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Strategy



Philanthropy and  
development:  
Stocktake and partnership strategy

This strategy is the result of extensive consultation that brought together mainly the following participants:

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Strategy

## Philanthropy and development:

Stocktake and partnership strategy



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# Introduction

In 2015, international development agreements concerning financing (Addis Ababa Action Agenda), the Sustainable Development Goals (SDGs – 2030 Agenda for Sustainable Development) and the climate (Paris Agreement), highlighted the need for better cooperation between actors, especially private and public, to further strengthen the reciprocal leverage effects and in this way meet the major challenges of our century.

This new approach, which recognizes the interdependence of issues and actors, has led to increased changes in international aid architecture, providing greater scope to non-state actors beyond the traditional private sectors or civil society. This is reflected in the launch of the One Planet Summit by the Task Force for Philanthropic Innovation, strongly supported by US philanthropy, at the very time when the US Government was withdrawing from the Paris Agreement.

Through their innovative and enduring practices, foundations have become key actors in the fields of international cooperation and development. They meet the SDGs and in accordance with SDG 17 “Partnerships for the Goals”, they provide real perspectives for supporting development policies.

Foundations in fact often have significant financial means and are motivated by goals that are often in line with those of traditional donors. Their sectoral or geographic expertise, their innovative approach in the targeted areas and their deep local roots are parameters that contribute to their growing influence on the international stage. Nevertheless, there are significant geographic disparities in actions carried out by philanthropic actors, and French foundations are still relatively inactive internationally compared to foundations of English-speaking countries in particular, especially in terms of development.

The emergence of these philanthropic actors in the development assistance landscape is a key challenge for France and provides real opportunities for action and partnerships. Indeed, the combination of official development assistance (ODA) and private financial resources from French foundations would create a considerable leverage effect and, *de facto*, significantly contribute to implementing the SDGs, with only ten years left before the 2030 deadline.

In 2016, the “Innovating Together” strategy to promote new models of the social and inclusive economy internationally, driven by the Ministry for Europe and Foreign Affairs (MEAE) highlighted the role of foundations in financing development as actors of the social and solidarity economy (SSE) (Proposal 2).

On 8 February 2018, the Interministerial Committee for International Cooperation and Development (CICID) in its conclusions invited the French Government to strengthen its partnerships with foundations, in relation to the geographic and sectoral priorities of France’s international cooperation and development policy, to help implement the SDGs (Point 24.4, in French).<sup>1</sup>

On 14 September 2018, in partnership with the Organisation for Economic Co-operation and Development (OECD) and the French Foundation Centre CFF, the MEAE brought together French philanthropic actors to launch reflection on this theme of philanthropy for development and the role of French foundations.

Since 2019, a series of consultations has been held with the philanthropic actors working at international level. The number and diversity of actors consulted made it possible to take account of the multiplicity of philanthropic approaches and of the challenges linked to financing development provided by them, which vary in relation to the country of origin and the nature of philanthropic structures.

This strategy seeks to respond to this engagement and to provide an overview of the role of philanthropy in financing global development and analyse complementary aspects of action between philanthropy actors and the MEAE. The purpose of this is to propose strategic operational priorities to strengthen coordination with these actors as part of France’s development policy. It also builds on the programming bill on inclusive development and the fight against global inequalities, which will strengthen the partnership dimension in France’s development policy and will place French actors involved in international solidarity (businesses, foundations, civil society, etc.) at the heart of this policy.

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1. [https://www.diplomatie.gouv.fr/IMG/pdf/releve\\_de\\_conclusions\\_du\\_comite\\_interministeriel\\_de\\_cooperation\\_internationale\\_et\\_du\\_developpement\\_-\\_08.02.2018\\_cle4ea6e2-2.pdf](https://www.diplomatie.gouv.fr/IMG/pdf/releve_de_conclusions_du_comite_interministeriel_de_cooperation_internationale_et_du_developpement_-_08.02.2018_cle4ea6e2-2.pdf).





# Chapter 1

## Stocktake of philanthropic engagement for development

Philanthropy means “love of humankind” in ancient Greek. This term can be defined and interpreted in many ways. In this stocktake, it concerns a set of actions performed by private actors and financed by their own resources that contribute to the general interest. These actions are often performed through funds or foundations. This stocktake provides an overview of philanthropic practices at international, European and French levels. It also presents the main geographic areas and the key sectors that benefit from philanthropic support for development.

### 1.1 Overview of philanthropic practices

While each region of the world has its own philanthropic tradition, this practice is expanding on a global scale, leading the sector to become more structured and professional. Foundations, which still intervene mainly at national level, are thus being led to increasingly engage internationally.

#### 1.1.1 Philanthropy throughout the world: an expanding practice

##### Philanthropy in the Americas

##### Philanthropy in the United States of America<sup>2</sup>

In the US, philanthropy is thriving, as can be seen in the yearly increases in amounts from charitable private giving, the constant innovation of actors and the lively debates in the public sphere. However, the legitimacy of this sector is currently being challenged due to the extent of social and economic inequalities that continue to grow while philanthropists are unable to avoid them or reduce them.

Despite this contrasted situation, this country undoubtedly remains the land of contemporary philanthropy and the workshop where tomorrow's philanthropic trends are being created. In 2019, charitable giving in the US reached the record amount of \$450 billion.<sup>3</sup> This is sixty times the amount of all private donations combined in France, which came to €7.5 billion.<sup>4</sup>

##### *Extremely generous US citizens on average*

Giving by individuals account for 78% of this revenue (of which 9% took the form of inheritances), giving by foundations represented 17% and giving by corporations 5%. From this breakdown, two key lessons can be learned:

- Firstly, considering that American foundations are most often created by individuals or families,<sup>5</sup> donations from

2. Contribution by Charles Sellen, Global Philanthropy expert, Fulbright NGO Leader, whose point of view does not engage the MEAE.

3. Giving USA 2020 (<https://givingusa.org/giving-usa-2020-charitable-giving-showed-solid-growth-climbing-to-449-64-billion-in-2019-one-of-the-highest-years-for-giving-on-record/>).

4. Fondation de France (2018), *Panorama national des générosités*, Observatoire de la Philanthropie ([https://www.fondationdefrance.org/sites/default/files/atoms/files/observatoire\\_panorama\\_generosites.pdf](https://www.fondationdefrance.org/sites/default/files/atoms/files/observatoire_panorama_generosites.pdf)).

5. In the American foundation landscape, less than one tenth of expenditure comes from corporate foundations according to the Foundation Center.

individuals represent almost the entirety (78% + 17% = 95%) of private giving. Corporate donors make up the residual share of this giving. This observation is linked to the socio-cultural context of the country where it is accepted that individuals can become wealthy through their economic activity, and in return they have the moral obligation to give back to society the opportunities they were given. Business leaders mostly donate on a “personal basis”, from their own income or assets, and resort relatively little to corporate giving as this is seen, to a certain extent, as using shareholders’ wealth.

- Secondly, all social classes – upper, middle and lower – abundantly practise giving on a daily basis. American philanthropy is a socially universal and grassroots phenomenon. What is often retained is the highly publicized munificence<sup>6</sup> of the very wealthy (“mega-philanthropy”), but this generosity represents just the tip of a much larger iceberg that permeates the entire social framework (Zunz, 2012). It is true that since the subprime mortgage crisis and the explosion of inequalities, philanthropy is regularly criticized as being the privilege of the ultra-rich, whose financial power, in the hands of a few, significantly influences the strategic decisions of the recipient associations. Some observers consider that philanthropic activity tends to absolve the elite from their

responsibility in fuelling (or even creating) social ills, and in this way they seek to treat symptoms but not root causes (Giridharadas, 2018). Some now consider that the “plutocratic bias” has become excessive and as a result democracy is essentially weakened, insofar as tax exemptions granted to major benefactors are not compensated by sufficient accountability on their part towards citizens (Reich, 2018).

### *Collective culture and tax incentives*

Philanthropy seems to be culturally more widespread on the other side of the Atlantic. For example, 53% of Americans declare having donated in 2016,<sup>7</sup> whereas only 15% of French households declared donations to the tax administration (Fondation de France, 2018). The rate of “giving” households therefore remains significantly lower in France, even though tax incentives are among the most advantageous in the world. In fact, in France, it is possible to deduct the donation from the amount of tax due, whereas in the US the donation is deducted from the tax base, with the tax exemption thus becoming more attractive for very large donations. An explanation for the vigour of American philanthropy therefore does not seem to stem mainly from tax incentives, but from a civic culture that is shared among all tiers of society.

## BOX 1

### **Fabrice Jaumont (2018), *Partenaires inégaux. Fondations américaines et universités en Afrique*, Éditions de la Maison des sciences de l’homme – Summary**

American foundations are increasingly more present in the African university sector. They invest in higher education in Africa through donation campaigns, with the goal of forging the “next generation of leaders”, in a rationale of cultural outreach.

Major donors include the Carnegie, Ford, Bill & Melinda Gates, Andrew W. Mellon, Atlantic Philanthropies and Rockefeller Foundations. Their donations are mainly geared towards Commonwealth countries, in particular South Africa, Nigeria and Uganda. Only one Francophone university benefits from American philanthropy: Cheikh Anta Diop University in Senegal.

By extending their scope and expertise to higher education in Africa, these foundations have asserted their role in building knowledge societies at the scale of an entire continent, through their support to academic institutions, research centres, university networks and specialized media. This strategic positioning also allows them to disseminate their own vision of knowledge production to the rest of Africa. These foundations have focused on several fields of interest in the African university sector. For example, the Ford Foundation is seeking to enhance access to higher education, whereas the Rockefeller Foundation is focusing on the environment and climate, the Carnegie Foundation on libraries, the MacArthur Foundation on human rights and the Andrew W. Mellon Foundation on humanities.

While this interest of foundations has highlighted the importance of the African university sector in Africa’s economic development among donors, it also places Africa under Anglophone intellectual and linguistic domination: the main language used for teaching in over 90% of higher education institutions having received donations from American foundations is English. The influence of American foundations in Africa therefore reinforces the domination of English as the lingua franca of Africa’s development.

6. Munificence: showing great generosity.

7. Aforementioned *Giving USA 2020*.

### *Numerous and abundantly endowed foundations*

There are over 86,200 private foundations, which collectively own some \$860 billion in assets and disburse close to \$63 billion annually. There is high concentration, as the 50 largest foundations account for 31% of assets and 32% of annual grants.<sup>8</sup>

Just like their “forebears”, the Carnegie Corporation of New York (created in 1911) and the Rockefeller Foundation (created in 1913), American foundations have been looking towards other countries for over a century. They have a tendency to convey the values of American universalism (Tournès, 2007) and promote their social undertaking based on a triptych of democracy, free-trade and peace (Tournès, 2010). After a historic peak in 2008 (\$6.3 billion), the volume of their international funding has stabilized since 2010 at between \$4 and \$5 billion annually. Two thirds of this comes from organizations located in the US that work internationally. One third of the funds are allocated to foreign recipients, located physically outside US territory, but often in the Global North (international organizations, universities, think tanks, non-governmental organizations [NGOs], etc.). It is not a simple task to precisely measure the portion of this revenue that directly benefits organizations of projects located in the Global South. However, it can be supposed that this “firepower” is a formidable instrument of “soft power” for the US throughout the world (Lafont Rapnouil, 2008).

