

Report

Perspectives on Arab & Global Philanthropy: Roles and Approaches

Consultative Meeting

Berlin | 3 – 4 June 2015

Table of Contents

About the Robert Bosch Academy	3
Consultative Meeting – Report	4
Introduction by Richard von Weizsäcker Fellow Atallah Kuttab	4
Some themes that emerged throughout the meeting	6
DAY 1	11
Welcome, opening and framing of the meeting	11
Session 1: Reflections on philanthropy in the Arab region.....	12
Session 2: Local traditions and geographic diversity	17
Summarizing day 1	23
DAY 2	24
Session 3: Evolving trends in philanthropy 1: individual, family and corporate philanthropy	24
Session 4: Evolving trends in philanthropy: Community foundations	29
Session 5: Evolving trends in philanthropy 3: Impact investing and social investment..	32
Session 6: Role of philanthropy in society and relationship to governments.....	36
Session 7: Accountability, transparency and governance.....	41
Wrapping up.....	44
Appendix I: Program Description & Agenda	45
Appendix II: List of Participants	51

About the Robert Bosch Academy

The Robert Bosch Academy is a center for interdisciplinary, multilateral dialogue, and solutions-oriented cooperation on the global challenges of the 21st century. In addition to traditional foreign policy and security issues, this includes policy challenges that require or benefit from comparative bilateral or multilateral approaches, such as education, demographic change, public health, migration and asylum, among others.

The Academy is an institution of the Robert Bosch Stiftung headquartered at its Berlin Representative Office in the heart of the capital's government district Berlin-Mitte.

The Richard von Weizsäcker Fellowship as its flagship brings together distinguished decision-makers and opinion leaders from all over the world to spend extended working stays in Berlin. Each stay is tailored to the respective Fellow's individual interests and needs. The program offers the Fellows a unique space to work on topics, ideas, and strategies beyond their regular duties and obligations and to engage with decision-makers and experts in Berlin and other European cities.

The Fellowship was established in honor of former German Federal President Richard von Weizsäcker, who, as a member of the Board of Trustees for many years, shaped the work of the Robert Bosch Stiftung.

The Robert Bosch Stiftung is one of the major German foundations associated with a private company. It holds 92 percent of the share capital of Robert Bosch GmbH.

Established in 1964, it represents the philanthropic endeavors of Robert Bosch (1861-1942), focussing on the fields of science, health, international relations, education, society, and culture. Between 1964 and 2013, the Foundation has made available 1.2 billion euros for projects. In 2013, approximately 70 million euros were spent on project funding.

Consultative Meeting – Report

Introduction by Richard von Weizsäcker Fellow Atallah Kuttab

Thanks to Robert Bosch Academy for hosting this meeting and awarding me the Richard von Weizsäcker Fellowship that made it possible. Attendance at the meeting spans most regions of the world – the Arab region (*mashreq* or orient, gulf and west or *maghreb*), Africa, China, Latin America, Russia, Turkey, a number of European countries and the USA.

My fellowship allowed me to visit Colombia, China and South Africa and various countries within Europe, and learn how philanthropy is being shaped in them. In the context of what is happening globally, I developed a framework for philanthropy in the Arab region. I have consulted most, if not all, of the participants during the last ten months and their insights were invaluable to my work. This meeting is a culmination of those individual consultations and they have shaped its programme.

The objective of the meeting is to highlight the changing landscape of philanthropy around the world and to understand how local traditions of giving and local discourses are building on global best practice and evolving patterns of philanthropy. Hopefully this will lead to better understanding of a global philanthropy that aims at a more equitable world. Another key objective is to build an informal network among ourselves to take the outcomes of the meeting forward, if and when opportunities present themselves.

The meeting includes sessions covering local traditions, evolving areas of philanthropy (individual, family and corporate philanthropy, community philanthropy and impact investing/social investment), the role of philanthropy in society and its relationship to governments, and accountability, transparency and governance, and our own legitimacy. A description of the programme and list of participants are included as the appendices to this report.

I would like to thank *Alliance* magazine for taking notes of the various sessions and preparing this document. Additionally, the September 2015 issue of *Alliance* will have a special feature on trends in global philanthropy which will draw on the findings and discussions presented here. I hope that we will use the output of the meeting to improve the knowledge and understanding of philanthropy in our countries by documenting local practices and sharing them with others. My vision is that WINGS will serve as the repository of that information, since it is the natural location for such global knowledge.

Participants suggested that one way to take the outcome of the meeting forward is for us each to convene similar meetings in our respective regions, based on the resources available to us. This would enable us to include a wider audience in this discussion and to consider the various topics more deeply. I hope that this document will form the basis for such meetings and for a fruitful cooperation among all participants as we document and reflect on local practices and try to understand the richness and diversity of global philanthropy and the benefits it will bring to all of us in shaping a better, more equitable world.

Atallah Kuttab

June 2015

Some themes that emerged throughout the meeting

A number of general themes surfaced several times in different sessions during the two days of the meeting and clearly had larger implications than for the individual topic under discussion. Since the remainder of the report is organized by session, it's worth drawing some of these out in order to highlight them.

Global philanthropy – similarities or differences?

The ways in which philanthropy differs in different parts of the world are more evident than any similarities across the globe. This does not, however, undermine the idea of 'global philanthropy' or the idea of a common enterprise. The diversity of practice and approach is a source of strength. It enables borrowings and adaptations as well as a sense of solidarity and mutual support.

The contested language of philanthropy

One thing that makes the discussion of global philanthropy – and the borrowings and adaptations among different countries – more difficult is the lack of a common language. Many of the terms commonly in use among foundations and philanthropy professionals have originated in the US, or at the very least in the global north, and they don't always translate very satisfactorily into other traditions. If this is obviously true of places with very different customs and institutions, it can also be true of those where customs are apparently more similar. German *stiftung*, for instance (the word translates into English as foundation), can have different forms and functions from what people in the UK refer to as trusts and foundations.

The word 'philanthropy', the basic term of our endeavour, creates difficulty for some. As a case in point, one of the sessions highlighted a preference for the use of the term 'private social investment' in Latin America. This describes more accurately what donors in the region are doing than 'philanthropy', which has connotations of 'charity', non-strategic giving.

In South Africa, it was pointed out, individual giving is not the same as it is in the US. African families are very community-minded and there is a strong tradition of advice and support to members of the extended family. Where do you draw the line between helping family and philanthropy? The terms should be redefined for the African context, it was suggested.

This does not mean that any discussion of philanthropy in a global gathering necessarily involves people talking at cross-purposes, but it does underline the need for caution in the use of terms that are often taken for granted.

Assessing philanthropy's contribution

Assessing the effectiveness of philanthropy remains problematic. Two things seem clear: first, money spent is a poor indicator of impact. Nor is money the only thing philanthropy brings to the solution of social problems. Second, however rich a foundation or an individual philanthropist, the part they can play in service provision is a minor one in comparison to that of states. It is worth considering if philanthropy's most significant role may not be in providing money for this or that initiative but in building on the assets of a community and creating solidarity.

In any event, if we are to give a truer account of philanthropy's contribution, we need to find better ways to assess its impact, and these need to take into consideration the voluntary work and horizontal giving that are prevalent in many parts of the world.

A case of schizophrenia

Foundations are part of the society in which they operate; in fact they are institutions of the establishment par excellence, arising directly from the accumulation of wealth in societies. When their mission is to create change, this sets up a tension. How far is this acknowledged and how far is it resolved by individual foundations? How far are they prepared to go in pursuing changes which, if taken to their logical extreme, could undermine both their rationale and their existence? Does an unconscious awareness of this possibility unconsciously limit their work?

Friends or foes?

Another aspect of this tension is sometimes apparent in the relations of foundations with governments. Foundations can be seen by governments as auxiliaries, both morally (they are in some senses both representatives and guarantors of the existing order) and materially (they can supplement state welfare provision). If foundations stick to straightforward service provision, they are likely to have the government's approval.

However, if they involve themselves in more contentious 'political' issues like human rights, they are likely to incur government hostility. A programme by Chinese foundations to feed rural children was safe, and even supported by the state, so long as it was portrayed as simply meeting a need; if it had been clothed in the language of rights, the story would have been very different.

Moreover, this is true the world over, even in countries that are apparently friendly to philanthropy. One session moderator remarked that foundations can do either 'safe' work or 'edgy' work. If you opt for 'edgy', you're as likely to find yourself out of favour with the government in the US as you are in China – though the consequences of that disfavour are likely to be very different.

Foundations and philanthropists that operate in a general climate of state suspicion have evolved tactics to suit. This often involves the sanitization of potentially inflammatory terms and the presentation of a contentious issue in a different, more practical guise. In Saudi Arabia, for example, referring to a 'sufficiency line' for decent living rather than a poverty line is more acceptable.

Falling through the gaps

This approach, combined with the growing popularity of impact investing and social investment, raises the question of what will happen to those NGOs whose work is in advocacy and campaigning. In many countries these organizations already find it difficult to fund themselves because domestic funders are unwilling to court official hostility and external sources are curtailed or carefully scrutinized. As philanthropic funds move in the direction of impact investing/social investments, the lives of these NGOs are likely to become more difficult still, because the kind of work they do is ill suited to social investment with its emphasis on tangible and readily attributable returns.

Democratizing philanthropy

An idea which surfaced during a number of the sessions is that philanthropy is not just something the wealthy do. There are several points to consider here. First, the rise of crowdfunding and the increasingly wide reach of the internet mean that anyone with access to a computer can be informed about and contribute to any cause they are interested in anywhere in the world. Second, the growth and spread of forms of community philanthropy, of which the most notable is the community foundation, is increasingly drawing local money and support to local issues. In both cases, the sums of money involved – or other assets such as time and skills – might be modest but they can still be significant.

Finally, while both these developments are increasing the number of donors, it was pointed out more than once by participants that there are people who are already 'philanthropists' who are not counted as such – and ought to be. In regions of the world where institutional philanthropy is less well established, there are immemorial forms of mutual aid, offered by people either to their extended family or to other members of the local community. This is particularly notable in Africa. Again, this might be in the form of money, goods

or time, but in any case it falls outside the boundaries of what is often considered as philanthropy. It is part of the larger idea of democratizing philanthropy and it is time that some way was found to include it.

For-profit or non-profit?

