Resilience: Philanthropic Financing for Sustainable Development*

Finally, we bring together authors whose work showcases how new ways of thinking and innovation in Global South philanthropy can offset some of the historical fragility of emerging market third sectors and ensure sufficient resilience to survive future crises. Here in Chapter 7, 8, 9, and 10, authors share both COVID-19 and non-pandemic experiences of how they build institutional capacity in the third sector and ensure sustainable finance for their initiatives.

Chapter 7, 'Philanthropy in Emerging Economies: A Call to Invest in Resilience', by Maysa Jalbout and Katy Bullard, outlines current philanthropic trends in emerging economies, exploring the extent to which philanthropists are investing in resilience. Three dimensions are considered: what philanthropists invest in, how they invest, and with whom they invest. The chapter presents a detailed understanding of emerging economy philanthropy – both pre-COVID-19 and in the wake of the pandemic – and articulates frameworks and considerations for understanding resilience in philanthropy. Drawing on case studies of philanthropic organisations in Brazil, India, and Saudi Arabia, the chapter advocates for investing in resilience, discussing both challenges and opportunities for doing so.

In Chapter 8, 'How Strategic Philanthropy Can Shake Up the Ecosystem and Build Resilience: A Case Study on Increasing Access to Palliative Care in India', Rumana Hamied and Prakash Fernandes highlight the crucial role that indigenous philanthropy plays in the Global South despite systematic philanthropy from the Global North. Using palliative care in India, the chapter outlines the two-decade

journey of the Cipla Foundation to support palliative care and bridge the gaping unmet need for end-of-life care. The chapter presents a systematic discussion of how the Foundation has mobilised a multi-stakeholder ecosystem including civil society, public health experts, government and private-sector professionals, the health-care community, patients, and the media. It presents valuable learnings of how indigenous philanthropy can unveil less visible but potent local needs and underscores that even when funding remains domestic, institutional learning and knowledge can be disseminated globally.

Chapter 9, 'Building Resilience for the Malaysian Education Ecosystem during the Pandemic and Beyond', by Kathleen Wai Lin Chew, describes the challenges faced by the Malaysian education system to address remote learning during lockdown and school closure in Malaysia because of the pandemic. The chapter discusses the role the YTL Foundation played in bringing together a raft of technological solutions, alongside key partnerships with the government and the community, to ensure continuity in learning, particularly for low-income students across the country. The uniqueness of this case study underscores the importance of partnerships that enable the scaling of locally identified solutions. The chapter also explores the elements necessary for building resilience into the Malaysian education ecosystem in a future where hybrid education will be the norm.

In Chapter 10, 'Creating Resilience and Rebuilding India through Philanthropy', Deval Sanghvi outlines the approach that Dasra took in their 'Back the Frontline' initiative to combine COVID-19 rapid response efforts with building long-term resilience in helping India's most vulnerable communities. Drawing on insights from Dasra's twenty-two years of experience, this chapter provides a nuanced understanding of the urgent need to shift giving practices towards an equity-focused approach, committed to supporting locally led scalable solutions that have measurable outcomes of justice, diversity, and inclusion. The chapter proposes providing rapid response funding for local frontline organisations, while simultaneously unlocking more thoughtful philanthropy, strengthening

institutional backbone through capacity-building support, and promoting learning and knowledge exchange between key stakeholders to accelerate development.

## CONCLUSION

In this book, we have attempted to curate the lived experiences of leading Global South practitioners in philanthropy. We hope to evolve this work into a community of institutional peer learning onto which we can build and to which others can contribute. We acknowledge the enormous power and potential of philanthropic capital but equally recognise its often spectacular failure to create sustainable change. We believe passionately that the constellation of crises the world currently faces coupled with the rapidly growing pool of philanthropic capital demands a more focused, researched attempt to build standards, share best practice, acknowledge failures, and ensure positive system change. We see this book as just the beginning of the overall work and welcome input – positive or critical – from others who believe in its importance to the future of the philanthropic sector in how it supports the United Nations' Sustainable Development Goals (SDGs).

This is meant to be a 'thinking and doing' book for readers seeking to understand how philanthropy in emerging markets is forging a common agenda. The featured chapters highlight the deeper issues at play but also offer up ideas and positive examples of how diverse stakeholders can solve big social challenges in creative and practical ways. We have created an inclusive publication that speaks to all readers, practitioners, scholars, policy influencers, and non-governmental organisations (NGOs), and can also serve as a foundational text to those seeking a deeper understanding of the shifts in emerging market philanthropy and how best to maximise impact.

This publication makes a crucial contribution towards understanding the current state of Global South philanthropy in the aftermath of COVID-19 and identifies future opportunities and challenges.

Currently there is a dearth of research and literature on Global South philanthropy, and specifically our chosen focus of the Middle East, Southeast Asia, and Africa. This is a significant market gap given that philanthropy in these markets – where institutional voids prevail and often create significant barriers to impact – is often very different from that in the Global North. Specifically, many emerging market governments are struggling to navigate the development of relevant regulatory framework, tax incentives don't always play a role, and philanthropic giving may be blocked by state actors rather than encouraged.

The time is ripe for a radical rethink of Global South philanthropy, not only in how to best get resources to where they are most needed but also to support national governmental plans driving sustainable development. We aspired to create work that helps underwrite the ongoing and important debate about how delivering on the SDGs might be accelerated if philanthropic capital were systematically pooled to this effect. We hope that practitioners and grant-makers alike will take inspiration from this work and collectively help us move forward effectively on our mission towards improving the impact of philanthropy in the Global South.

Further, this book contributes to the ever-growing appetite for collaboration that is uniting the voices of Global South philanthropic practitioners. We hope it represents an opportunity to create a centralised force and repository for evidence-based practices from the developing world that defy those historically entrenched through structures born out of the Global North. We thank all our contributors for being part of this project and for taking the time to share their experiences, energy, drive, and passion with fellow practitioners. We thank them also for capturing these experiences in technical detail and in a way that enables replication in other parts of the world. We hope this collection of chapters will prove a catalyst for similar exchanges whereby game-changing case studies can bring about new hope for innovation and system change using private capital for public good.

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