### **Philanthropy in Latin America<sup>9</sup>**

The rise in institutional philanthropy is a recent phenomenon in Latin America. Although a large number of foundations were created in the region during the 20th century, it was only recently that they began to flourish. Over half of them (54%) have opened their doors since the year 2000, and one third of the region’s foundations (34%) were created between 2000 and 2009.

### *Predominance of corporations in institutional philanthropy*

Latin America is the only region in the world where corporate foundations represent the majority (50%, versus independent foundations representing 29% and family foundations representing 20%). While Chile and Peru are the exception, with a majority of family foundations in Chile and independent foundations in Peru, corporate foundations dominate the landscape in Argentina, Brazil, Colombia and Mexico. Regarding community foundations, these are a very small minority in the region and only Mexico has a relatively high number of them.

In addition, corporations are the main source of income for foundations: 48% of them are mainly financed by corporations, while only 17% of them are mainly financed by families and private individuals, and 10% by heritage funds.

### *Importance of education*

Education at all levels (primary, secondary and higher) is the area that receives the highest amount of support from foundations in the region. The area of well-being and social development, which concerns poverty, accommodation, community development, social services and disaster prevention, comes second. Topics linked to income generation and productive projects take third place, with art and culture coming fourth.

### *Dominant position of “mixed” foundations and low impact of donations*

Unlike the United States where foundations essentially provide grants, in Latin America a category of foundation combining donations and own programmes predominates: these are “mixed” or “hybrid” foundations. These represent 76% of the total, while 14% of foundations limit themselves to the role of operator and 10% to the role of donor.

When analysing the budget of mixed foundations, it can be seen that they allocate four times more resources to implementing their own programmes than to third-party donations, which explains why there are so few national philanthropic resources for civil society organizations in the region.

### *Strong collaborative practices*

Collaboration between philanthropic foundations themselves and the State is relatively common. Almost 83% of Latin American foundations report that they cooperate with other foundations, a percentage that is much higher than elsewhere in the world (42%). Some 70% of them also work with the government, a figure that greatly exceeds that found in the rest of the world (21%).

### *Limited Transparency*

The number of foundations providing information on their results, lessons learned and resources used is low in the region: just over a third of foundations do not publish a progress or management report, and two thirds do not publish their audited financial statements.

### *A network of philanthropic institutions*

The oldest association of foundations in the region is the Mexican Center for Philanthropy (Centro mexicano para la Filantropía [CEMEFI]), which was created in 1988. The Brazilian Group of Institutes, Foundations and Enterprises (Grupo de Institutos Fundações e Empresas [GIFE]) and the Argentine Group of Foundations and Enterprises (Grupo de Fundaciones y Empresas [GDFE]) were both created in 1995. The Colombian Association of Family and Corporate

8. Foundation Center, data for 2015, <http://data.foundationcenter.org/>.

9. This part is based on the works by Villar R. (2016) and (2019).

Foundations (Asociación de Fundaciones Familiares y Empresariales [AFE]) only arrived several years later, in 2008. In parallel to the associations, some research centres mainly focusing on philanthropy were established, such as the Center for Research and Studies on Civil Society (Centro de Investigación y Estudios sobre Sociedad Civil [CIESC]) in Mexico and the Center for Philanthropy and Social Investments (Centro de Filantropía e Inversiones Sociales [CEFIS]) of the Adolfo Ibáñez University in Chile. Similarly, there are organizations that promote philanthropy, such as the Institute for the Development of Social Investment (Instituto para o Desenvolvimento do Investimento Social [IDIS]) in Brazil, the Mexican organization Alternativas y Capacidades (Alternatives and Capacities) and a growing number of regional and national networks and associations that support specific groups or subjects, such as RedEAmérica (grassroots development) and Reduca (education).

## Philanthropy in Asia<sup>10</sup>

Asia, which has been a global economic growth driver for almost a quarter of a century, today seems set to become a key centre for the philanthropy ecosystem.

This region now amasses the fortunes of the richest people on earth with some 2,208 billionaires, as identified by Forbes in 2018. It also welcomes the greatest number of high-net-worth individuals (HNWI)<sup>11</sup> and the wealth accumulated during the 2000-2015 period experienced twofold growth in this region compared to the rest of the world (+263% versus +130%). And yet inequalities remain huge: in 2016, 1.2 billion people there were still living under the poverty threshold of US\$3 per Day (Asian Development Bank, 2016).

A study conducted in 2017 for the French Development Agency (AFD) shows that in China and Myanmar, foundations have a mainly operational role that is largely domestic in nature, whereas in Singapore and Hong Kong, their role is mainly that of distribution and they venture beyond their borders to operate regionally (Tan, Lam, 2017). Singapore is a crossroads for Asian philanthropy, not only due to the significant presence of capital from all over Asia, but also because of the dynamic nature of action research on these topics.

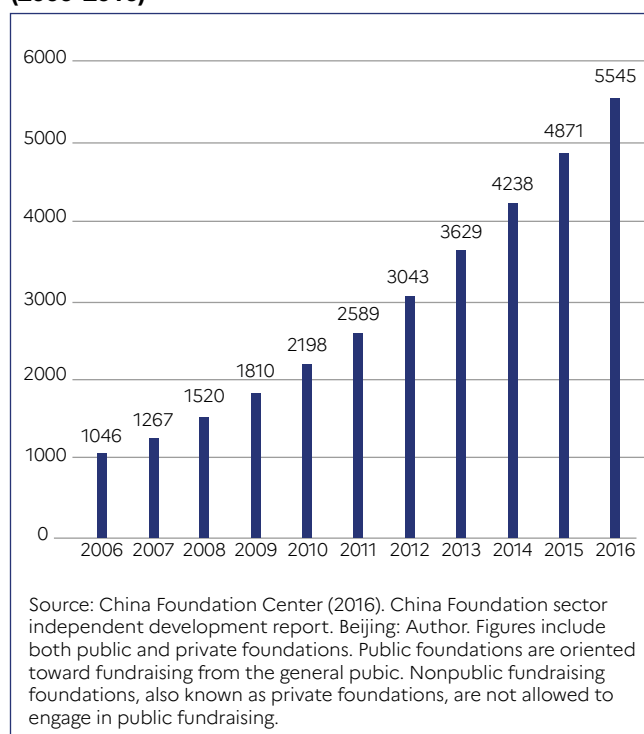
Broadly speaking, in Asia there is a strong influence of spirituality on the practice of philanthropy, stemming from Buddhist, Confucian, Hindu or Muslim traditions. Everywhere, it is firstly expressed in a family dimension, as the family is the basic structure in Asian societies. Education is by far the major beneficiary of private giving as it is perceived as a vehicle for social elevation for individuals and progress for all of society.

## Burgeoning Chinese philanthropy

While private philanthropy is flourishing in China, the response of Chinese donors to the coronavirus crisis illustrates the way in which this generosity has begun to expand well beyond the country's borders.

China has a very ancient tradition of giving dating back more than three thousand years, which stems partly from Confucian and Buddhist thought. Philanthropy, which is understood as "private voluntary giving for the public good" has often been practised discreetly or even anonymously. The first private foundations emerged in the 1980s and 1990s, at a time when tremendous growth ensued from the opening up of the market economy, bringing with it a marked increase in inequalities. Chinese foundations began to proliferate from the 2000s: the China Foundation Center counted 5,545 foundations (endowed by wealthy individuals or using an annual public fund) in 2016, a figure that had more than quadrupled (+430%) in a decade since 2006. Their number then grew to 6,322 foundations in 2017 and 7,048 foundations in 2018. In 2014, their total donations came to 102 billion yuan (\$16.7 billion).

**Growth in the number of Chinese foundations (2006-2016)**



10. Contribution by Charles Sellen, Global Philanthropy expert, Fulbright NGO Leader, whose point of view does not engage the MEAE.

11. Wealthy persons with net financial assets worth more than US\$1 million (excluding their primary residence).

Philanthropy in China however remains essentially an individual affair. During the 2005-2015 decade, the gross domestic product (GDP) per inhabitant increased fivefold from US\$1,740 to US\$7,925 and a middle class emerged. The number of HNWI in China also multiplied in ten years. The increase in the number of Chinese philanthropists therefore seems directly linked to the rate of emergence of huge fortunes.

The combination of these factors means that China has considerable philanthropic potential. While the majority of Chinese philanthropy currently takes place within the country, everything is in place for it to exponentially develop abroad. With the coronavirus crisis, a prime example of China's philanthropy going global can be seen, thus marking a decisive milestone in the history of Chinese philanthropy. Among the most noteworthy donations are those of the billionaire Jack Ma, who donated masks and test kits to countries on all continents, in particular to 54 African States, through his eponymous foundation and his e-business company Alibaba.

Philanthropy is now a fully fledged element of Chinese soft power and helps to disseminate Chinese influence onto the international stage. In the future, this rising Chinese philanthropy at global level will probably reshuffle the cards within the international philanthropic ecosystem, traditionally under strong Western influence.

## Philanthropy in the Arab World<sup>12</sup>

In the Arab world, philanthropy is intrinsically linked to religious values, to such an extent that it is difficult to apprehend it outside this frame of reference, whether it relates to Islam or the Christianity of Eastern churches. A distinction can be made between generosity, whose practice is "morally mandatory" in virtue of religious tenets (*Zakat* or "almsgiving", which is one of the five pillars of Islam, its equivalent being *Ushur* or "tithes" for Christians), and voluntary charity, left to people's own discretion and going beyond the donation of money (*Sadaqah*).

A salient feature of this region is the relative fragility of civil society organizations, insofar as the preference is granted to an informal practice of giving rather than an institutional rationale. The lack of reliable quantitative data to measure the dynamism of the sector is partly due to this absence of formalism, but also to the reluctance of local authorities concerning socio-economic surveys on topics as sensitive as the circulation of private capital (El-Daly and Khalil, 2017). The strong religious prism also adds to this discretion, or even secrecy, in the act of giving that is often performed without ostentation.

Donors do not necessarily make the link between philanthropy and development (understood as "the

implementation of projects that target social problems", El-Daly, 2010). Quite the opposite, philanthropy is almost systematically perceived and experienced as being synonymous with charity. This explains why the majority of donations are geared towards responding to the direct needs of the poorest individuals. Few initiatives attempt to address the root causes of social problems, in a perspective of social engineering. Nevertheless this situation seems to be evolving under the influence of major international philanthropists.

The practice of philanthropy is therefore culturally widespread in the Arab World (Hartnell, 2018), but it is expressed more through person-to-person giving that is immediate and local, rather than through structured means such as foundations and NGOs, even though numerous funds exist (*Waqf*: "perpetual charity"), some of which are long-standing and well endowed.