The language of social investment (the very term investment) should not mislead us into creating a dichotomy between for-profit and not-for-profit activities. There are many examples where the two are combined. Social investment is an emerging field whose shape cannot yet be clearly discerned, and more time and exploration are required before judgements can safely be made about it.

The next generation

Donors are getting younger. Especially in the global north, people are making their money more quickly and turning to philanthropy earlier. The transfer of wealth between generations also means a great increase in younger donors. One of the results seems to be a rising preference for 'hands on' philanthropy. Younger donors are more likely than previous generations to want to run things themselves, employing the same means that allowed them to be successful in business.

The results are mixed. On the one hand, more rigorous analysis of how social sector organizations work, the skills they need and the results they achieve has had a bracing effect on the sector. On the other, the skills of a successful entrepreneur, as even Bill Gates now acknowledges, don't transfer unmodified to the social sector.

It remains an open question whether generational differences will play out in the substance of philanthropy as well as in the approach. At the moment, it looks as if the causes young donors espouse may be different from those of their parents, but will this change as they get older? Will the priorities of the older generation reaffirm themselves as young people reach the age their parents are now?

Do it yourself or do it through NGOs?

The growing appetite for more direct involvement in philanthropy is not confined to the younger generation. There is a growing tendency for foundations to operate their own programmes, as distinct from making grants to others.

But there are other factors involved here. Mistrust of NGOs, for example – not necessarily of their probity but of their capacity to carry out the work that

donors want to achieve. This is not true just in countries without a well-developed social sector, where one would expect it to take time for trust in NGOs to be established, but also, for instance, in Spain and the US. Many foundations seek to do both grantmaking and operating, with those who began life as pure grantmakers developing an operational arm.

Religion as a motive but not an object

It is clear that religion has played a huge part as the wellspring of philanthropy, often supplying both the motive for giving and its object. It still plays a large part in many places, especially in Arab countries where giving is enjoined by religion for both Christians and Muslims alike.

But just because giving springs from religious precepts, it does not follow that its purpose is promotion of that religion. Very often giving that proceeds from religious grounds can be for social justice purposes. In fact, it is often precisely in the mingling of these motives that new directions are opened and new possibilities arise.

Some of these themes will be explored in more depth in the September issue of *Alliance*, and they will all emerge throughout the reports of individual sessions that follow.

DAY 1

Welcome, opening and framing of the meeting

Before the main programme began, participants broke the ice by reflecting on their memories and impressions of giving. These recollections were as varied as the backgrounds of the people involved, but a flavour of the exchanges is as good a way as any to give a sense of the variety that would inform the meeting as a whole. They fell into four general categories, however:

1. **Family** influenced giving
2. **Religiously** influenced giving
3. Giving based on **solidarity**, for instance community volunteering, one-to-one giving and support, giving with social groups
4. **Fundraising** – undertaking some organized activity in order to raise money for a cause

More than one person mentioned the enforced ‘volunteering’ of the communist societies in which they’d grown up. Another mentioned the importance of trust in philanthropy, borne in on him when his organization received a grant in cash from one of the Soros foundations. Another had made a decision as a student that she would stop giving small change to beggars on an ad hoc basis, and would instead give more thoughtfully. Giving could also be unexpectedly problematic. One participant recollected that in administering a prize fund in conjunction with a friend, the two of them could not agree who to give the prize to and the subsequent compromise changed its initial purpose. Several participants’ first experience of giving had been in places of worship, a reminder of the importance that religion has played and still plays in philanthropy.

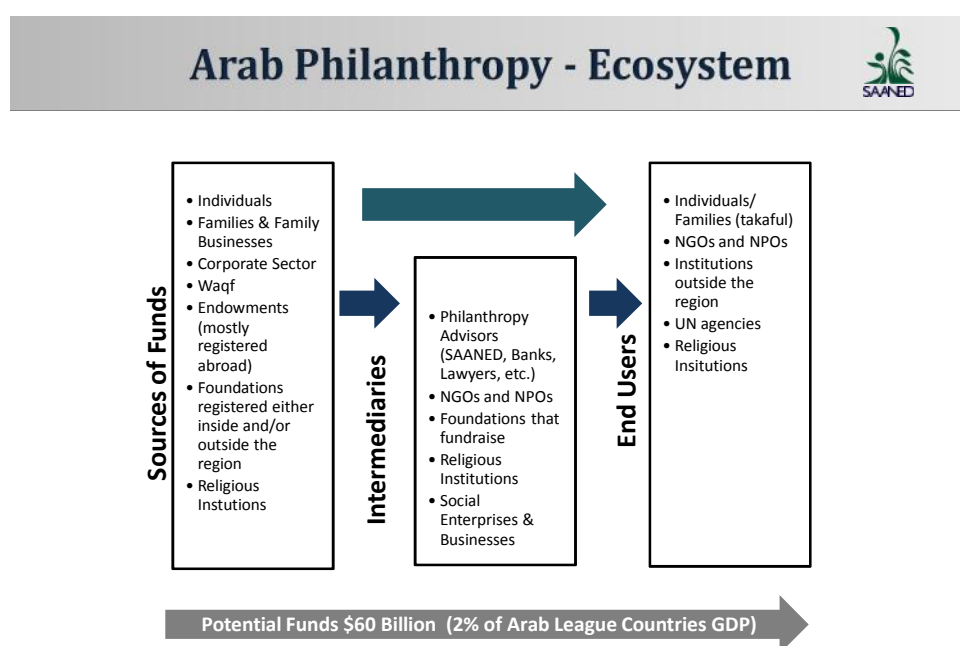
Before embarking on the first session proper, Atallah Kuttub, the meeting’s convenor, set out the broad lines for the meeting. Over the two days, he said, the meeting would look at the changing landscape of philanthropy around the world. Though many of the ideas and trends in philanthropy originated in the US, these cannot be imported wholesale into every set of circumstances. Local traditions and local approaches are apparent in many areas. How are these being mediated by general ideas of best practice and how, in turn, are such local traditions influencing best practice? And how can the larger public good in these areas best be served?

Session 1: Reflections on philanthropy in the Arab region

Moderator: Atallah Kuttab

Discussants: Filiz Bikmen, Fouad Abdelmoumni, Hania Aswad, Naila Farouky

Discussants in this session talked about supply (sources of money), demand (recipients) and increasingly infrastructure (intermediaries) in philanthropy. These can be thought of as the 'ecosystem' of philanthropy, as outlined in the chart below.



NOTES

Sources of funds:

- Funding from international community (bilateral & multilateral government funds, international foundations and NGOs) are not included in potential funds available for philanthropy.
- In-kind contributions like volunteering are not included.
- Foundations are defined as philanthropy organizations that use their own independent funding, supplemented by funds raised from other sources for implementing their missions. They can be grantmakers or operating.

Intermediaries:

- These include networks like the Arab Foundations Forum, and research centres like the Gerhart Center at the American University of Cairo.

End users:

- Mostly supporting 'safe' activities: health, education, feeding programmes during events like Ramadan, distribution of cash to needy families, youth employment.
- Less support to 'political' or 'edgy' activities to tackle root causes of problems, like human rights and policy changes.
- Infrastructure and research rarely supported.
- Takaful means solidarity – which is a key underlying value for giving.

At the moment, in the Arab region this ecosystem is not perfectly aligned. In particular, there are imbalances between supply and demand. In Tunisia, for instance, almost all philanthropic money currently comes from abroad. There are no local projects with local money. Yet, in all the countries of the region there is the longstanding tradition of the *waqf*, a form of endowment.

The Turkish vakif

Turkey, as a secular state, has moved ahead in the development of this old form. Ottoman foundations, said Filiz Bikmen (social investment and philanthropy adviser, Turkey), had a long history of essentially being the sole provider of social services under the Ottoman Empire. Following the establishment of the republic in 1923, the *vakifs* (as they are known in Turkish) established in the Ottoman era remained, and the assets of many were used to create new welfare state institutions – such as the Ministry of Education. Yet new *vakifs* were not formed.

The era of modernization in the 1960s saw a growth of private wealth and the subsequent founding of many new foundations. There was effectively a kind of compact at work, said Bikmen. Many Turkish companies (family owned) had grown rich with the help of government subsidies, the expectation being that these families would make a return in the form of building welfare institutions, so many endowed foundations for this purpose.

The foundation practice was revived in the late 1960s, led by the efforts of Vehbi Koc, the father of modern Turkish philanthropy. Foundations established in this era and going forward concentrated on doing what the state could or would not do and invested a good deal in what she termed the 'hardware' of social welfare, building schools and hospitals and so forth, but paying little

attention to questions like the quality of teaching or medical care in these institutions.

A rather different picture has emerged in the more recent past. A new round of economic growth has created new wealth but its holders are more dubious about putting this into foundations because of the restrictive operating environment (although legislative reforms have been positive, implementation remains unclear). Against that, the nature of Turkish philanthropy is changing. There is more interest in funding social justice issues, more emphasis on outcomes, and, for the first time, a questioning of the role of foundations and their investments in buildings (schools, dorms, etc), with greater potential investment in programmes directly affecting beneficiaries.

Waqf in the Arab region

In the Arab region, the *waqf* remains a great potential source of support for attempts to solve social problems. In Saudi Arabia and the United Arab Emirates (UAE), for instance, the activities of the *waqf* assets add an estimated 10-14 per cent of GDP. In Morocco, noted Fouad Abdelmoumni (international consultant in development and microfinance), there is a government department to manage the *waqf* in the interests of the monarchy. There are a few ethnic religious groups with supporters abroad and some diaspora giving, but generally speaking local philanthropy has made little headway. The law does not allow for the establishment of private foundations in the widely accepted sense of the term. Those that call themselves foundations are either state-owned or they are NGOs rather than giving institutions. The supply, therefore, falls considerably short of the demand in what remains a poor country with little accumulated wealth. A side-effect of this is that many civil society organizations are extremely self-reliant. Support often comes to them from activists and from the community, but this remains hidden because it is not accounted for.

Three big gaps in philanthropy in the Arab region

Naila Farouky (Arab Foundations Forum, Jordan) saw three big gaps in the Arab region hindering the development of a fuller role for philanthropy – though these, she noted, are all related. First is a lack of information, especially locally sourced information. If you rely on outside data, you take on the prejudices on which it is premised. There is no single data source in or for the region, and this is a prerequisite for a more strategic approach to philanthropy. Second, for the most part, the environment for philanthropy is far from conducive and is getting worse. In Lebanon, for instance, there are 18 different *waqf* laws, one for each religious sect, and no secular ones. How can local institutions support advocacy for better conditions? Third is a lack of

accountability and transparency. She also noted that out of 38 members of the Arab Foundations Forum, only four do not rely on donations from overseas.