## Philanthropy in Africa

### *A culture of solidarity*

According to the academic Bhekinkosi Moyo, philanthropy is a long-held practice among Africans of sharing, caring, giving among and to each other. The foundations of this practice are cultural and the fundamental message is that no one person is complete without others (Moyo, 2019 a). He also underscores that today, each African society, based on its values and norms, determines the kind of philanthropy it wants to practise. There are therefore many forms of philanthropy across Africa. All are aimed at solving the societal challenges of the day that include high levels of inequality, poverty and the need for decent jobs. In Africa, the notions of "giving", "sharing", "kindness", "solidarity" and "charity" are sometimes preferred to the term "philanthropy". However, the reality is that none of these words captures the richness of the phenomenon (Moyo, 2019 b).

According to the CAF World Giving Index 2018 published by the Charities Aid Foundation, Africa is ranked second globally for helping a stranger. This not only concerns donating money, but also volunteering time, goods and services. A practical definition of philanthropy in Africa should therefore include a broad range of actions ranging from simple acts of charity to acts that improve living conditions, carried out at community level, and actions towards the public good, carried out by not-for-profit and private sector organizations.

### *Burgeoning philanthropic practices*

Given the difficulties facing States in resolving Africa's challenges, African philanthropy, which is burgeoning, is expected to play a growing role in its countries'

12. Contribution by Charles Sellen, whose point of view does not engage the MEAE.

development. According to the Wealth Report 2019 published by Knight Frank, by 2023 there will be 29 billionaires (in US dollars) in Africa (versus 23 in 2018); 2,450 ultra-high-net-worth individuals (UHNWIs<sup>13</sup>) (versus 2,050 in 2018); and approximately 208,713 millionaires (in US dollars). Most UHNWIs are in South Africa (661), Egypt (283), Nigeria (194), Kenya (125), Tanzania (88), Botswana (22), Uganda (22) and Zambia (17).

These individuals have huge financing capacities, which are vital for the development of African countries, and they need to be guided to give effectively and to support sectors with strong potential (Moyo, 2019 a). A study conducted by the African Grantmakers' Network (AGN) in 2013, corroborated by a study conducted by the UBS bank and TrustAfrica in 2015, estimated that in fact HNWIs<sup>14</sup> donate between \$2 and \$7 billion per year.

In South Africa, a major bank also observed that in 2015, some 88% of individuals qualified as HNWIs donated money, goods and volunteer time<sup>15</sup>. This represented 3.6 million hours, or \$4.2 billion in cash and \$2.8 billion in goods. According to these studies, individuals give mainly out of sensitivity or interest for a cause, because they want to make a difference, give back to society or for religious reasons. In 1994, the Nigerian billionaire Aliko Dangote created the Aliko Dangote Foundation, now one of the largest foundations in sub-Saharan Africa. It receives a provision of \$1.25 million and it operates mainly in the fields of education and health in Africa.

This growth remains difficult to enumerate, however, as philanthropy is part of a much vaster set of practices, traditions and cultural mechanisms of giving and public incentives to give are often extremely limited. Southern Africa, which stands out due to a strong tradition of formal giving, is also the region where philanthropy is most dynamic, especially in the English-speaking countries (South Africa, Kenya, Zimbabwe, Tanzania, but also Nigeria) (Cessou, 2015). This giving is abundant in various domains, such as entrepreneurship, health, education and infrastructure development (Mahomed and Coleman, 2016).

Community philanthropy also plays an important role. This involves getting members of the community to work together and pool their resources to better meet the challenges facing the community at a given time. According to a study by the Centre on African Philanthropy and Social Investment (CAPSI), there are two types of community philanthropy: horizontal philanthropy, consisting of communities giving among peers, and which is developed between people with the same economic challenges; and vertical philanthropy, according to which, those with more resources give to those with less.

Community philanthropy foundations support numerous African communities and have proven to be a vital strategic resource to facilitate sustainable development and change at local level (CAPSI, 2019).

Lastly, the African diaspora, with almost 150 million people across the world, is expected to play a key role in the growth and progress of the continent and is currently the greatest resource and contributor to African development and the well-being of families and communities.

Remittances, mainly from the contemporary diaspora, increased from \$50 billion in 2017 to over \$69 billion in 2019, Nigeria being first with \$22 billion, followed by Egypt. In addition to money, the African diaspora also gives its time and its talent (CAPSI, 2019).

### *The institutionalization of African philanthropy*

The study of philanthropy and social investment in Africa is in its early stages, with the number of formal university research studies, training courses and publications remaining low. Consequently, there is little data currently available on African philanthropy. In response to this lack of data and academic specialization, two philanthropy study centres have been established in Africa. The most recent is CAPSI, at the University of the Witwatersrand in Johannesburg, and the older one is the John D. Gerhart Center for Philanthropy, Civic Engagement and Responsible Business, of the American University in Cairo, created in 2006. These institutions generate data and produce knowledge on African philanthropy and provide a platform for political discussions on the role played by the State, the private sector and civil society to meet the challenges facing African countries (Moyo, 2019 a).

In addition, the political and legislative framework are also a central issue in promoting African philanthropy. In fact, despite the progress made in the course of the last decade, many countries of sub-Saharan Africa currently do not have the solid legal and regulatory systems making it possible to encourage the development of philanthropy (CAPSI, 2019).

### **1.1.2 Philanthropy in Europe: a practice undergoing restructuring**

#### *Growth and vitality of European foundations*

The foundation sector is flourishing in Europe. While some countries have a long-standing tradition of philanthropy, the face of European foundations today is above all a young one, a sign of the progression of the philanthropy culture and a result of the evolution in legal and fiscal frameworks. All European States today recognize the role of private philanthropy for the benefit of the general

13. UHNWI: Wealthy person with net financial assets worth more than US\$30 million.

14. HNWI: Wealthy person with net financial assets worth more than US\$1 million (excluding their primary residence).

15. The Nedbank study refers to all individuals whose assets are greater than 1.5 million South African rands.

interest, as illustrated by the introduction of tax incentive mechanisms. The three areas mobilizing the greatest number of Europeans are international solidarity (largely financed by Germany, Switzerland and Belgium), social action (France, Spain), and religion (accounting for a large portion of giving in the UK and the Netherlands)<sup>16</sup>.

European foundations also display great vitality. While Americans devote a larger portion of their wealth to projects of a philanthropic nature, with assets greater than those of European foundations, the latter are however more numerous and more dynamic than across the Atlantic, with equivalent annual expenditure. The vitality index (i.e. the expenditure/assets ratio) of European foundations is therefore higher than that of US foundations (13% versus 9%)<sup>17</sup>. European foundations are therefore more dynamic than their American counterparts in relation to their assets. This can be explained by the fact that European foundations operate essentially according to a flow model, as opposed to the majority stock model of the US.

At European Union (EU) level, over €60 billion is given annually towards the general interest, according to the Donors and Foundations Network in Europe (DAFNE)<sup>18</sup>. With some 147,000 “public benefit foundations” identified<sup>19</sup>, European philanthropy has become a key resource in financing social innovation while promoting the values of freedom and plurality within European societies.

### *Institutional barriers to cross-border European philanthropy and initiatives for its structuring*

There are however a certain number of barriers to cross-border philanthropy and the rollout of European philanthropy. The absence of fiscal harmonization as well as certain European restrictions aimed at combating money laundering, tax evasion and financial flows fuelling terrorism are seen by the European foundations as impediments to their work. In 2019, the European Economic and Social Committee (EESC) highlighted the untapped potential in this respect of European philanthropy by underscoring how it could improve social cohesion, and made several recommendations to encourage philanthropy in Europe. In particular it invited the Member States to engage in dialogue with philanthropic actors and to establish an environment conducive to philanthropy by adopting laws and regulations to encourage this form of social engagement. The EESC also underscores the need to leverage

the impact of private resources for the common good by implementing strategic partnerships with philanthropic actors and financial instruments facilitating the co-granting of resources and stimulating co-investments with philanthropic organizations (EESC, 2019).

To allow the European foundation sector to unlock its full potential at both European and international levels, initiatives for structuring a European philanthropy are increasing.<sup>20</sup>

- Philanthropy is structured around several **major European networks**, such as DAFNE, the EFC, the Network of European Foundations (NEF) and the European Venture Philanthropy Association (EVPA). By strengthening cooperation, disseminating vital resources and fostering recognition of the sector, these organizations contribute to developing philanthropy as a whole.

- To facilitate cross-border giving in Europe, several major European foundations joined forces to create the **Transnational Giving Europe (TGE)** network. Through this partnership, donors can benefit from tax advantages in their country of residence when they support an organization of general interest in another European country.

- The EFC and DAFNE have a common goal of **advocacy at European level**: “Philanthropy Advocacy”, inspired by a study conducted in 2018 by Oonagh Breen, whose key purpose is to shape the national, European and international legislative environment **to create a single market for philanthropy**.

### *Examples of successful collaboration between EU governments and foundations*

In Germany, the foundation sector is long-standing and deeply rooted in society. German foundations are the most numerous in Europe, representing one third of total EU foundation expenditure. Private foundations also contribute to Germany’s influence abroad. For this reason, strategic dialogue was established between the German Federal Foreign Office (*Auswärtiges Amt*) and private foundations in the form of eight informal working groups, each one steered by a foundation representative and a Foreign Office representative in order to work on defined topics and geographic areas. An Africa working group is working in particular to redefine the guidelines of the federal government’s Africa policy. This unprecedented

16. Observatoire de la Fondation de France/CerPhi (2015), “Panorama de la philanthropie en Europe” ([https://www.fondationdefrance.org/sites/default/files/atoms/files/philanthropie\\_en\\_europe\\_2015.pdf](https://www.fondationdefrance.org/sites/default/files/atoms/files/philanthropie_en_europe_2015.pdf)).

17. Figures obtained from the above study concerning 10 European countries representing 78% of the population of the EU + Switzerland and 86% of its GDP (Belgium, France, Germany, Italy, Netherlands, Poland, Spain, Sweden, Switzerland, UK).

18. These figures, from 2016, are based on data available in the 24 European countries of the DAFNE network, including 18 EU members.

19. These estimates do not include organizations operating as foundations in Europe, but only those focused on the public benefit (i.e. working for the general interest: social services, health, education, promotion of research and culture, etc.). In approximately half the countries represented by members of the DAFNE network, the term “foundation” can also refer to organizations serving private purposes. According to the EFC, “private benefit foundations are those that pursue private purposes” (family purposes, for example). By including private benefit foundations, the total number of foundations in Europe would exceed 200,000.

20. See Annex 2 – The major global and European philanthropy networks.

## European Philanthropy Manifesto

Although institutional philanthropy in Europe includes **over 147,000 philanthropic organizations with an accumulated annual giving of nearly €60 billion**, pan-European giving is limited today. Philanthropic actors generally do not yet enjoy the full freedom of the EU internal market when it comes to recognition of the legal personality, transfer of seat, cross-border mergers, free flow of funds for charitable purposes across borders, non-discriminatory tax questions, etc. Regulatory issues are a challenge for the philanthropic sector, which is rallying to introduce the free flow of charity funding. The EFC and the DAFNE network share a common advocacy project at European level entitled “Philanthropy Advocacy”, whose key purpose is to shape the national, European and international legislative environment to create a single market for philanthropy.

In 2019, the EFC and the DAFNE network co-published the “European Philanthropy Manifesto”, a **call to policy makers in Europe to work towards a Single Market for Philanthropy**, which includes a better recognition of philanthropy in EU legislation as well as at national level, support for cross-border philanthropy across the EU and a decrease in today’s barriers for philanthropy in order to leverage the impact of donors’ and foundations’ spending.

Launched on 22 March 2019 in the presence of over 60 policymakers from the European Commission, the European Parliament, Member States, the EESC, the OECD and

representatives from the philanthropy sector and civil society, this manifesto puts forward four recommendations to **introduce a Single Market for Philanthropy**:

- 1. Recognize philanthropy and engage with it:** Philanthropy and its important role in supporting civil society, community cohesion and European values must be better recognized in the EU Treaties and by EU policymakers.
- 2. Facilitate cross-border philanthropy,** in particular by acknowledging the free flow of capital within Europe, the elimination of administrative barriers and facilitation of tax-effective cross-border philanthropy.
- 3. Enable and protect philanthropy:** European philanthropy could be more effective if it enjoyed a better overall environment and better protection mechanisms. To this end, national laws and EU level policy should facilitate philanthropy and be in line with EU fundamental rights and values, and Treaty Freedoms.
- 4. Co-grant and co-invest for public good and civil society:** the EU could leverage the impact of private resources for public value by introducing financial instruments that act as a catalyst for co-granting with philanthropy and stimulate co-investments by de-risking investments and by creating an EU Justice, Rights and Values Fund.

Reference: DAFNE, EFC (2019), European Philanthropy Manifesto – Private resources for public good, Brussels ([https://www.philanthropyadvocacy.eu/wp-content/uploads/2019/03/20190321-Philanthropy-Manifesto\\_420x210\\_WEB.pdf](https://www.philanthropyadvocacy.eu/wp-content/uploads/2019/03/20190321-Philanthropy-Manifesto_420x210_WEB.pdf))

participatory process thus makes it possible to factor in the expertise of civil society foundations in policy decisions. The German Federal Ministry for Economic Cooperation and Development (BMZ), which aims to be more active in Africa and on climate change issues through its foundation partnerships, created a framework two years ago for its cooperation with national and international foundations.

In Belgium, the Ministry of Development Cooperation enjoys a key partnership with the King Baudouin Foundation, especially through the Business Partnership Facility - Enterprises for SDGs, which supports the involvement of the private sector in implementing the SDGs in developing countries. The King Baudouin Foundation launched a call for projects worth €12 million over several years, financed by Belgian cooperation, in order to support economically viable and high-social-impact partnership projects between actors from the private sector, civil society, academia and/or the public sector.

### 1.1.3 Philanthropy in France: a practice expected to play a growing role in development financing

While no official figures exist because of the lack of tracking, and although the data originate entirely from CerPhi and OECD statistics, it appears that the number of French funds and foundations engaged in international development still remains relatively low today. According to the report entitled “*Cartographie des fondations françaises agissant pour le développement international*” conducted by the CerPhi in 2019,<sup>21</sup> less than 5% of French funds and foundations are active in the domain of international assistance, for an estimated total of €121 million over one year (representing 1.7% of the world total calculated by the OECD, 2018). According to a 2019 study by the Fondation de France’s philanthropy observatory (Observatoire de la Philanthropie), this figure has remained stable since 2001.<sup>22</sup>

21. [https://www.cerphi.org/wp-content/uploads/2019/07/Cartographie-des-fondations-franc%CC%A7aises-agissant-en-faveur-du-de%CC%81veloppement\\_Rapport-final\\_juin2019.pdf](https://www.cerphi.org/wp-content/uploads/2019/07/Cartographie-des-fondations-franc%CC%A7aises-agissant-en-faveur-du-de%CC%81veloppement_Rapport-final_juin2019.pdf).

22. [https://www.fondationdefrance.org/sites/default/files/atoms/files/etude\\_fondations\\_et\\_fonds\\_de\\_dotation.pdf](https://www.fondationdefrance.org/sites/default/files/atoms/files/etude_fondations_et_fonds_de_dotation.pdf).



It can however be expected that French philanthropy will increasingly broaden its horizons globally: over the past seven years, the number of French funds and foundations has doubled and these structures are increasingly interested and engaged in international development. This is reflected by the creation by the CFF of a focus group devoted to international action in January 2020. This group currently brings together about 40 representatives from the sector. Several French foundations, in particular corporate foundations, are also active members of the OECD's network of foundations working in the field of development (netFWD). These include the Chanel, Sanofi Espoir and L'Oréal foundations, among others.

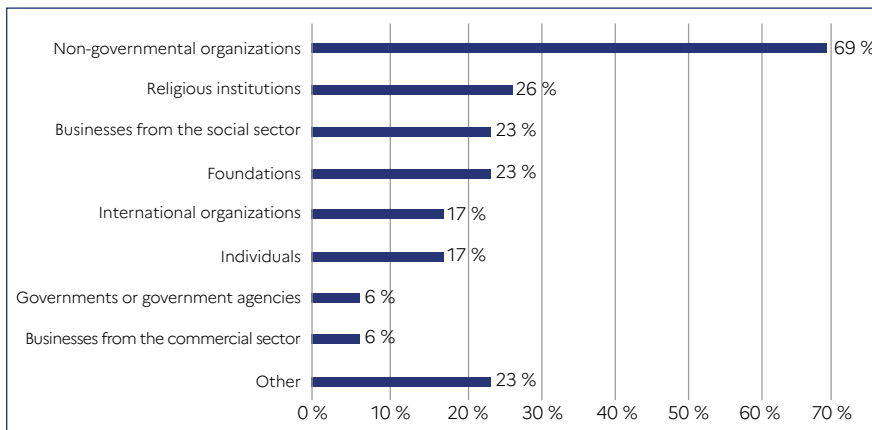
It has been noted that corporate foundations have a certain ability to engage internationally: due to their business activities, they are more aware of the themes of development and can access an already established

network in certain countries. Family foundations, which work more on instinct or in terms of personal favourites, are on the contrary often better off working in France and they encounter a certain number of difficulties in developing their activities abroad (taxation, little visibility and knowledge of areas, etc.).

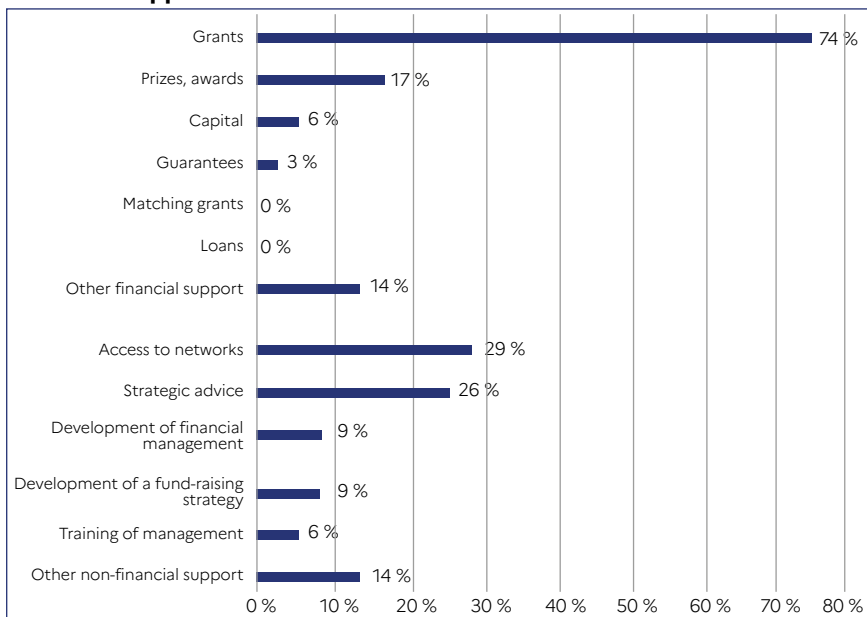
The CerPhi study also highlights the fact that while the weight of French funds and foundations active in the field of development still seems quite low, this sector of activity is being completely restructured, with the implementation of rigorous practices for seeking and selecting projects that will be supported, assessing the actions carried out and communicating in the most efficient manner.

Furthermore, almost half of French foundations' international assistance is directed towards Africa, in particular Mali, the Comoros, Senegal and Madagascar,

### Types of organization supported



### Forms of Support

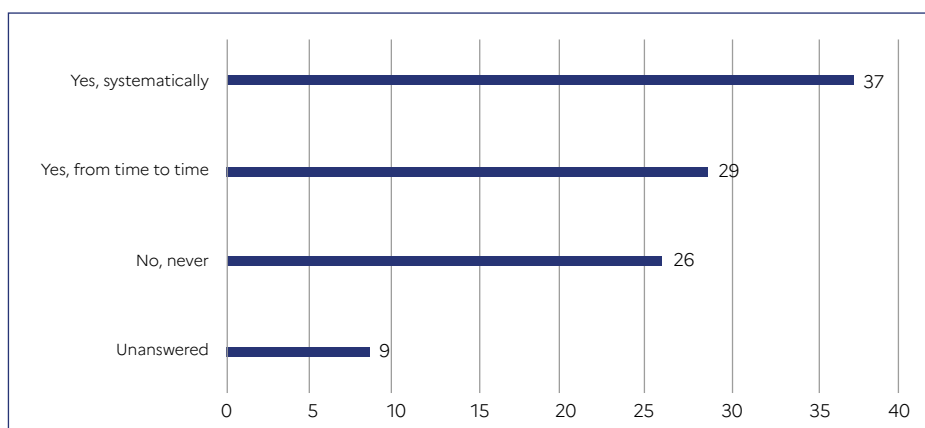


Source: CerPhi, 2019 (N = 35)

which are on the list of priority recipient countries for French development assistance created by the CICID. In addition, the intervention sectors of these French foundations largely cover French priorities, especially education, health, gender equality, access to employment, reducing inequalities, combating climate change, access to water and sanitation and renewable energies.<sup>23</sup> The action of French foundations focused on women and young girls is relatively recent and is progressively increasing. According to the study by the Observatory of the

Fondation de France, the number of French foundations which report taking action for this target group increased from 2% in 2013 to 7% in 2017. A significant feature of these foundations taking action for women is the scale of intervention: more often than for other target groups, their action is performed at international level, especially in sub-Saharan Africa. This therefore opens up possibilities for enhanced cooperation between the French diplomatic network and the foundations that are active or that wish to act at international level.

### Evaluation of the foundation's international actions



Source: CerPhi, 2019 (N=35)

## 1.2 Geographic and sectoral priorities of philanthropy for development

The lack of reliable and publicly available data on philanthropy contributions limits knowledge the public might have on development actions implemented by philanthropic actors. Some work, based on the collection of data from foundations through surveys, nevertheless provides a clearer view of philanthropic flows for development.

### 1.2.1 Main Geographic Areas Benefiting from Philanthropy

Over 2013-2015, Africa received the main portion of philanthropic giving (\$6.6 billion, or 28%), followed by Asia (\$4.1 billion, or 17%), Latin America (8%), Europe (2%) and Oceania (0.3%) (OECD, 2018).