Social justice funding

Issues such as human rights, a notoriously touchy subject for many governments, have been supported locally in the past, said Hania Aswad (social justice and arts & culture activist, Arab region), but now they depend on international funding. However, she suggested that there are other reasons for the relative inattention to social justice questions. A recent study of philanthropy for social justice in the region suggests, first, that funders see other priorities for their support and, second, that there is a problem of definition. The 45 foundations involved in the study were unable to point to examples of the practice of what they define as social justice philanthropy. On the whole, they adopt a narrower definition of social justice philanthropy than the NGOs involved. According to the study, donor policies rank among the three greatest challenges faced by social justice NGOs in the region.

Echoing the point made about Turkey, Aswad observed that philanthropy is often a conservative force, restricted by patriarchy, tradition and politics – in short, foundations are part of the culture which they have been partly responsible for creating. In addition, foundations in the region are often remote from communities; they decide their own outputs and outcomes without regard for anyone else, and organizational or operating support for their grantees is small and decreasing.

She also noted that half of the NGOs canvassed in the study have budgets of less than \$100,000 per year. However, they *are* supported by local people, though, as in Morocco, this support is not accounted for. Nonetheless, it is philanthropy. There should be some way of representing it, she suggested.

On the threshold of a new age?

Noha El-Mikawy (Ford Foundation, Middle East and North Africa) noted more generally that while all that had been said about the region is true, the region is on the threshold of a new age, whose shape has yet to appear. A new social contract between the state and citizens needs to be developed in many Arab countries. New thinking is required. What will be the role of private wealth in forging a new order? Arab private wealth has been partially frightened by the events of the Arab Spring and partially inspired to engage in various types of social ventures. Who is to engage Arab wealth to think about its social role moving forward?

Fouad Abdelmoumni saw grounds for optimism in the Maghreb, even though the old world is dead and they are still awaiting the birth of the new one. The old, closed societies are on their way out, he argued, and Moroccan civil society would and should continue to take risks to help open up the space for greater freedoms.

Future of the waqf

Returning to the question of the *waqf*, is there a need to redefine its meaning for the sake of modern practice, wondered one participant? This was done in Turkey in the 1960s, but at the expense of a split between the religious and secular purposes of the *waqf*, which has produced some tension. Are there any examples elsewhere of a modernizing trend? Jason Franklin (Johnson Center for Philanthropy, US) mentioned that he was aware of an instance of a *waqf* product being developed in place of donor-advised funds. Atallah Kuttub noted new uses of *waqf* that have come about because of Islamic usury laws. Wealth cannot be allowed to sit in bank accounts so it is often invested in social projects such as building houses for low-income families, or creating jobs for young people – in other words, in a form of unconscious social change philanthropy. The question is how to encourage it and to make it self-conscious.

What of the response from other regions? Rupert Graf Strachwitz (Maecenata Foundation, Germany) noted what he called a striking similarity of situations between the Arab region and Europe despite the evident differences. Each has a long history of giving, and at some point religiously motivated giving has either come into conflict with more secular philanthropy or has given way to it. In each case, too, relations with the government have been crucial to the development of philanthropy. He wondered, given the growing Islamic population in Europe, is there a possibility of creating a *waqf* in the European context. His compatriot Volker Then (Centre for Social Investment, Heidelberg University) noted a distinction between religious and religiously motivated giving. Giving that is motivated by faith does not by any means always involve giving to religious purposes. There are many shades here, producing a complex interwoven world, and it is precisely in that complexity that fruitful possibilities lie.

Overall, the *waqf* remains a great potential source of funding for good, though in practice its use and development is often circumscribed by governments suspicious of private social initiatives, on the one hand, and the caution of donors on the other. It should be borne in mind that any philanthropy initiatives in the region are occurring against a background of societies undergoing transformation over which governments are striving to maintain their grip.

Session 2: Local traditions and geographic diversity

Moderator: Barry Gaberman

Presenters: Jason Franklin, Natasha Matic, Rupert Graf Strachwitz, Sándor Köles

The first session made clear how context influences the development of philanthropy. But though context is important, are we totally constrained by it or are there valid universal propositions? Moderator Barry Gaberman outlined what he sees as some general trends, among them the tendency for philanthropy to move away from tackling symptoms to addressing root causes; for part of the philanthropic sector in any part of the world to deal with the most vulnerable; and for part of that sector to support organizations rather than merely funding projects, thus strengthening civil society. He also suggested a definition of philanthropy – the voluntary capture of private wealth for public benefit. This applies equally to institutional and individual philanthropy, he said.

There are some common misconceptions about US philanthropy, he said. First, 85 per cent of US giving comes from individuals, not foundations. The popular notion is that the reverse is true. Second, there are about the same number of foundations in Europe as in the US and the former give more. He drew attention to six trends in current US philanthropy:

- Grantmaking foundations are becoming operating foundations; these are effectively self-funding NGOs. In the absence of a ‘market test’, they need some means of keeping themselves honest.
- There has been a growth in diaspora philanthropy.
- There has been an increase in international giving.
- Technological developments make new forms of philanthropy possible and can potentially change older forms. For instance, technology widens giving circles. You don’t have to be in the living room to take part.
- The growing tendency to ‘give while you live’ offers challenges as well as a welcome injection of resources. This new breed of donor assumes that he or she will be able to transfer their business expertise to the social sector, but that isn’t always either easy or possible. How can their interest be retained if they become frustrated?
- Business concepts are increasingly prevalent in philanthropy. While developments like NGOs drawing up business plans and donors and beneficiaries discussing exit strategies are healthy, this is a trend that could go too far.

Foundations in Germany

Rupert Graf Strachwitz gave a general overview of German foundations. As in the Arab region, institutions known as foundations have a long history and generally owe their origins to religion. Many of these were set up to endow and maintain a particular building or institution and some of these endured. All in all, though, the German foundation world embraces a multiplicity of legal forms, purposes and means of operating. As many as 50 per cent of German foundations were created in the last 15 years (a common feature across most regions is the recent spurt in growth of foundation numbers) and most of them are small (less than €1 million in assets), so any contribution they make to the public good must be qualitative rather than quantitative.

Strachwitz outlined characteristics that participants from other regions would have had no difficulty in recognizing. Data on the German foundation sector is sketchy, he said. There is no public accountability and no generally accepted reporting format – though some foundations do publish information about themselves. The only way to make this a general practice, though, seems to be through legislation, but German civil society groups (among them foundations) have lobbied to prevent this.

As Barry Gaberman noted, transparency can't be assumed even in a relatively mature philanthropy market. A short-term funding mentality prevails, foundations generally err on the side of safety, and they are far from driving social change. That said, there is some movement towards change. Philanthropists are on the whole getting younger and some new trends such as impact investing are making themselves felt.

Hungarian philanthropy

Hungarian philanthropy shows a pattern of continuity and discontinuity, said Sándor Köles of the International Centre for Democratic Transition. Here again the church was an early leader. However, the historic role played by Hungary as a buffer zone between the West and the Ottoman Empire meant that the development of the country began to lag behind the rest of Europe. In the nineteenth century and following, the attitude of the state was alternately permissive and prohibitive. However, following the demise of the Habsburg Empire in 1919 and especially under the communist regime, the state played a larger and larger role in social affairs. In the soviet era, as elsewhere, private philanthropy ceased to exist. Its re-emergence in 1989 was against a background of opposing desires and tendencies in Hungarian society: economic efficiency against social solidarity; the market economy against the welfare state; growth and acceptance of inequality, on the one hand, against the desire for social justice on the other.

Finally, democracy is more a matter of theory than of fact. Models of civil society and philanthropy have been imported and often have no local meaning, Köles noted. Projects have more often than not followed the priorities dictated by donors rather than by local communities. Finally, he contended, money has spoiled civil society. The motor for civil society should be commitment not money (on this point, Barry Gaberman interjected that the attitude and role of civil society in Central and Eastern Europe has actually altered the concept in the US, towards its being seen as an important element in the democratic balance of a country).

Philanthropy in the Gulf States

Natasha Matic (King Khalid Foundation, Saudi Arabia) described the rather paradoxical position of philanthropy in the Gulf States. It is one of the most philanthropic regions in the world. Last year, the UAE replaced Norway as the largest provider of foreign aid to developing countries. Saudi Arabia is one of the world's largest donors of humanitarian assistance: in a number of recent natural disasters, from Haiti to Japan, Saudi contributions far surpassed those of any other donor worldwide. Saudi Arabia is by far the largest contributor of development aid to the Arab and Muslim world; internally, its annual philanthropic giving ranks among the highest in the world, at 1.5–2 per cent of GDP compared to 0.5–1 per cent in most western countries.

However, philanthropy and civil society in the region are not as vibrant as these figures might suggest. NGOs of all kinds are a relatively recent phenomenon in the Gulf countries. There were none before the 1960s and most were created in the 1990s or the early 2000s. They are often seen by the region's monarchies as a threat. One consequence of the September 11 attack in the US was that NGOs could no longer get donations from international entities.

As for foundations, there are fewer than a hundred of them; their money is local and their spending often is too. Giving even by foundations is often anonymous, with the consequence that there is little data available; the laws governing philanthropy are antiquated and piecemeal. Governments in the region are wealthy and spend generously on social services, so foundations' role is less clear cut than in some places. Nor do governments think much about philanthropy and what it might offer. Overall, foundations show a lack of strategy, of sophistication and of professionalism; they are reluctant to collaborate. How can we preserve the traditions that are worth keeping and at the same time modernize philanthropy to increase its impact?

Emerging trends in the US

Jason Franklin focused on emerging trends in what he termed the process side of philanthropy and raised some of the challenges he believes are associated with them. First, he noted the blurring of boundaries between the for-profit and non-profit sectors. Venture philanthropy will inevitably shake up philanthropy, he argued. How will we cope with the limitations of this form which are becoming apparent? Its model is venture capital, in which the assumption is that for every ten ventures, nine might fail, but one will pay off handsomely. This doesn't translate to venture philanthropy, something which is beginning to be appreciated.