According to an AFD study, the majority of financing in Africa is directed towards the Eastern countries (Kenya, Ethiopia, Mozambique, Rwanda, etc.), whereas in Asia, emphasis is given to Southern countries (Afghanistan, Bangladesh, India, Pakistan, Nepal, etc.) (Schuyt et al., 2017).

This same study underscores the major difference between the main countries receiving philanthropic contributions and those receiving funds from NGOs. For NGOs, the priority countries are those in sub-Saharan Africa, as well as Pakistan, Iraq and Afghanistan. As far as foundations are concerned, India and China are among the main beneficiaries. Foundations therefore seem to focus more on emerging economies rather than on the poorest countries, due to the difficulty in implementing assistance. The OECD report concurs: over 2013-2015, the majority of giving from foundations (67%) went to stable, middle-income countries, starting with India (7% of the total), followed by Nigeria, Mexico, China and South Africa. Only a third of financing from foundations went to least developed countries (28%) and other low-income countries (5%). More generally, countries in fragile contexts<sup>24</sup> received a relatively small share of philanthropy funds (\$3.8 billion, i.e. 38% of the total). Differences exist, therefore, between priority geographic areas for France's development policy and those preferred by foundations.

In addition, philanthropic foundations generally prefer to invest via intermediary institutions or "channels of delivery". These are mostly international organizations or

23. Aforementioned CerPhi (2019) study.

24. In 2014, the OECD created a universal, multidimensional fragility framework, defined as the combination of exposure to risk and insufficient coping capacity of the State, system and/or communities to manage, absorb or mitigate those risks. This framework is based on five dimensions of fragility (economic, environmental, political, societal and security). Some 58 contexts was considered as fragile in the OECD's 2018 framework.

NGOs (World Health Organization [WHO], the United Nations Children’s Fund [UNICEF], Gavi, the Vaccine Alliance, the Program for Appropriate Technology in Health [PATH] or Rotary International), but also universities or research institutes. According to the OECD report, 97% of philanthropic giving over 2013-2015 was implemented this way. Foundations acting outside Europe work mainly with international, national or local organizations, and seldom directly with governments (except the Bill & Melinda Gates Foundation ).

## 1.2.2 Sectoral Overview of Philanthropy for Development

The AFD study (2017) highlights the fact that foundations’ giving for development is mainly directed towards the health sector. Other sectors benefiting from international philanthropy are the humanitarian, education, environmental, and farming sectors. These sectors combined receive less financing than the health sector alone.

According to the OECD report (2018), the sectors mainly financed by philanthropic foundations were as follows:

**1)** Health and reproductive health (\$12.6 billion, i.e. 53% of the total contributions from foundations for 2013-2015<sup>25</sup>)

**2)** Education (\$2.1 billion, i.e. 9% of the total over the same period)

**3)** Agriculture (\$1.9 billion, i.e. 8% of the total)

**4)** Government and civil society (including gender equality) (\$1.7 billion, i.e. 7% of the total)

**5)** Environmental protection (\$1.1 billion, i.e. 5% of the total)

Foundations increasingly focus their efforts on combatting the root causes of poverty. Malnutrition, human rights, access to health care and education for women and children have become key themes (Schuyt et al., 2017).

The AFD and OECD studies, along with the CerPhi mapping exercise, all highlight the financial potential of philanthropy for international development. They make it clear that the geographic and sectoral priorities of foundations mainly correspond to France’s priorities concerning development, thus underscoring the opportunity for further cooperation between France and foundations. In addition, these studies show that the most fragile and least developed countries receive relatively little financing from foundations, often due to a lack of local contacts and reliable networks. These observations emphasize the role that the MEAE could play in coordinating philanthropic flows towards priority geographic areas receiving French assistance.

### BOX 3

## OECD (2018), *Private Philanthropy for Development*

Philanthropy’s role in advancing sustainable development attracts a great deal of attention. Consequently, in 2018, the OECD published the report entitled “Private Philanthropy for Development”, based, for the first time ever, on data collected by the OECD to quantify and analyse the way in which private foundations support development. Furthermore, by applying the standards of the OECD’s Development Assistance Committee (DAC) in terms of statistics, data on philanthropic flows for development are fully comparable to those of ODA contributions.

This report calls into question the long-held assumptions about the volume, nature and potential of foundations’ engagement in developing countries.

The report indicates that private foundations contributed US\$23.9 billion for development over 2013-2015, i.e. 5% of the volume of ODA from OECD DAC donors. However, philanthropic giving plays a key role in some sectors, such as health. Over 2013-2015, aid distributed by foundations in this area was the third-largest source of financing for developing

countries, following that of the United States and the Global Fund to fight AIDS, Tuberculosis and Malaria.

The sources of philanthropic giving towards developing countries are highly concentrated. Of the 143 foundations included in the data survey, the Bill & Melinda Gates Foundation (BMGF) was by far the most significant philanthropic donor, having provided 49% of total giving to development. In addition, 81% of the total philanthropic giving over 2013-2015 was provided by just 20 foundations.

Almost three-quarters of financing came from US-based foundations, a figure broadly explained by the volume of giving from the BMGF. The other main countries for philanthropic giving to development are the United Kingdom (7%), the Netherlands (5%), Switzerland (2%), Canada (2%) and the United Arab Emirates (2%).

Bolstered by these research studies and the ongoing dialogue, the OECD, especially through its Centre on Philanthropy, continues collecting ever-increasing amounts of better quality and publicly available data and analyses on global philanthropy for development. A second global survey and a second edition of the report are expected in 2021.

Source: OECD *netFWD*

25. Trend linked to the fact that 72% of contributions in this sector come from the Bill & Melinda Gates Foundation.

# Chapter 2

## France and foundations: complementary action for development

Philanthropy is a constantly evolving sector that allows more flexibility and innovation in the development financing approach. While philanthropy is not likely to replace traditional ODA donors, it is however complementary, due to its flexibility of action and decision-making, allowing it to take more risks.

### 2.1 The current position of the philanthropic sector in France's development policy

The MEAE and its operators are already engaged in cooperation with foundations and since 2008 have developed partnerships that have proven to be effective.

#### With national foundations in the sectors of humanitarian emergencies and development

By means of their mobilization and expertise, as well as the technical and logistic means they can implement very quickly, corporate foundations play a vital and expanding role in **managing emergency humanitarian situations** coordinated by the MEAE's Crisis and Support Centre (CDCS). They provide France's response with means and resources in a very broad range of areas, in conjunction with other humanitarian partners (NGOs, French Red Cross, civil defence, etc.). In relation to needs in the field and the scale of the French response, the action of these foundations can take the form of in-kind donations, technical expertise, skills-based patronage or project co-financing.

These past years, the CDCS has thus worked with several partners in developing emergency humanitarian responses. For example, in September 2019 the Airbus Foundation provided an Airbus A330neo aircraft to transport 18 tons of freight and a detachment of rescue firefighters to support the Bolivian defence forces as part

of France's emergency response in Bolivia to fight forest fires. In April 2019, the Veolia and Suez foundations also supported France's humanitarian response in Mozambique, in the wake of Cyclone Idai, through the provision of water purification plants and experts in charge of running them. More recently, as part of the partnership signed in January 2020, the CMA CGM Foundation provided a vessel that delivered over 1,000 tons of freight to Beirut in response to the explosion that struck the city last August.

The MEAE has signed around 15 partnership agreements with foundations in the field of humanitarian emergency (corporate foundations such as AIRBUS, CMA CGM, Suez, Carrefour, Tulipe, Sanofi Espoir, Veolia, Mérieux, Schneider Electric and EDF, mainly).

**In the field of development**, there are currently no active partnerships between the MEAE and French foundations.

In 2014, a three-year partnership agreement was signed with the UP Foundation for the purpose of supporting meaningful, economically viable and socially engaged projects, in the regions where the UP group is established and the MEAE is involved. This partnership consisted of a local-scale cooperation, with partnership agreements being signed in each of the countries where the MEAE and the UP group, through its foundation and subsidiaries, wish to work together. This flexible form of operation has allowed the UP Foundation to directly contact French embassies in the countries where it wished to intervene by providing its expertise and financing, in return for embassies' knowledge of the region, the network of local economic and social actors as well as providing a place of exchange and visibility.

This example is a successful illustration of cooperation between France and French foundations in terms of development and the Ministry could draw on this to build new partnerships as part of this strategy.

## With international foundations

In 2008, France developed a partnership with the Aga Khan Foundation (AKF), one of the entities of the social pillar of the Aga Khan Development Network (AKDN), a consortium of several agencies that work in the economic, social and cultural domains in 30 countries. This cooperation materialized through the implementation of about 50 projects, in all sectors and geographic areas, but especially in the fields of education and health, especially in Afghanistan and Pakistan.

Since 2010, France and the BMGF have been conducting dialogue in numerous development areas, in particular health and gender equality, with major focus on sub-Saharan Africa. Both the Foundation and France also wish to participate in international reflection on innovative financing for development and health, in particular as part of the Steering Group on Innovative Financing. The Foundation recently produced a report on women's digital financial inclusion in Africa, which led to the adoption of a G7 Partnership for Women's Digital Financial Inclusion in Africa by the G7 finance ministers under the French Presidency.

French cooperation with the AKDN and the BMGF are essentially through the AFD Group. The French agency also established partnerships with several other major international philanthropy foundations that contribute significantly to the International Development Agenda, of which a large number of objectives converge with AFD's geographic and sectoral priorities, and are legitimate in the field.

According to their nature and position, the AFD's relationship with the foundations can have various forms: exchanges of expertise to gain from partner foundations' technical skills, flexibility and the capacity for innovation; backing for common strategic priorities to carry greater weight in major development debates; and joint funding for and implementation of development projects for which foundations provide their knowledge of the field, their implementation capacity and their ability to mobilize funds. The foundations can be direct beneficiaries and managers of the AFD funds or co-financers. In addition to the BMGF and the AKDN, the AFD has developed collaborative relations with the Rockefeller Foundation and they frequently hold discussions on the topic of making cities resilient, innovative financing, the climate issue and the preservation of forests. It also has collaborative relations with the European Climate Foundation (ECF), which had been in charge of the task force of philanthropists for the climate. Contacts have also been made with other foundations, such as the Open Society Foundation (OSF), the Children's Investment Fund Foundation (CIFF) and the Epic Foundation. The AFD is also developing its relations with foundations in the Global South, in particular the Tony Elumelu Foundation (Nigeria) with whom it signed a partnership agreement in 2018 to bolster support for entrepreneurship in Africa.

These successful examples of cooperation highlight the need and the relevance for the MEAE to establish further partnerships with foundations, in particular French foundations with which the MEAE no longer has an active partnership today. Complementarity of action between foundations and state actors, and foundations' increasingly innovative practices for development, also encourage the creation of such partnerships.

## 2.2 Foundations: flexibility of action and innovation serving development

Due to their structural and operational characteristics, foundations are likely to act in the field of development in a complementary manner to public actors. They are therefore valuable partners for institutional donors of development assistance, as it is in their best interest to further strengthen synergies with these key development actors.

### 2.2.1 Foundations as vehicles of innovation and change

Because of their great flexibility and their versatility in terms of action and decision-making, foundations are capable of testing new approaches and tools, taking risks and leading experimental projects, allowing traditional development actors to draw from their work and, where relevant, to replicate it on a major scale.

Venture Philanthropy is an innovative practice advocated by a growing number of foundations, which consists in adapting the principles of private equity (in particular the selection and development of businesses that show potential for long-term growth), to the needs of the charity sector. Venture Philanthropy also conveys a culture of seeking an impact through philanthropic actions. In fact, an increasing number of philanthropists, in particular young generations from Silicon Valley, try to assess the social impact of their activities, and look for an impact when they invest. While this practice is widespread among philanthropists from English-speaking countries, it also exists in France, where the Caritas France Foundation became a pioneer in this field, following a visit to the United States.

As foundations are not accountable and have no obligation to provide results, they enjoy almost total freedom, allowing them to take long-term action, unlike public establishments subjected to a political timeframe. This gives them unparalleled scope for action and allows them to focus on long-term goals. This leads to better monitoring and more impact, as illustrated by the action of the French foundation Yara LNC in Niger, which each year supports 20 students aged 8 to 25, as part of a project for rural education. This long-term action also allows foundations to provide structural support to civil

**BOX 4**

## The Concept of Venture Philanthropy

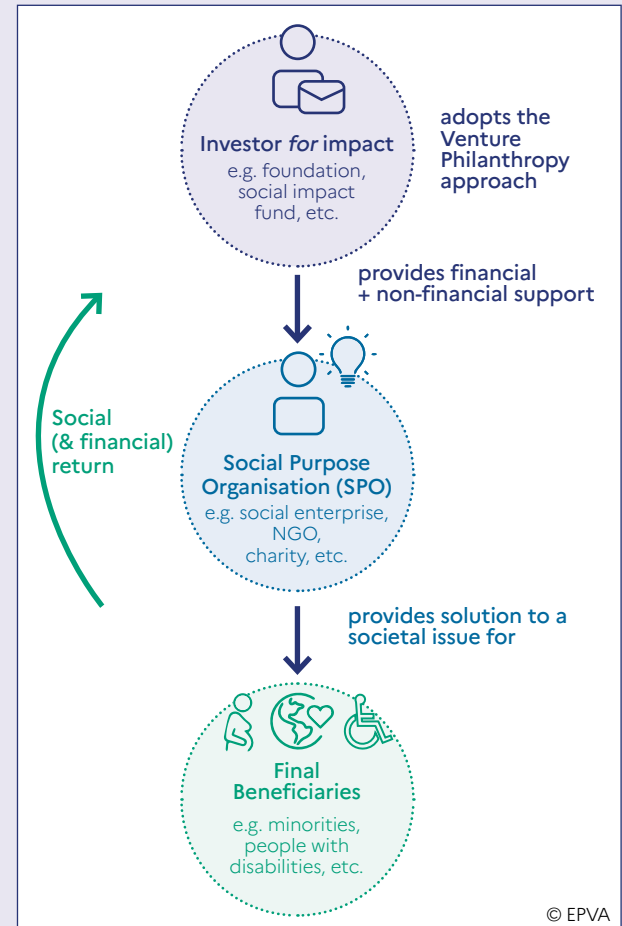
The concept of venture philanthropy or impact philanthropy is an innovative approach that applies the rules of investment capital (private equity) and more particularly of venture capital to giving. Investors opting for this approach have the particularity of accepting to take risks that most other investors are not prepared to take. They provide long-term financial and non-financial support to associations or social enterprises with strong growth potential, in order to help them maximize their social impact. This approach thus makes it possible to test and scale new solutions to societal issues or support social purpose organization (SPOs) that have no market outlet, based on three core practices applied by these investors:

- tailored financing, by choosing the most suitable financial instruments to support an SPO;
- non-financial support, by also providing support services to an SPO in order to maximize its social impact, increase its financial sustainability or strengthen its organizational resilience;
- impact measurement and management, by monitoring the change created by an organization’s activities, and using this data to refine activities in order to increase positive outcomes and reduce potential negative ones.

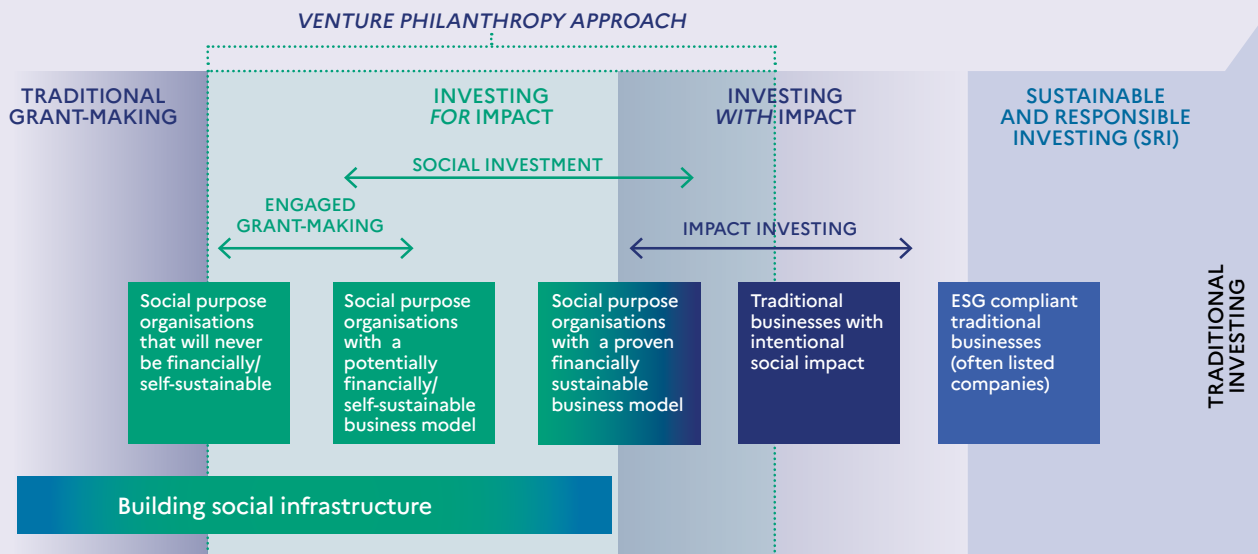
Venture philanthropy is part of the impact ecosystem, which includes all types of capital and service providers supporting a wide variety of social purpose organizations. These purposes range from traditional philanthropy to sustainable and responsible investing. In-between, EPVA has identified two main “impact strategies”: investing for impact and investing with impact. When an investor seeks not only social impact but also a financial return, we talk about investing with impact. Conversely, investors opting for the venture philanthropy approach are more focused on the social impact of their investment and take risks by supporting organizations

that are not necessarily financially self-sustainable but provide innovative solutions to societal issues.

### The venture philanthropy model



### The Impact Ecosystem Spectrum



society organizations in order to contribute to cultural and political changes. This is the approach advocated by the EDGE Funders Alliance, a community of 300 donors committed to addressing systemic challenges and contributing to long-term transformational change.

The crisis stemming from the COVID-19 pandemic has also had the effect of driving foundations to further innovate in their practices to allow greater flexibility and impact. The Ford Foundation launched an unprecedented initiative by deciding to issue social bonds to the value of \$1 billion in order to intensify its response to the crisis without affecting its endowment. If this practice were to be imitated and adopted by other foundations, it could be a crucial new source of revenue in the philanthropy sector.

Through their innovative approach, foundations thus provide new solutions to recurring dysfunctions.

## 2.2.2 Flexibility in action and decision making, allowing rapid mobilization capacity

Foundations enjoy independence and flexibility in their action and decision making which allows them to react and mobilize quickly, especially in times of crisis. In this way they can compensate cashflow shortfalls until the government mechanisms are implemented.<sup>26</sup>

During the health crisis linked to the COVID-19 pandemic, foundations have proven their ability to intervene quickly in emergency situations, through their rapid and massive

### BOX 5

## Foundations' mobilization in responding to the COVID-19 crisis

From the start of the health crisis, and even when emergency intervention was not always their primary mission, foundations and philanthropists stepped up their announcements of exceptional and one-time assistance, including in developing countries. In February 2021, the Candid Foundation identified over 1,300 funders providing over 38,000 grants, totalling more than \$23 billion (1). In France, the CFF identified 71 French foundations and endowment funds that provided support for the health crisis, 31 of which abroad, for a cumulative total of €48.3 million (2). While it is difficult to accurately quantify the response of philanthropic actors, these amounts nevertheless illustrate their strong commitment.

Among the foundations mobilized for international solidarity, particular mention should be made of the major foundations (BMGF, Ford Foundation, OSF, AKDN, Bloomberg Philanthropies), as well as corporate foundations working at international level and performing activities in the areas where they have provided aid (Visa, Conrad N. Hilton and Nike foundations for the US, Orange, Veolia, SUEZ, Sanofi Espoir, Carrefour and EDF Group foundations for France and the Alibaba Foundation for China).

The **African continent** is the main geographic recipient of these international philanthropic flows, as illustrated by the mobilization of French foundations, which mainly provided aid to Francophone Africa where French companies are numerous.

**Health** was the main sector to benefit from the mobilization of philanthropic actors across the globe, in particular for prevention, treatment development, access to care and the

strengthening of health systems. The largest contributor in this field was the BMGF, which in December 2020 announced total donations of \$1.75 billion in response to the COVID-19 pandemic.

As the pandemic triggered a food crisis in many countries, several foundations were also eager to support **food and humanitarian aid programmes** and, more generally, to provide support to vulnerable populations, who were worse hit by the crisis.

**Education** was also advantaged by a significant show of solidarity from foundations, to ensure continuity of teaching in the areas impacted by the COVID-19 pandemic. More broadly, numerous foundations helped reduce the **digital divide**, by allowing pupils and isolated elderly persons to become equipped with computer material. For example, the Total Foundation joined forces with associations to facilitate continuity of teaching, but also an open vision of the world and the social links that Internet provides.

Several foundations and philanthropists also understood the need to act in order to mitigate the **impact of the crisis on Global Southern economies**, in particular on small businesses that were in the front line facing the economic consequences. The Visa Foundation announced a \$10 million programme in immediate emergency assistance, in addition to a \$200 million programme over five years to support small and micro-enterprises across the globe, with special focus on women's entrepreneurship.

#### References:

- (1) Candid funding map: <https://candid.org/explore-issues/coronavirus>
- (2) CFF platform devoted to COVID-19: <https://www.actions-fondations-covid19.org/>

26. Un Esprit de Famille, Sondage auprès des membres, (members' poll) June 2020 : [https://unespritdefamille.org/wp-content/uploads/2020/07/Sondage-Covid-19\\_juillet-2020.pdf](https://unespritdefamille.org/wp-content/uploads/2020/07/Sondage-Covid-19_juillet-2020.pdf).

mobilization. Among the Ministry's partners, the AKDN, for example, rapidly mobilized exceptional funds to help the Institut Médical Français pour l'Enfant (IMFE) in Afghanistan to face the crisis, in a shorter timeframe than necessary for France to provide, in turn, its financial support.