Second, there is now a surfeit of information thanks to technology. New donors expect high levels of access to information, and regard any haziness as a sign of fraud or malpractice. To counter this, NGOs need to communicate better to meet the level of information expected. That said, most philanthropy is still based on relationships not on online tools, so although donors demand a high level of information, they are often unwilling to use it.

Third, while other IT developments have been efficiency improvements, crowdfunding represents a more fundamental change. It is possible for fundraising initiatives to go viral, like the ice-bucket challenge. Similarly, KickStarter has become huge in arts funding. This has massive implications for the future of giving, which it is still early to gauge with even reasonable accuracy.

While the options for those involved in philanthropy are widening, tools such as social investing are on the whole not challenging, said Franklin; they provide safe options. In any case, it was pointed out, these considerations are scarcely material outside the US and Europe as hardly anyone else is using such tools.

He also cited three trends related to donors. First, wealth is earned quicker than it used to be because of technology and in greater concentrations. This in itself is giving rise to a greater need than ever for philanthropy, he argued. Second, there is a growing generation of young millionaires in the US. More people in their twenties are giving away money than ever before, sometimes without the life experience to inform a considered approach to philanthropy. Finally, the number of signatories to the Giving Pledge means that, based on a life expectancy of 90, at least 12 new foundations bigger than the Ford Foundation will be created in the next 20 years. How do NGOs approach these foundations? What does it mean for other foundations if a bigger one comes into the same area of work?

Trends among younger donors

Why are the young generation giving, someone asked? The response in the US at any rate seems to depend roughly on whether they are young inheritors or young earners. The former, often feel that much is expected in return from those who have had much given to them. Some feel guilty about getting money they haven't worked for. For young earners, there is also a sense of paying a debt for their success and of new fields to conquer. But still, in both cases, there is an underlying desire to do good. Barry Gaberman noted that increasingly young people want to work for companies where the ability to undertake some pro bono work is included in their contract.

What are the causes that attract them? At the moment, young donors are less likely than their parents to give to healthcare, education and religion and more likely to give to the environment, civic associations and policy and advocacy (at least in the US). Will this picture change when they reach their forties and fifties? Again, young donors show a greater interest in international matters, but so far this global solidarity has not translated into increased giving.

Wide-ranging discussion

Volker Then reiterated that a growing choice of vehicles notwithstanding, there is still a wide gap between philanthropic resources and the problems they are trying to address. You have to match what you want to do to what you can do, he said.

He also raised the question: who is responsible for poverty? This is an uncomfortable question that lies at the heart of the sector which it is reluctant to face – which neither venture philanthropy nor crowdfunding nor the Gates Foundation is addressing.

Halima Mahomed (independent philanthropy consultant, South Africa) took this up. At what cost is the increase in philanthropy being achieved? How do companies make their money in the first place before giving a tiny portion of it back? The communities whose resources are exploited are seldom involved in the decisions that make the accumulation of such wealth possible.

Many of the trends mentioned by the presenters, she pointed out, are not evident in the global south, but she felt that, in general, market-based solutions like venture philanthropy are being given significant attention because they are big and influential and new. While they may be part of the solution, they are not the whole of it. She emphasized that philanthropy is more than giving money. In the global south, there is a strong tradition of mutual aid, members of fairly poor communities giving to other community

members and to members of their extended family. It's important to remember that this is philanthropy, too, but it is seldom included in the catalogue because it's often unrecorded. There should be some way of accounting for this.

Rosa Gallego (Association of Spanish Foundations) felt that the trend of foundations moving from grantmaking to operating is not necessarily a healthy one. It is happening in Spain, too, but it's more of a response to foundations' distrust of NGOs – not so much distrust of their probity as of their capability. Jason Franklin acknowledged that this is often the reason behind the tendency in the US too.

On the question of technology and its effects, Gregory Witkowski (Lilly Family School of Philanthropy, US) noted that a chief virtue of face-to-face local giving is the sense of trust and solidarity it produces. What would a trend towards online giving do to that? Further, what price do NGOs pay if donors are able to go directly to the end beneficiary? How will that change philanthropy? Echoing this, another noted that solidarity and social ties have no equivalent financial value, and don't depend on money. Monetary incentives potentially crowd these out.

Many areas of giving suffered during the recession. Most have recovered, but social justice philanthropy is still in the doldrums. With gender issues, again it is too early to tell if this will grow as an area of philanthropy in the long term or not. Rupert Graf Strachwitz made the case for niche philanthropy. Philanthropy's resources are relatively small and he noted a growing feeling among donors that the state and the market should deal with education and healthcare while philanthropy's proper role lies in creating social solidarity.

Summarizing day 1

Barry Knight (CENTRIS, UK) and Ebba Augustin (SAANED, Arab region) took on the role of drawing out some observations from these very diverse proceedings:

- We are most of us living in countries with long traditions of giving, many of which have religious springs. Philanthropy is not a new idea at all but stems from our very origins.
- We should distinguish between trends and fashions. Trends only appear over long periods.
- Trends are confusing and often opposing. We should not expect them to be unilinear.
- There are hidden links between foundations, churches and states – the institutions of the status quo – which serve the vested interests of those entities. Modernizing philanthropy is disruptive of this and it will therefore be both threatened and seen as threatening.
- There is a huge variation between the places represented. This variety is a strength, not a weakness.
- Philanthropy has become more sophisticated and more technocratic, but it is no clearer about its fundamental role. We should keep the moral argument at the forefront of the conversation.

DAY 2

Session 3: Evolving trends in philanthropy 1: individual, family and corporate philanthropy

Moderator: Christopher Harris

Presenters: Firoz Ladak, Halima Mahomed, Marcos Kisil, Masha Chertok, Rosa Gallego, Tao Ze

Who is supporting real innovation, moderator Christopher Harris (Working Group on Philanthropy for Social Justice and Peace, USA) began by asking? New donors, for all they are talked up, need ten years to learn philanthropy; they often assume, wrongly in his view, that the skills that made them successful in business will work for social change. Even Bill Gates had admitted, in a recent interview, that their approach to tackling malaria was initially incredibly naïve: they simply didn't understand how communities operate. Family philanthropy has developed, said Harris, and one index of this is that there are now many more support groups. But how good is philanthropy at tackling root causes? The Foundation Center estimates that 10 per cent of grants are for social justice, but in his view this is much too high – one assumption made by the Foundation Center is that all grants made by the Gates Foundation are social justice grants.

Working with families in the global south

Firoz Ladak (Edmond de Rothschild Foundations) said that his own organization had successfully made the choice of applying its business acumen to philanthropy. Taking issue with the moderator, he argued that the business skills that organizations like banks can offer pro bono to social entrepreneurs and NGOs to help them build their businesses or activities can generate sustainable impact. On the other hand, philanthropists, even relatively wealthy ones, are often unwilling to seek – and even less pay for – strategic advice, which bankers are willing to provide, even for free. It is true, he acknowledged, that whatever the merits of their service, financial institutions have a vested interest.

He talked about Empowering Families for Innovative Philanthropy (ERFIP), a recently established initiative to bring together philanthropic families from the global south to exchange their experience and build a new kind of best practice. The creation of recent wealth, particularly in Asia and Africa, has produced a new category of philanthropists who are playing a part in the positive transformation of their societies, he said. Many of these countries

have little tradition of state benevolence, and most of the industries and businesses that have generated wealth are family-owned, so these new philanthropists are already influential. In many cases, their motives come from a genuine desire to see social change, fuelled by a western education and an attempt to explore how they can use their power and influence for positive impact.

But there are some challenges ahead, he said. How far are you willing to professionalize your giving? How do you bridge the gap between earning and giving, especially in societies where poverty and unequal income distribution are widespread? How far do you allow yourself to be influenced by the voices of those you support? Initiatives like ERFIP help in addressing these challenges, he said. On the idea of social justice, many wealthy families in the south shy away from advocacy, partly because of its political implications, partly because they need to safeguard their economic interests. It is easier for them to engage in social change than social justice.

Is there a common language of philanthropy?

Halima Mahomed wondered whether there is a common language of philanthropy. Individual giving in, say, South Africa is not the same as it is in the US. African families are very community-minded and there is a strong tradition of support to members of the extended family. Where do you draw the line between helping family and philanthropy? The terms should be redefined for the African context, she argued. There is a gulf between sector professionals and where people actually are. What is it we are trying to support, she asked? We need to be concrete. For many, even for institutions, giving is still largely informal. There are some moves among bigger foundations in the direction of strategic giving, but not enough thought about how good the strategy actually is.

She noted a clear distinction in South Africa between family and corporate giving. The latter still has more to do with branding and compliance with legislation (South Africa, she said, is an example of how not to frame legislation governing corporate giving, since it has helped to create a compliance mentality) than with the public good.

Again, both corporate donors and high net worth individuals tend to play safe when it comes to issues supported. Transparency and accountability inevitably means grantees' transparency and accountability, not their own. One participant noted that corporate social responsibility (CSR) and good corporate practice are two different things, but they are often conflated in the Arab region where she works. The philanthropy sector should encourage the latter as

much as it encourages corporate giving. Another endorsed this, saying good corporate practice is not yet a consideration in Russia either.

Philanthropy in Latin America ...

What of other parts of the world? Philanthropy is the child of capitalism and democracy, argued Marcos Kisil (IDIS, Brazil). There are often tensions between the two parents and they don't always act in the best interests of the child's independence. Paternalism and power in Latin America, he argued, leave little space for philanthropy to grow into a rational, autonomous adult.

In Latin America, corporations are often dominated by wealthy families. While families may give to local organizations to solve local problems, they are often more concerned with their company's image and licence to operate. Since ownership remains in the hands of the family, this cycle of accumulation and of doing enough to placate public opinion is repeated in the next generation. How can philanthropy be love of humanity, he wondered, when so many barriers to love exist?

... and in Russia, Spain and China

Major Russian donors often give to state institutions, said Masha Chertok (CAF Russia), to universities, hospitals and museums. The idea that giving to the government is the way to solve problems is a legacy of the soviet era, but it often perpetuates problems rather than solving them. The most common motivation is not to change, but to help. You can help forever, she argued, and not change much.

Russians in general continue to be reluctant to give to NGOs, she said, preferring to give directly to people in need, for example for healthcare problems. But the last few years have seen the rise of voluntary groups around a particular issue; this gives them an air of legitimacy and they are finding favour with corporate donors.

All in all, Russian donors are still on the 10-year learning curve Christopher Harris mentioned at the start of the session. Following the recession, Russian corporations have started to look for ways to top up levels of giving, which had been affected by the drop in profits, and are beginning to look at corporate volunteering and pro bono work.