This flexibility of action also allows foundations to intervene in areas where traditional donors sometimes have difficulty with rollout, due to the country's policy instability, lack of security or due to a lack of visibility.

## 2.2.3 Strong local roots and unique technical expertise

Due to the presence of partners and beneficiaries in the field, foundations generally enjoy strong local ties, thus facilitating their intervention as close as possible to grassroots and to community issues. Beyond just the simple financing of projects, foundations (mainly family ones) have the capacity to create close links with the organization supported<sup>27</sup>, which are often maintained over time. In this way, they can set themselves apart through the support they provide to partner associations. The

### BOX 6

## Corporate patronage

In French law, patronage is defined as "material support given to a work of art or a person for an activity presenting a mutual interest without any direct return from the beneficiary" (1). Today, an increasing number of companies are engaging in patronage activities. These can occur via "direct management", when the patron gives directly to the project initiator, or via "indirect management", i.e. when a structure dedicated to managing patronage is created. This structure can be in the form of a foundation, an endowment fund or an association. Businesses however seem to mainly prefer the formal form of patronage via a dedicated structure (2).

This engagement can exist in different forms:

- Financial patronage is a monetary contribution to serve a project of general interest. This means is most commonly used by businesses (92% of corporate patrons for 84% of the total patronage budget in France) (3).
- Patronage in kind consists in giving or making available goods to serve a project of general interest.
- Skills-based patronage consists in making available an employee during their working time to serve a project of general interest. The Orange group, for example, has developed the "Part-Time Seniors" (TPS) mechanism, which allows its employees at the end of their career to devote some of their working time to one of the partner associations.

Patrons have an increasing tendency to use these various forms of patronage at the same time, in a complementary manner.

Patronage or sponsorship is not something designated simply for large companies: 96% of corporate funders are very small enterprises (VSEs) or small and medium enterprises (SMEs) (4). Major groups however, are more engaged internationally.

Under the Aillagon Act of 2003, France acquired fiscal measures in favour of corporate patronage for companies

that are among the most generous at an international level, granting the right to a 60% tax reduction (40% for donations exceeding €2 million). This law allowed patronage to find its place within French companies: a 2018 report by the Court of Auditors reveals that some 68,930 companies practised it in 2017 as opposed to 6,500 in 2005. Tax expenditure was almost multiplied by ten, increasing from €90 million in 2004 to €930 million in 2016 (5).

Furthermore, as highlighted by the report "*Panorama 2020 des Fondations et des Fonds de Dotation*" produced by EY and Les Entreprises pour la Cité (6), corporate patronage is increasingly strategic. In fact, in parallel to their mission of general interest, most of these philanthropic structures are aware of addressing strategic challenges for their parent company. Beyond the external valuation of the company, corporate patronage is in particular considered as a lever for local cohesion, and is considered to indirectly contribute to the development of the company's economic activity. In this way, the purposes of funds and foundations are now mainly linked to the core activity of their parent company.

References:

- (1) Decree of 6 January 1989 relative to economic and financial terminology
- (2) EY Société d'Avocats (law firm) and Les Entreprises pour la Cité (business network for social innovation), "*Panorama 2020 des fondations et fonds de dotation créés par des entreprises mécènes – Vers des entreprises plus engagées : quel rôle pour les fondations dans ce nouveau monde?*" ([https://assets.ey.com/content/dam/ey-sites/ey-com/fr\\_fr/topics/economie-sociale-et-solidaire/ey-panorama-des-fondations-et-fonds-de-dotation-2020.pdf](https://assets.ey.com/content/dam/ey-sites/ey-com/fr_fr/topics/economie-sociale-et-solidaire/ey-panorama-des-fondations-et-fonds-de-dotation-2020.pdf))
- (3) ADMICAL (2018), Barometer "*Le mécénat d'entreprise en France*".
- (4) *ibid.*
- (5) Court of Auditors (2018), "*Le soutien public au mécénat des entreprises. Un dispositif à mieux encadrer*" (<https://www.ccomptes.fr/system/files/2018-11/20181128-rapport-soutien-public-mecenas-entreprises.pdf>)
- (6) EY Société d'Avocats and Les entreprises pour la Cité (2020), mentioned above.

27. Aforementioned poll, Un Esprit de Famille (2020).



COVID-19 health crisis, during which foundations were called on to rethink their relations with recipients of their grants, by providing them with more flexibility, also helped to deepen these relations of trust.

Corporate foundations, which are linked to companies that are often locally well established, can also draw on this network to acquire better field knowledge and develop their activities. In general, these foundations can also avail of unique technical expertise given their specialist fields, often related to the company's activities, which is invaluable to public development organizations. The Essilor Vision Foundation, which focuses on eliminating poor vision across the globe, is part of the Essilor ophthalmic optics company and therefore has cutting-edge knowledge in this domain, allowing it in particular to train young entrepreneurs in the profession of optician. The practice of skills-based patronage, which is increasingly widespread within companies, also means that the skills of some employees can be used to serve an organization or a project of general interest.

## 2.2.4 Support for niche areas neglected by traditional ODA

Foundations are free to define their geographic areas and domains of intervention. Because of this, they can invest in sectors that are under-financed at global level, as they are considered to be non-priority, even though they are vital to social progress and achieving the SDGs. This notably allows them to finance niche areas, as illustrated by the

Essilor Vision Foundation, which supports access to better vision across the globe.

For family foundations, the choice of domain to be funded is mainly made on a "personal favourite" basis, depending on the founder's own sensitivities and can also be the result of a chance encounter. For corporate foundations, the choice is often much more strategic. These tend to invest in domains and geographic areas that directly impact the operation of the companies that created them. Their interventions can be in keeping with the company's activities and often aim to improve the living conditions of the people working in them.

Because of their often limited financing capacities, foundations also make it possible to finance projects that are small in nature but resilient. These small projects can then be taken over and expanded by the public authorities to support their ability to evolve. Philanthropic action is therefore complementary to that of the State: it does not take place on the same scale, but it does have room for manoeuvre and initiative that the public authorities do not have. Foundations broaden the scope of intervention of international solidarity by providing complementarity of action to ODA.

## 2.2.5 An ability to mobilize financing

Foundations regularly collect private funds from individuals. Due to their flexible structure and their great freedom of action, they also have the ability to forge

### BOX 7

## The Centre d'Art of Port-au-Prince

Established in 1944, the Centre d'Art of Port-au-Prince quickly became a national and international reference for the promotion of Haiti's artistic creation. Recognized as a public interest institution in 1947, this space of collective practices of graphic arts works in both the artistic and social fields, thus creating a unique place of diversity. The Centre d'Art discovers and supports numerous artists, develops artistic teaching for a population that would otherwise have no access to it, supports art students and researchers, preserves and enhances a rare artistic heritage through exhibitions in Haiti and throughout the world.

The cultural and artistic sector is not a priority for the Haitian State and is not factored into the multiannual plans of the traditional development assistance actors, who mainly support the macro-economic sector and the sectoral policies of education, health, agriculture and infrastructure. This project prioritizes the reinforcement of a long-term collective good and a development model drawing on the country's cultural resources. It impacts the artist community through income-generating activities and access for young

people to knowledge and training programmes that open them up to their culture and the world.

Furthermore, in these past ten years, the Centre d'Art has managed to bring together a group of patrons and foundations from Haiti, the US and France to support its revival following its destruction in the 2010 earthquake, and since 2020, has provided support to the sector in its international "major donors" campaign. These actors participate in the campaign committee and endeavour to mobilize their respective networks of donors and public authorities in their country. They also mobilize their own collection vehicle in France, the US and Europe through the Transnational Giving Europe network, guaranteeing transparency for donors in the management of donations and the actions carried out.

These new forms of philanthropic cooperation demonstrate the ability of foundations to collectively invest in a project of general interest and facilitate the long-term engagement of patrons, while remaining flexible in their financing and decision-making procedures, consistent with the context.

Source : David Bruchon, École Pratique des Hautes Études

partnerships with public bodies, international organizations and civil society organizations, helping to create a leverage effect. In this way, in response to the COVID-19 crisis, the WHO, the United Nations Foundation and the Swiss Philanthropy Foundation together created the COVID-19 Solidarity Response Fund, which has raised over \$242 million among individuals, companies and philanthropic organizations all over the world.

In addition, foundations can also use innovative financing tools and mechanisms closer to what companies use to raise funds. The recent issuing of social bonds onto the US market by the Ford Foundation illustrates the huge range of possibilities available to foundations concerning capital mobilization. Furthermore, the close links between corporate foundations and the private sector allow them access to private flows under market conditions (OECD,

## BOX 8

### Political foundations dedicated to international cooperation

Political foundations are fora of expertise, reflection and civic training, associated to a greater or lesser extent with political movements. Built to consolidate democratic values on a national level, they quickly developed an “export capacity” and thus supported the implementation of democratic structures and practices, in a flexible and efficient manner, by supporting political powers or trade unions abroad. Political foundations initially developed in Germany, then in Northern Europe followed by the English-speaking countries. Among the various missions carried out by political foundations, international action tends to be at the forefront.

In Germany, political foundations are key players in foreign policy (1). There are six German political foundations recognized to date, close to each of the parties represented at the *Bundestag*. These foundations, which are mainly financed by public money, support political and social movements all over the world through their activities. They carry out “non-governmental diplomacy” (sometimes called “parallel diplomacy”) which serves both the political parties to which they are affiliated and the German federal ministries and strengthens Germany’s global influence in the countries concerned.

Foundations with a political mission also exist in English-speaking countries, albeit with a different configuration. In 1983 the US Congress and State Department created the National Endowment for Democracy, a publicly financed bipartisan foundation, which only works abroad. In the UK, the Westminster Foundation for Democracy was created in 1992 by the Parliament and the Government for similar purposes, but with more limited public means. While these two agencies have the official status of non-governmental foundation, they are government agencies whose role is to prepare democratic transition in countries emerging from the crisis.

International democratic cooperation is also important in the Nordic countries. The Swedish landscape is dominated by the Olof Palme International Center, established in 1992 by the Social Democrat Party. The Olof Palme International

Center and its member organizations are today engaged in over 200 projects in about twenty countries. In the Netherlands, the two main institutes focusing on external action are the Alfred Mozer Foundation (Social Democrat) and the Eduardo Frei Foundation (Christian Democrat), working mainly in Eastern Europe, the Balkans and the Caucasus, and more recently in North Africa and the Middle East.

In France, the main political families began to acquire foundations in charge of carrying out reflection and the dissemination of ideas at the beginning of the 1990s. Today, there are six of them\*. French state-approved political foundations are partly financed by public funds, allocated by the Prime Minister’s office.

In 1997, the Oudin Report (2) on political foundations analysed their recent development in the world, their differences and similarities, and the case of France, where they are relatively undeveloped. It led to a bill (3) on the creation of a “French-style” regime for political foundations, inspired by the German model, which is pioneering in this field. The development of democratic political foundations in France in fact required an adjustment of the legal framework at the time and public support due to the special status of these organizations. This ambition however, has never formally produced results and French foundations, unlike German ones, are far from being key players on the stage of “international assistance to democracy”.