Mistrust of NGOs is a problem in China, too, said Tao Ze, but the China Foundation Centre is using the creation of data sources as a means of bringing foundations and NGOs together to create mutual trust.

In contrast with Russia, hardly anyone would give to the state in Spain, said Rosa Gallego. The country has been badly hit by the recession. For a while, NGOs were picking up the slack left in social service provision by the state, but many of these NGOs have gone to the wall, leaving a vacuum. The outcome of this is difficult to foresee. Again, the absence of data makes it difficult to speak with certainty.

NGOs have also been affected by the decline in grantmaking in Spain, where many endowed foundations are turning into operating foundations. One key reason for this is that they prefer to act directly and operate their own programmes rather than doing it through NGOs. This is becoming a bigger problem now that the savings banks foundations, traditionally grantmakers, have almost disappeared due to the financial crisis.

There is a group of big corporate foundations linked to multinational companies rather than to families, but the role and number of smaller family and corporate foundations is unknown. Gallego sees much scope for increasing family philanthropy – most Spaniards with incomes of between €30,000 and €60,000 are givers but they give on average only €150 a year. The Association of Spanish Foundations is beginning to talk to high net worth individuals about why they are not engaged in philanthropy. Many have shied away from it because they don't know where to start.

There has been a big jump in the number of foundations in China in the last ten years and corporate foundations are no exception, said Tao Ze. There are now around 600 and they are being created at the rate of between 60 and 70 a year. Why? There are a number of reasons: the government's attitude to philanthropy has become more favourable; Chinese companies have seen the advantage of philanthropy in promoting their name; the accumulation of wealth has become possible in China; growing links with the US in the last ten years have served as an example; philanthropy helps people fulfil their aspirations to help others. Finally, it helps maintain the family's legacy. There is a practical side to this. Putting their wealth in the form of a trust enables Chinese donors to pass their estate to their children intact, without fear of its being dissipated.

Questions about power and sources of wealth

Questions remain about wealth, power and corruption. Where there is wealth, there is power, pointed out Noha El-Mikawy, and where there are both, the question arises as to how wealth and power perpetuate injustices and who and how to keep this duo accountable. Some of the wealthy use their money in philanthropic ways; others use it to exert power in non-philanthropic ways (eg buying media outlets to influence public discourse); few of the wealthy

devote some of their wealth to giving for social change, partnering with those who are seeking social justice and empowering them to have a voice at the table.

Where there are concentrations of wealth because of corruption, suggested Atallah Kuttub, you have to ask about the ethics of philanthropy. But how far do you go in checking sources, wondered Firoz Ladak? As in the case of US philanthropic history, when do gains that can be criticized become legitimate? When should grantees say no? Similar considerations apply to the investment of foundation endowments and the need to generate revenues in order to sustain foundation programmes. Besides the big NOs like tobacco, weapons or child labour, how do you tackle big companies that for instance generate part of their income from the defence industry?

Session 4: Evolving trends in philanthropy: Community foundations

Moderator: Helena Monteiro

Presenters: Barry Knight, Boris Strecansky, Gian Paolo Barbetta, Ulrike Reichart

In this session, the focus switched to community philanthropy which, as Barry Knight noted, is quite distinct from other forms of philanthropy. For poor communities, community philanthropy is part of their life and struggle. Poor people often give a greater share of their income than rich people, he reminded the group. But community philanthropy is about much more than giving money. In fact, the size of the grant is often immaterial; it's much more to do with the creation of social cement. A grant of less than \$5,000 to a bowls team in Northern Ireland crucially made it a condition that the team had to include people from the other side of the peace wall.

The 2010 report *More than the Poor Cousin? The emerging role of community foundations as a new paradigm* found that community philanthropy develops three key things: local assets, local capacity and trust, which is the missing ingredient in international development. Research indicates that the more grassroots the origins of a community foundation, the more likely it is to be able to build trust. Conversely, it may be less able to build capacity, but the evidence on this point is not clear-cut.

Community philanthropy enables people to become donors not beneficiaries, agents of change with dignity and self-respect. Local people build local assets to transform their lives; they own the problem and the solution. They are borderland institutions, he said. They work in the spaces between individuals, groups and institutions, mediating their differences and bringing them together.

The numbers tell the story of community philanthropy's growth. Since 2000, the number of community foundations across the globe has grown exponentially, with some 70 new ones being created each year. The Global Alliance for Community Philanthropy is trying to change the narrative about role of community philanthropy in development, and to get it accepted as an equal partner in international philanthropy.

Community foundations in Central and Eastern Europe

Community foundations play different roles in different regions. There are approximately 140 community foundations in CEE and Russia. They are not rich organizations, but philanthropy mostly isn't rich in this region, said Boris

Strecansky (Centre for Philanthropy, Slovakia). Many of them are 'flow-through' funds rather than having funds in their own right – some redistribute public funds in communities through grantmaking – and a number depend on corporate donors. This is not necessarily bad. Sometimes corporate and public donors impose their own agenda, but by no means always, and the arrangement sometimes produces a win-win situation. By and large, despite the conditions of the region following the demise of communism, community foundations have grown and can be seen as a success because of their focus on community revival and empowerment of community actors working towards the common good.

However, much is expected of them given the limited means at their disposal. There is also a tension between emphasizing social justice and building trust. An overt emphasis on social justice often alienates local people, creating caution and suspicion of the institution, and therefore hinders the development of trust. Many community foundations, he noted, are inclined to pursue the latter at the expense of the former. Another participant noted that we should beware of over-romanticizing the democratic tendencies of community foundations. Some work on social transformation, some don't.

A top-down model in Italy

Community foundations have become quite fashionable in Italy, said Gian Paolo Barbetta (Catholic University of Milan, Italy). There are now some 30 of them, all founded since 1995. This is a success from the point of view of numbers. Though they are relatively rich, the process of establishing community foundations has been a top-down one. Half of them were established as the result of a Cariplo Foundation programme, and Cariplo continues to support them, supplying about 75 per cent of the funds distributed each year. With the other 15, the money comes from other banking foundations or from government organizations, so they in no way represent a grassroots movement to enable people to collect local assets for local problems. They have the legal structure of community foundations, but they are the result of an approach that involved institutions rather than grassroots organizations. In some cases, beneficiaries are represented on the board, therefore creating possible conflicts of interest. There is no public support test, and oversight and regulation are limited – all things that need to change if community foundations are to become true sources of trust and involvement in local communities.

Small but independent in Germany

By contrast, in Germany, one of the ten criteria for community foundation status is independence, said Ulrike Reichart (Community Foundations Initiative, Association of German Foundations) – from local authorities, corporations, political parties and the church. This is critical as there have in the past been efforts by the banks on one side and local authorities on the other to hijack community foundations. The first German community foundations were established in 1996 in Gütersloh and in 1997 in Hannover. Now there are over 350 in Germany.

They are also much more closely overseen and regulated than is the case in Italy. The German Community Foundations Initiative has a ‘seal of quality’ it awards to community foundations that meet its standards and it also operates a network of 15 regional curators who support and advise community foundations throughout Germany. German community foundations see their role as serving as a platform for local civic engagement, bringing people and institutions together on local issues. So they are less about money and more about involvement. It’s worth noting that 93 per cent of the work of German community foundations is done by volunteers.

Russian community foundations don’t have much money but they are playing a leading role in democratizing philanthropy, said Masha Chertok, allowing poor communities to break out of the sense of dependency that has shackled them throughout most of their history. All the same, noted Rupert Graf Strachwitz, foundations in general should not be allowed to use community foundations as a screen to hide behind when their legitimacy and largely undemocratic practices are questioned. Finally, Volker Then reminded the group of a distinction made in an earlier session: while there are faith-based community foundations in Germany, he said, these should not be confused with traditional religious foundations. They are really foundations based on a community of interest whose aims are not necessarily religious.

Session 5: Evolving trends in philanthropy 3: Impact investing and social investment

Moderator: Massimo Lanza

Presenters: Carolina Suarez, Rob John, Firoz Ladak, Volker Then

The relationship between philanthropy and the market has produced two offspring, said Massimo Lanza (Fondazione di Venezia, Italy) who moderated the next session, on impact investing and social investment. But what exactly is social investment? Should sustainability be an indispensable outcome of the organizations it supports? Is there any tension between non-profit and for-profit objectives? Is venture philanthropy really an innovation?

The spectrum from grantmaking to impact investing

Rob John (NUS Business School, National University of Singapore) described impact investing as an evolution of philanthropy. In his experience, early-stage social enterprises need to progress from grants to impact investing via intermediary funding such as angel investment. But the idea of a financial return on investment requires a different attitude and for some 'traditional' grantmakers it can be hard to come to terms with the idea of making a profit from their investment! He himself is a fan of venture philanthropy, he said, and believes that it has been practised for longer than people realize, though perhaps not with that label. He agreed with Jason Franklin that there was a degree of hubris about venture philanthropy in its early days, but felt that this was less the case in Europe and Asia than in the US. The European Venture Philanthropy Association (EVPA) and Asian Venture Philanthropy Network (AVPN) were inclusive and collaborative from the start.

As regards definition, he noted that many people now drop the 'social' prefix to entrepreneur, thinking rather of entrepreneurs whose ventures intentionally seek to create strong social value through a sustainable business model. Impact investing, in his view, is part of a continuum of financing for such entrepreneurs. A participant from the floor noted that venture philanthropy and impact investing should not be conflated. Venture philanthropy and impact investment are operationally very similar; the former expects no financial return while the latter does.

'Asia' is shorthand for a diverse collection of countries at very different stages of development of philanthropy and social investment. Rapid wealth creation, an emerging middle class and large, underserved markets for low-cost goods and services create the conditions for an emerging impact investing sector. As

an instance, he cited the work of Rumah Zakat in Indonesia – an interesting organization, though not typical of impact investing in the Asian region. Rumah Zakat was set up to channel and manage zakat donations (he quoted researchers who estimated up to \$18 trillion that could be collected in Indonesia from the practice of zakat). It has 121,000 donors, contributing \$15.2 million annually. It has a strong focus on the Millennium Development Goals and on the areas covered by the UN's Human Development Index. It is professionally managed and highly collaborative, provides a mix of grantmaking and other support, and illustrates that even conservative, religious giving in the region is entering the social investment space.

However, he ended on a note of caution: impact investing is a big machine. We need to be careful it doesn't roll over the fragile philanthropy sector in Asia.

Private social investment in Latin America

In Latin America, said Carolina Suarez (Association of Corporate and Family Foundations, Colombia), social investors, foundations and corporations prefer the term private social investment (PSI) rather than philanthropy, particularly in Colombia, Argentina and Brazil. PSI is understood as the voluntary investment of private resources, used strategically, responsibly and proactively to achieve measurable and sustainable results, focused on social change. It includes contributions in kind of time, talent and services.

PSI may involve financial returns, but the return on PSI goes beyond this to include the impact and transformation in communities. The return can also be in terms of reputation and social licence to operate. Through investment lessons learned and failures are identified.

The word philanthropy suggests altruism, giving for charity causes, an act of generosity and solidarity. Philanthropic actions are seen as unfocused, short-term initiatives motivated by feelings or passions, rather than actions that are expected to generate any lasting social value.

Unfortunately, said Suarez, there are no consolidated numbers to measure the amount of PSI in play in the region. Brazil and Mexico have some numbers but as a region we have a big challenge in terms of transparency and accountability.

But there is plenty of work for PSI. One fifth of Latin Americans will never leave poverty, as the World Bank discovered in a recent study of 2015. This people are called the 'chronic poor'. Born into poverty and unable to escape it, they

have benefited little from the growth of the 2000s, and some have even fallen between the cracks in the social assistance system.

The missing intermediaries

What is lacking, said Volker Then, are intermediaries to match the risk profiles of investments with the value statements of investors and so help create greater deal flow, which everyone connected with the area identifies as a problem. He noted that German foundations don't have much involvement in impact investing because they lack confidence and there are few to guide them.

Rupert Graf Strachwitz argued that what is at issue is not always the absence of intermediaries but the difficulties intermediaries have in interpreting the wishes of their clients. He felt that many donors from business backgrounds especially want a rest from thinking rationally and want to use their heart in making decisions about their philanthropic assets. They want 'to leave McKinsey at the door', which often puts professional advisers in an awkward position. This is by no means true of all donors, and the important thing is to learn to distinguish those who want to think strategically from those who don't.

Discussion

Firoz Ladak highlighted the surge in financial markets of a strong interest in what is perceived as a new asset class. Liquidity is available, he added, although finding the right pipeline remains a key challenge in impact investing today. He wondered whether impact investing is best done directly or through funds. Funds have a wider reach and can identify deals, which is both costly and difficult. On the other hand, the right fund managers must be found to manage such investments and negotiate the critical line between financial and social returns.

Citing the example of microfinance, Atallah Kuttub felt that it is always dangerous to leave social investing to 'money people' because they are apt to lose sight of social investors' aims. But we do need financial discipline, urged Ladak. Yes, there is some schizophrenia, but we need to ensure that investments go beyond simply good intentions. Is impact investing truly a separate asset class, he wondered?

Environmental investments have almost got to that point, it was suggested, and are now attractive to mainstream investment. Ladak also pressed for a critical examination of the various approaches to social impact measurement, derived mainly from western theory. There has to be a genuine intent, he said, but social good looks different in Paris and in Dakar. In the global south, it

often comes down to creating jobs, supporting entrepreneurship and improving corporate responsibility.

Volker Then raised the question of financial returns. If you are getting them, he asked, should you be wondering if you are picking the right investments? In other words, if you consistently get financial returns, you may, consciously or unconsciously, be cherrypicking projects with lower risk. Shouldn't it be the job of social investment to finance projects that mainstream investment will not touch because the risk is too high? 'Don't securitize the public good,' he urged.

The question of the costs involved in social investment was raised. The more strategic philanthropy becomes, the higher the transaction costs. In small deals, too, which social investments often are, transaction costs are higher and the assessment of social impact is difficult and expensive. Despite this, argued Volker Then, we should not take the easy route and simply measure economic returns.

The general sense among the group was that this is an emerging field in which much work needs to be done before any firm conclusions can be arrived at. Even the terminology involved still creates confusion, with impact investing, social investing and socially responsible investing often used interchangeably.

Session 6: Role of philanthropy in society and relationship to governments

Moderator: Halima Mahomed

Presenters: Volker Then, Marcos Kisil, Natasha Matic, Tao Ze

Is government allowing philanthropy the space to define its role? What are partnerships with government really like? Are the more difficult questions underlying the relationship being addressed? These are some of the paramount questions in the relationship of philanthropy to government and society, suggested Halima Mahomed, moderating this session.

Germany

As far as the German foundation sector is concerned, said Volker Then, a recent study (which involved 1,000 German foundations) suggests that it sees its own role as being bigger than what it is capable of doing. The vast majority of foundations, as noted previously, are small – over 90 per cent have an annual budget of less than €1 million – yet they like to view themselves as in a complementary role to that of the state, or even substituting for it, an impossible task given their resources. Despite its exaggerated ambition, philanthropy is clearly a minor player and will remain so. In any area of spending, government spending dwarfs that of foundations.

These demands have produced some disenchantment with the government, in spite of which many foundations report close working relations with the state, which is often their primary partner, and foundations certainly operate in a favourable political environment. The relationship with corporate Germany is less strong. Few are familiar with the idea of strategic philanthropy and the sector is not highly professionalized. The main roles the sector sees for itself are to give back to society; to help those whom no one else helps; to preserve culture and tradition; to deputize for the state; and to support social innovation.

Finally, even in Germany, the terminology of the foundation world can create confusion. Many organizations with the name foundation are not private foundations in the Anglo-American sense of the word. They don't have an endowment and their money comes from public sources; nor does a corporate name attached to a foundation always denote a corporate foundation. Then concluded that the biggest challenge for German foundations is to reconcile their ambition with their capacity. At the moment, their aspirations are beyond their means.

Brazil

According to Marcos Kisil, the relationship between government and philanthropy in Brazil is very poor. The election of a more left-leaning government in 2002 marked a step back for philanthropy, since the government saw social affairs as its responsibility, which reduced the space in which philanthropy can operate. The government does not take models for the solution of social problems proposed by philanthropy seriously, he said. For example, it has not taken up a very good programme on childhood education pioneered by the Ayrton Senna Foundation. Another consequence of the government's attitude is that there are few tax concessions for philanthropy, and no incentives to create an endowment. The sector itself is too fragmented to lobby the government on its own behalf. While there are umbrella bodies in the shape of GIFE, Ethos and ABONG, they represent only a small proportion of the sector. There are 200,000 NGOs in Brazil, for instance, and ABONG has only 350 members. In general, said Kisil, it's safer to implement public policies, then if the policies are bad, the government is to blame.

China

The Chinese foundation sector, by contrast, is now looked on with cautious approval by the government, said Tao Ze. Since legislation easing the conditions for foundations in 2004, their numbers have grown considerably under three main types: think-tank foundations, grantmaking foundations and public foundations (which have no endowment and raise funds). These groups have different roles, but can sometimes come together effectively around a particular issue. An illustration is the nutrition programme launched in 2012 to feed poor rural children. This was funded by the foundation sector with an initial investment of €3 million, which increased to €6 million. Its success was such that the government took up the programme and has pledged €3 billion a year to it.

There are limits to the latitude which foundations now enjoy in China, however. They don't work on politics, which can be dangerous, especially for a foreign foundation. The nutrition programme is a safe area so long as you don't compare malnutrition among rural children in China with the situation in other countries. You can talk about women's issues as long as you treat them as concrete problem not as a human rights issue.

Tao Ze highlighted the power of transparency in working with governments. All we've got to influence other sectors is facts, he argued. To ascertain these accurately, openness is necessary.

Gulf States

Government in the Gulf States exercise close control over the foundation sector, said Natasha Matic. While the attitude to non-profits has relaxed a little, there are still punitive laws on the statute books. Because of the restrictive bureaucracy involved, it often takes a long time to set up a non-profit, and you have to have 20 board members to do so. Engagement with the government tends to be a matter of compliance – fulfilling legal and financial requirements – rather than real partnership. With the private sector, too, although there is now much talk of collaboration, it is still difficult to find real partners. What foundations want from the private sector is not money but expertise. The worst thing, though, is that foundations don't collaborate with each other.

Saudi Arabia is in a state of transition following the accession of a new monarch. Is philanthropy pushing for change or for maintenance of the status quo, it was asked? The answer, said Matic, is that the foundation sector is not strong enough to push. Mostly, however, foundations are conservative and don't take risks. While the King Khalid Foundation does try to challenge social norms in a limited way – for example, their campaign for a law against violence against women was accepted by the government after years of lobbying – they are the only one prepared to do this.

Safe issues and safe language?

The question of 'safe' issues surfaced repeatedly in the discussion. As noted, broaching questions of rights is apt to incur government hostility where the level of suspicion of rights-based civic engagement is high. Governments often dislike being put under pressure. Noha El-Mikawy noted that complex legislation is a way for governments to maintain an 'intentional ambiguity'. If regulations are vague and confusing, it becomes hard for philanthropy that wants to engage in social justice and rights issues to determine government's level of comfort and navigate within a maze of legal restrictions.

Volker Then observed that in hostile environments the language foundations use is more guarded. In such situations, debate is more likely to centre on investment and social enterprise rather than civil society, because it is less risky. Atallah Kuttub cited the example of a foundation operating in Saudi Arabia which, instead of using the term poverty line – poverty being a condition whose existence the Saudi government denies – talks instead of a sufficiency line for a decent living when broaching the issue, thus making it acceptable. However, he noted, beyond a certain point you have to push as a sector.

This is often where the difficulty lies, replied Natasha Matic. If the sector is fragmented, you are often on your own when you push. She returned to the question of collaboration – or rather the lack of it. The more collaboration there is among foundations, she felt, the more potential power the sector has.

In the US too, said Gregory Witkowski, people tend to talk about the effects of floods rather than climate change, and people avoid talking about social justice. He felt that the increasing use of technical, non-political language in the sector creates the risk of marginalizing groups who do not fall within this construct. There is a danger that these groups will be left out by all three sectors, jeopardizing their existence.

The crux of the matter seems to be that if you uncover systemic injustice for which the government is responsible, relations between the government and foundations break down. And this seems to be true across the globe. As Barry Gaberman noted earlier in the proceedings, there are ‘safe’ things and ‘edgy’ things, and no matter where you are, if you take on the more contentious issues, you are likely to find yourself in opposition to the government.

The possibilities of replication

Governments are unlikely to adopt models piloted and tested by foundations, even in countries where relations between governments and philanthropy are good. It used to happen in Germany, said Volker Then, but now the best way of encouraging wider take-up of a successful initiative is through a combination of operating a successful project to address a problem, eg immigrant children lacking language skills; creating a strong evidence base; and advocacy. Increasingly big foundations are collaborating for advocacy purposes, forming advocacy coalitions.

Gian Paolo Barbetta felt that governments are unlikely to take models off the shelf, but endorsed the idea of a role for foundations in pioneering new approaches. He warned of the need to stick to facts – civil society is as ideologically biased as government so it is important to proceed on as empirical a basis as possible. A better solution, argued another, is not to present the government with models, but for foundations and governments to co-create solutions.

But talk of scaling up could be misleading, suggested Volker Then. Even where it looks as though replication has taken place, it is not always so. He gave the example of a successful youth education project in Hamburg. It seemed that its success had led to its being adopted by 17 other cities, but this was only partly true. Though the same approach had been adopted in

each case, the initiative was different in important respects – operation, governance structure, funding. In each instance, the model had to be adapted, so it was more like a form of social franchise than a straightforward case of replication.

Another factor affecting the likelihood of replicating a specific success is the turnover in government departments. When a minister or an official is replaced, the process of cultivating a relationship has to begin again. Civil service inertia can often be a barrier to change. In a federal system such as that of Germany, there is not just one government to deal with but several.

Despite the difficulties involved in relationships with the other sectors, said Marcos Kisil, he remains optimistic. We are a sector that can bring innovation, he said. We are a new voice, lobbying for something new. In Brazil, the sector has brought in new money to address social problems and its voice is heard by governments and corporations.

Session 7: Accountability, transparency and governance

Moderator: Barry Knight

Presenters: Helena Monteiro, Christopher Harris, Ezra Mbogori, Massimo Lanza, Naila Farouky

WINGS' work on accountability

Helena Monteiro of WINGS noted the work of her organization in conjunction with the European Foundation Centre (EFC) and the Council on Foundations in elaborating some principles of accountability and using these as the basis of a global study. She noted that while there is general agreement that accountability creates greater public trust and makes possible the elaboration of a shared agenda, and while there are codes of ethics in some regions that cover common ground, the differences in practice make implementation complicated.

Many questions remain. To whom should foundations be accountable and about what? Their grants processes, their policy? In less democratic societies, openness could sometimes involve risk. How can foundations increase their transparency while minimizing potential risks to their grantees? While many foundations feel that NGOs should be transparent, they are reluctant to shine a spotlight on their own activities for reasons including lack of trust in governments. They are especially reluctant to share how much money is being invested. This is particularly true in Africa and Latin America, said Monteiro, though the idea of transparency is beginning to gain some traction in Brazil. In a similar spirit of 'transparency should apply to others, not to me', there is more likely to be agreement on what standards international foundations should adopt, especially in Latin America and the Arab region. These include a clear exit strategy, clear communications, and the adoption of local knowledge and/or sources of information.

Kenya: statement of values for civil society

One key question is whether foundations should voluntarily adopt a code of practice in order to pre-empt the imposition by the state of a set of regulations which might well be more restrictive. In Kenya, said Ezra Mbogori (Akiba Uhaki Foundation, East Africa), it was government pressure that led Kenyan civil society to draw up a charter or statement of values. The Kenyan president was indicted by the International Criminal Court in 2013. The case was subsequently dropped but Kenyan human rights organizations protested at the decision. This prejudiced the president against NGOs and produced a more hostile environment for civil society. In deciding what counter-measures it

should take, the sector came up with a statement of values covering the basic principles of accountability and transparency.

A cautionary tale from Italy

Massimo Lanza offered a cautionary tale from Italy. Following the recession, Italy's third largest foundation, Fondazione Monte dei Paschi, lost more than 90 per cent of the value of its endowment because it wanted to retain control over the originating bank instead of diversifying its investments. The association of banking foundations, ACRI, recently agreed with the Ministry of Economy and Finance – which acts as the regulator of banking foundations in Italy – on a set of strict rules that almost all ACRI's members have signed up to. Assifero, the association of non-banking foundations, is now launching a similar initiative among its members as it is better to take pre-emptive action and accept rules on a voluntary basis. If the rules had existed earlier, ACRI might have ended up with less strict rules. The moral, he said, is that you shouldn't wait for a drastic event to take action. The role of ACRI underscores the importance of associations in this process, a point echoed by Naila Farouky.

Accountability in the Arab region

In the Arab region, Naila Farouky noted much criticism of the lack of accountability among foundations but, at the same time, a reluctance to divulge information. Much of this stems from religious beliefs about anonymous giving. As the only conduit for foundation information in the region, the Arab Foundations Forum is the only organization in a position to collect and disseminate information, but it faces the challenge of collecting information from its members without alienating them. A kind of catch-22 situation exists. In the absence of accountability and transparency, data is difficult to come by, but without data it's impossible to establish a benchmark for accountability.

How are foundations doing overall?

How are foundations doing so far, asked Christopher Harris? He outlined three forms of accountability. Most foundations think in terms of upward accountability – the stewardship of money – and, as far as that goes, the sector is doing OK, in his view. However, there is also horizontal accountability, to the field and to ourselves. Here performance is at best mixed, more usually poor (the Gates Foundation, he noted, has only three board members, which is inappropriate when it disposes of such vast resources). Third, there is downward accountability to beneficiaries. Here performance is poor, with few systematic efforts to ensure it.

Transparency he characterized as fair to poor, especially on the decision-making processes of foundations. How are boards selected, for instance, or decisions made? In some cases, where the safety of grantees is at stake, he would fight hard not to release information. However, he suggested that the sector is on the whole comfortable with not practising transparency, even when there is no threat. Another participant noted that, in addition to transparency, we should also be cultivating a culture of learning from failure. If you aren't open about these things, how can you avoid repeating mistakes? Finally, Harris saw governance as mixed to poor. How many of the top 10 or 20 foundations have had board members from organized labour or from the activist community in the last 20 years?

Even within the group, there were some reservations about the idea of transparency. One person wondered if transparency would make foundations more cautious. Maria Chertok had reservations: in her experience of Russia, individual donors aren't interested in transparency; what they want are stories. For their part, NGOs aren't practising transparency because it's costly and donors aren't interested. It was also noted that it makes foundations vulnerable vis-à-vis the state where states are actually or potentially hostile to them.

As a counter to this, Ezra Mbogori argued that you have to have transparency where suspicion and corruption are the norm. Tao Ze stressed that while in the short term transparency might seem to weaken foundations, in the longer term the reverse will be true.

While the session was predictably inconclusive, it was generally felt that accountability remains a key issue for global philanthropy. In closing the session, Barry Knight, moderating, noted an urgent need for more discussion.

Wrapping up

Perhaps the most obvious thing to emerge from the two days was the complexity of the issues involved, noted Barry Knight, summing up. A clear definition of philanthropy had been offered early in the proceedings – the voluntary capture of private wealth for public purposes – but everything becomes much more complicated when you start to look at different types of philanthropy and different countries. Overall, philanthropy doesn't seem to have a clear idea of its role and capacity.

He noted questions raised but not answered: is the relationship between more philanthropy, on the one hand, and growing inequality, on the other, causal or remedial? If philanthropy is 'the bastard child of democracy and capitalism', can it solve problems of inequality? Can it change the culture that produced it? He pointed out, as others had done throughout the meeting, the importance of context, including religious traditions and beliefs, and the workings of government. As philanthropy is part of that context, it is difficult to change it.

He commended to the group the idea of philanthropy as patient capital. A meeting participant had earlier remarked that an American Indian foundation called itself the Seven Generations Foundation because that's the timescale over which you should consider your work.

Ebba Augustin, also summing up, picked up on a remark from an earlier session: only a 'sliver' of the philanthropy sector is intentionally trying to create change. Who does this sliver consist of, and how are they doing it? She mentioned the rapid development of community philanthropy globally in recent years. Here the challenge is to build trust, though it will not necessarily be the answer for social justice issues. She noted that definition of terms remains a minefield, even among countries with apparently similar traditions and degrees of political freedom.

The sessions had revealed huge differences between regions in relations with the state, but they had also shown that philanthropy can achieve a lot where the state is supportive. She also noted the lack of cooperation within the sector. More cooperation will be a prerequisite if states are to develop a more favourable attitude towards philanthropy, she suggested.

Although few of the many questions raised have satisfactory answers, this assembly of voices and experience from around the world produced new perspectives and a valuable starting point for further debate.

Appendix I: Program Description & Agenda

Introduction

The challenges addressed by philanthropy are increasingly more complex and globalized. In addition to cooperation and partnership, which are key to successful handling of such challenges, effective strategies and actions supported by philanthropy must be shaped by the local culture and values rather than simply copied from other regions. The new trends in philanthropy that are evolving and emerging are no doubt rooted in the local context but also influenced by philanthropy in other regions. The reinforcement of this trend requires orchestration by all concerned to: a) document local practices, traditions and discourse, b) learn from and share local practices with other regions and countries, and c) share this knowledge with philanthropy organizations, donors and private social investors to enable effective strategic action and sustainable results.

The process of identifying the emerging new Arab philanthropy discourse, anchored in its rich past of giving and its contemporary contextual elements, is under way and being linked to philanthropy in other regions around the globe, which is also changing. A meeting will be planned on 3 and 4 June 2015 in Berlin to allow key philanthropy leaders from around the world to identify ways to bridge between philanthropy in the Arab region and other regions in a modest contribution to current efforts to build global philanthropy. The meeting will include sessions based on a geographic and thematic basis with specificities, similarities and diversity in mind.

The objective of the meeting is to highlight the changing landscape of philanthropy around the world with local discourse building on global best practices and evolving patterns of philanthropy, coupled with their own heritage of giving. Hopefully this will lead to better understanding of global philanthropy that aims at a more equitable world. This will be captured in a report from the meeting that will include the deliberations in the various sessions, captured by colleagues at Alliance magazine, and the papers presented in those sessions. Additionally, the September 2015 issue of Alliance will have a special feature on "Trends in Global Philanthropy" which will draw on the findings and discussions of the meeting.

Program Outline & Overview of Meeting / Agenda

Wednesday, 3 June 2015	
Timing	Description
12:30- 14:00	Lunch for participants from outside Berlin
14:00- 16:00	Session 1a: Welcoming, Opening & Framework of the Meeting Session 1b: Reflection on Philanthropy in the Arab Region
16:00- 16:30	Break
16:30- 18:00	Session 2: Local Traditions & Geographic Diversity
18:00- 18:15	Closure of the Day and House Keeping
18:15- 21:30	Barbecue on rooftop terrace

Thursday, 4 June 2015	
Timing	Description
9:00 - 10:30	Session 3: Evolving Trends in Philanthropy I: Individual, Family and Corporate Philanthropy
10:30- 11:00	Break
11:00- 12:00	Session 4: Evolving Trends in Philanthropy II: Community Foundations
12:00- 13:00	Session 5: Evolving Trends in Philanthropy III: Impact Investing & Social Investment
13:00- 14:30	Lunch
14:30- 16:00	Session 6: Role of Philanthropy in Society and Relationship to Governments
16:00- 16:30	Break
16:30- 17:30	Session 7: Accountability, Transparency and Governance
17:30- 17:45	Closure
17:45- 18:00	Break before Evening Debate @Academy
18:00- 19:30	Evening Debate @Academy: Richness in Diversity: Bridging Arab & Global Approaches to Philanthropy
19:30- 21:00	Reception

Description of Sessions

Session 1a - Welcoming, Opening & Framework of the Meeting

The meeting will start with a welcome word from a representative of the Robert Bosch Academy. This will be followed by the official opening of the meeting by Atallah Kuttab in which he will touch on the objectives of the meeting and the structure of its various sessions.

Session 1b - Reflection on Philanthropy in the Arab Region

This session will reflect on historic practices of giving, including religious and civil "waqf". The interest is not just the history as such, but identifying ways in which those practices, embedded in Arab heritage, have supported the various universal declarations, and therefore are shaping the future of philanthropy in the Arab region.

There will be presentations on "waqf" from various parts of the Arab region indicating the diversity within the region itself. Also, there will be discussions on the effect of the transitions in the various Arab countries, the development of the infrastructure supporting philanthropy, the landscape of philanthropy in its latest development (various Arab countries), and the result of a recent study on social justice and philanthropy. Waqf and its development in Turkey, including latest trends, will be presented as it will benefit developments in the Arab region.

Moderator: Atallah Kuttab

Discussants: Filiz Bikmen, Fouad AbdelMoumni, Hania Aswad & Naila Farouky.

Session 2 - Local Traditions & Geographic Diversity

There are lots of commonalities between various societies and cultures where giving is based on the passion to give and the will to make a positive difference in society. However, local traditions are diverse and it is not right to try to generalize lest the richness of diversity is lost. This session will cover the latest trends on giving from various countries across the world. It is hoped that building awareness of such diversity will encourage existing support organizations to support philanthropy where it is rather than where it should be. Also, we need to remind ourselves of a principle that is often spoken about but in practice ignored - that context matters.

Moderator: Barry Gaberman

Discussants: Jason Franklin, Natasha Matic, Rupert Graf Strachwitz & Sandor Koles

Session 3 - Evolving Trends in Philanthropy I: Individual, Family and Corporate Philanthropy

In many countries individual, family and corporate philanthropy are hard to differentiate and often can be one and the same. Indeed, there is often little distinction between private and business giving, as a significant number of businesses, especially in the South, are still family owned and run. A new generation at the helm of such businesses is changing the way philanthropy is done, with more emphasis on strategic giving rather than charitable approaches and handouts. This new generation is interested in the transformative potential of philanthropy to bring about social change, focusing on the root causes of social, economic and environmental injustices. These social entrepreneurs and investors support approaches that are accessible and diverse, bringing various voices and perspectives, while making an array of resources and ways of learning readily available for social change. What are the experiences out there? What is evolving? How do people give and for what purpose? Linkages between family philanthropy and business can reinforce one another when they are complementary, but what happens when the inverse is true? Are compromises made to the philanthropic engagement or are the values behind giving tweaked?

Moderator: Christopher Harris
Presenters: Firoz Ladak & Halima Mahomed
Discussants: Marcos Kisil, Masha Chertok, Rosa Gallego & Tao Ze

Session 4 - Evolving Trends in Philanthropy II: Community Foundations

Community action and solidarity is at the core of society everywhere. It builds on internal strengths and capitalizes on local assets in responding to needs. The local community owns and drives the agenda. The evolving community foundation movement is giving organized structures to these local informal organizations and capacities. The session will shed light on the growth of this evolving form of philanthropy.

Moderator: Helena Monteiro
Presenter: Barry Knight
Discussants: Boris Strecansky, Gian Paolo Barbetta & Ulrike Reichart

Session 5 - Evolving Trends in Philanthropy III: Impact Investing and Social Investment

Equally, one hears about social investment or impact investing and with that the delineation of for-profit and non-profit activities is blurred. What is the driving force for this group? How is it different from other forms of philanthropy? How does it interact with other forms of philanthropy whether traditional or emerging.

Moderator: Massimo Lanza
Presenters: Carolina Suarez & Rob John
Discussants: Firoz Ladak & Volker Then

Session 6 - Role of Philanthropy in Society and Relationship to Governments

Governments across the globe are increasingly looking to partner with the philanthropy sector (and private sector) to help meet the growing needs of their populations. It is here that philanthropy with its leaner and more flexible spirit is gradually emerging as a solution provider. Increasingly, philanthropy is playing multiple roles, being an incubator of ideas, an accelerator and an innovator. These new roles are also the opportunity for the philanthropic sector(s) to professionalize its work and define its evolving role in society. Philanthropy organizations can do things that governments cannot, even more during economic upheavals or transitions; it should complement, though, the efforts of the state rather than replace it. For systemic change and effective scalability, there is a huge need for more public-private partnerships. Additionally, there should be greater cooperation and better synergies between corporate and private philanthropy. Points that will be addressed are: how are philanthropy organizations defining their role in society, what are the various experiences out there? Is it true that philanthropy organizations can take risk, develop models that can be replicated by the government for improving society? How successful has interaction been with government and/or the private sector?

Moderator: Halima Mahomed
Presenter: Volker Then
Discussants: Marcos Kisil, Natasha Matic & Tao Ze,

Session 7 - Accountability, Transparency and Governance

The main drive behind building accountability, transparency and good governance is that they form the essence of organizational legitimacy in the eyes of the community an organization is serving. It is always better for the organization to set its own rules instead of having them imposed by the government. The session will cover different experiences from various countries, including cases when transparency is not a good idea and might jeopardize partners. The main question: what constitutes a pragmatic approach to accountability, transparency and good governance?

Moderator: Barry Knight
Presenter: Helena Monteiro
Discussants: Christopher Harris, Ezra Mbogori, Massimo Lanza
& Naila Farouky

Public Meeting - Evening Debate @Academy: Richness in Diversity: Bridging Arab & Global Approaches to Philanthropy

Global philanthropy, as presented in this meeting, is the culmination of practices of philanthropy organizations in various regions of our world similar in many respects but also different in many others. The meeting will highlight the richness of such diversity and will reflect specifically on the status and role of Arab philanthropy organizations, taking into consideration the following key questions: What do philanthropy organizations contribute to their country? What role have philanthropy organizations played over time? What distinctive roles, if any, do they fill today? Are new roles for philanthropy organizations emerging and how do they interact with the government and private sector?

Additionally, comparison will be made with philanthropy organizations in Germany. Delegates attending the meeting from Africa, China, Latin America, Russia, USA and various European countries will contribute on the emerging trends and characteristics of philanthropy in their countries.

Moderator: Atallah Kuttub and will present the Key Conclusions of the main meeting
Discussant: Volker Then

Appendix II: List of Participants

Arab Region & Middle East

Atallah Kuttab, SAANED for Philanthropy Advisory and Richard von Weizsäcker Fellow of the Robert Bosch Academy, Jordan

Ebba Augustin, SAANED for Philanthropy Advisory, Jordan

Filiz Bikmen, Social Investment and Philanthropy Advisor and former Richard von Weizsäcker Fellow of the Robert Bosch Academy, Turkey

Fouad Abdelmoumni, Amana, Morocco

Hammam Zarai, Majid Foundation, KSA

Hania Aswad, Nasseej, Jordan

Heba Abou Shnief, Gerhard Center, Egypt

Naila Farouky, Arab Foundations Forum, Jordan

Natasha Matic, King Khaled Foundation, KSA

Noha El-Mikawy, Ford Foundation, Egypt

Africa

Ezra Mbogori, Philanthropy Consultant, Kenya

Halima Mahomed, Working Group on Philanthropy for Social Justice and Peace

Tina Thiart, HGG NPO Sustainability Solutions, South Africa

Asia

Rob John, Asia Centre for Social Entrepreneurship and Philanthropy, NUS Business School, National University of Singapore

TAO Ze, Foundation Center China

Europe & Russia

Barry Knight, CENTRIS, UK

Boris Strecansky, Center for Philanthropy, Slovakia

Firoz Ladak, Edmond de Rothschild Foundations, Switzerland

Gul Rukh Rahman, ERFIP, Switzerland

Gian Paolo Barbetta, Dipartimento di Economia e Finanza, Università Cattolica di Milano, Italy

Masha Chertok, CAF, Russia

Massimo Lanza, Fondazione di Venezia, Italy

Rosa Gallego, Spanish Association of Foundations

Rupert Graf Strachwitz, Maecenata, Germany

Sándor Köles, Carpathian Foundation Board of Director and former Richard von Weizsäcker
Fellow of the Robert Bosch Academy, Hungary

Ulrike Reichart, Community Foundations Germany

Volker Then, Heidelberg University, Germany

Latin America

Carolina Suarez, Association of Foundations, Colombia

Helena Monteiro, WINGS, Brazil

Marcos Kisil, Institute for Development and Social Investment (IDIS), Brazil

USA

Barry Gaberman, WINGS, USA

Christopher Harris, Working Group on Philanthropy for Social Justice and Peace, USA

Gregory R. Witkowski, Professor at the Lilly Family School of Philanthropy, Indiana
University, USA

Jason Franklin, WK Kellogg Chair in Community Philanthropy, Johnson Center for
Philanthropy, Bolder Giving, USA

Alliance Magazine

Andrew Milner, Alliance Magazine

Caroline Hartnell, Alliance Magazine

Paula Park, Alliance Magazine