\* The Fondation Jean Jaurès historically linked to the Socialist Party; the Fondation pour l’Innovation Politique (Fondapol) close to the former UMP party (centre-right), now called Les Républicains; the Fondation Gabriel Péri created on the initiative of the Communist Party; the Fondation Robert Schuman initially supported by the centrist political group; the Fondation Res Publica launched by Jean-Pierre Chevènement (left); the Fondation de l’Écologie Politique by the Green Party Europe Écologie Les Verts.

#### References:

- (1) DAKOWSKA D. (2013), “Les fondations politiques allemandes : des courtiers de la politique étrangère”, CERISCOPE Puissance (<http://ceriscope.sciences-po.fr/puissance/content/part2/les-fondations-politiques-allemandes-des-courtiers-de-la-politique-etrangere>)
- (2) OUDIN J. (1997), “Les Fondations démocratiques à vocation politique en France : rapport au Premier ministre” (<https://www.vie-publique.fr/sites/default/files/rapport/pdf/974048300.pdf>)
- (3) Proposed bill no. 95-505 (<http://www.senat.fr/leg/pp195-505.html>)

2015). To implement the financial tools that will raise the billions of euros still needed in response to the COVID-19 pandemic, France is leading international discussions to relaunch innovative financing in the health sector. A study on innovative financing mechanisms for health (ThinkWell, 2020), carried out on behalf of the MEAE as permanent secretariat of the steering group, will serve as the basis for discussions between members and even beyond, to scale up the use of innovative financing to obtain better results in the health sector. This will specifically include the promotion of mechanisms helping to generate contributions from the private sector and foundations, through a leverage effect.

## 2.2.6 Foundations as vehicles of influence

Foundations are vehicles of strategic influence in both the international development bodies and in the geographic areas where they intervene. Having common strategic priorities can be of interest, in order to bear more weight in major international development discussions.

Some major foundations, such as the BMGF, have the ability to play a key role in international discussions, among G7 and G20 countries, for example, and in major international causes such as the current fight against COVID-19.

Philanthropy can also help with a State's international influence, as illustrated by the Jack Ma Foundation and the Alibaba Foundation, who, through their response to the COVID-19 pandemic, have helped to strengthen China's presence in Africa.

The increasing interest of major US foundations in higher education in Africa<sup>28</sup> is also a vehicle of influence, promoting the Anglosphere among new generations of African researchers and students and extending the production of knowledge, skills and innovations in English-speaking countries to the rest of Africa through their programmes.

The action of political foundations also plays a key role in enhancing influence, thus conveying the political and democratic values of a State at international level. German political foundations are particularly active in this domain, acting as a major stakeholders of Germany's foreign policy.

## 2.3 Partnerships necessary to heighten the impact of international solidarity

Today, foundations increasingly seek to develop partnerships with other development actors in order to better control their environment and heighten the impact

of their action. The MEAE emerges as a key partner for foundations, through its multidimensional nature, allowing it in particular to support, facilitate, and enhance foundations' action abroad.

### 2.3.1 Knowledge of the countries and of the civil society network

While corporate foundations can generally draw on a network of well-established companies at local level, it is difficult for family foundations to identify and validate the quality of their local partners. Travel and verification procedures are often costly operations that tend to discourage family foundations from operating abroad.

The MEAE, through its regional networks and its knowledge of both countries and actors, can provide philanthropic actors with valuable insight to the political context and the economic situation of a country, as well as its needs and specific constraints. Through its embassies, the MEAE is also able to recommend or validate potential local partners, thus helping foundations to better manage their environment and roll out their activities. For example, as part of the partnership between the MEAE and the foundation La France s'engage, stemming from the "Innovating Together" strategy, the teams from the Ministry and from the network of French embassies abroad supported the foundation in organizing its International Prize in 2020, to support SSE projects backed by structures in Africa, Asia and Latin America working in line with the SDGs. Embassies contributed effectively to verifying shortlisted projects and awarded the prizes to winners in the countries involved, in the presence of the authorities and network partners, thus locally promoting the winning projects as levers of development.

As the OECD's 2018 report showed that many foundations prefer to invest in stable middle-income countries and through established partners, due in particular to the difficulty in implementing aid in the poorest countries, a partnership with the MEAE, in particular in the least-developed countries, would allow philanthropic foundations to invest in new fields in terms of international solidarity and to align themselves further with the geographic priorities of France's development policy.

In addition, foundations could benefit from an exchange of expertise with the MEAE, which has cutting-edge technical expertise within its thematic and geographic directorates on areas such as health, the environment, gender equality and human rights, with technical advisers established locally within embassies.

### 2.3.2 Better alignment of priorities and objectives

As mentioned in Chapter 1, while there is convergence between the geographic and thematic priorities of both

28. See box: Summary of the book by Fabrice Jaumont, "Partenaires inégaux : fondations américaines et universités en Afrique".

foundations and the MEAE, these may also differ according to structures. The creation of partnerships and fora for dialogue between the MEAE and foundations, especially French ones, could facilitate the understanding of geographic areas and priority sectors, and help pool knowledge concerning them and align objectives. This would also address a request by several French foundations to better understand the intervention priorities of French ODA in order to align their initiatives with them, as far as possible.

In addition, enhanced cooperation between the MEAE and philanthropic actors would mean further involving them upstream in discussions on the priorities of French development policy and make them aware of the implementation of the SDGs. In fact, according to the OECD, some 59% of foundations claimed to align their projects with the SDGs over 2013-2015 (OECD, 2018), which leaves room for progress for philanthropic actors in terms of financing the 2030 Agenda for Sustainable Development.

### 2.3.3 Capacity for coordination and synthesis

In the absence of coordination bodies, initiatives carried out in parallel by philanthropic actors and traditional donors risk overlapping without either realizing this fact. The lack of global and consolidated data on ongoing and past philanthropic initiatives is a major hindrance to foundations in the implementation of their projects.

For this reason, the establishment of fora for dialogue and cooperation between the MEAE and foundations appears necessary in order to limit overlapping projects and to encourage the creation of synergies based on existing initiatives in a geographic area, thus increasing the impact of projects carried out. The MEAE, through its embassies, generally has a global view of development actors present in a country and the projects carried out, allowing it to provide visibility to foundations that is often lacking.

### 2.3.4 Political support and capitalization

The MEAE also has a role to play in facilitating relations and dialogue between French foundations and local authorities through its embassies. Relations between philanthropic actors and local governments are in fact essential for the successful implementation of projects and can sometimes be difficult for foundations to establish.

The MEAE can also provide greater visibility for foundations' international actions and initiatives, and promote them locally through its embassies. This promotion can happen through the presence of a diplomat for an event organized by a foundation, or through the embassy's social networks or website for projects implemented by these organizations. This support by the MEAE gives foundations a certain legitimacy, which boosts the implementation of their initiatives in the country.

## BOX 9

### Three questions to Xavier Darcos, Chancellor of the Institut de France

#### What is the Institut de France?

For the "common mortal" the Institut de France, is first of all symbolized by "the immortals", the green uniform worn by its academicians and the *Dictionnaire*. The famous cupola of Quai de Conti is one of the symbols of France, of its language, its culture and its scientific excellence. But the Institut de France is much more than that. The Institut has almost 500 academicians, members of the five *Académies*, in all fields of knowledge and the arts: from jurists to chemists, from financiers to novelists, from entrepreneurs to orchestra conductors. It is also a network of 500 foreign correspondents and associates, all international references in their field. The Institut is also several hundred host foundations, that operate in a unique manner, as the councils and the panels are made up of academicians intervening on a voluntary basis.

#### To what extent does the Institut de France participate in international development cooperation?

This year, one of our foundations awarded four major prizes worth a total of €900,000. One of the prizes rewarded

educational support to refugees and another a cultural project in Cambodia. Another foundation made it possible to allocate €500,000 to research on infectious diseases in Africa. Alongside these major prizes, some foundations distributed smaller but more numerous amounts to reforestation operations or the building of school, also in Africa. I could quote many more examples. Each year we award almost €25 million in prizes and grants, half of which are for international projects in 55 countries. Today, the Institut is one of the largest benefactors in France.

#### Tell us more about the bonds between the Institut de France and the MEAE

As former Minister for Cooperation I can only fervently hope to extend cooperation between the Quai de Conti (Institut de France) and the Quai d'Orsay (the MEAE) to philanthropic action. Our objectives for France's influence abroad coincide and our means of action are complementary. The Institut and its host foundations are a prestigious benefactor, acting in the long term and with discernment. For our part, we depend on France's diplomatic and cultural network and on diplomats' field knowledge to guide our patronage towards projects deserving of support. Ambassadors, academicians and benefactors are destined to work together.

Furthermore, the MEAE can also facilitate contacts for French foundations within the UN system, and help promote within it their actions towards the 2030 Agenda for Sustainable Development. In 2019, the Ministry supported the procedure to register and acquire an advisory status for the foundation FAMAÉ at the UN Economic and Social Council (ECOSOC).

### **2.3.5 Perpetuating projects and feedback**

Foundations, which mainly finance small projects, often face the issue of their project's ability to evolve, and its continuity when they want to opt out. Deeper cooperation with the MEAE could help projects launched by foundations to be conducted over the long term, in particular by continuing projects that have demonstrated their resilience and impact, by helping to identify donors, or by creating links with relevant actors.

In addition, given that the MEAE is accustomed to evaluating the projects that it supports and assists, it could encourage foundations to take further steps in evaluation for those not doing so systematically, for better awareness of the impact of these structures on financing development assistance. Implementing joint evaluations for projects carried out together with the MEAE would also allow foundations to evaluate their combined impact and to highlight greater possible synergies of action. In 2015, the Fondation de France and the AFD for example, carried out a joint evaluation of their mobilization in response to the earthquake that hit Haiti in 2010, in order to identify, among other things, a synergy in their support to NGOs (AFD, Fondation de France, 2015).

# Chapter 3

## Strategic approaches

These strategic approaches, which are based on five operational priorities, aim to identify courses of action to strengthen coordination between the MEAE and philanthropic structures as part of France's development policy.

### 3.1 Institutionalize relations between the MEAE and French philanthropic structures

Chapter 2 of this strategy underscored the complementarity of action between the MEAE and French philanthropic structures, thus making the convergence between these players relevant, so as to efficiently implement the SDGs. Relations between the MEAE and French philanthropic structures could be institutionalized through the following means of action.

#### 3.1.1 Create a forum for dialogue between the MEAE and representatives of the French philanthropy sector

To strengthen cooperation between the MEAE and philanthropic actors, a forum for dialogue will be created. The MEAE will ensure that within this forum, the diverse French philanthropic structures (private foundations, endowment funds, corporate foundations and public interest foundations in particular) will be well represented. Family offices<sup>29</sup> involved in development could also participate in this forum for dialogue.

Regular meetings held with the relevant ministerial departments, the agencies concerned, such as the AFD and the French Research Institute for Development (IRD),

and French philanthropic actors involved in development could identify topics of common interest in order to stimulate dialogue and the emergence of synergies in terms of action and financing with the philanthropic structures on certain projects and themes. These discussions would also allow the MEAE to communicate on its projects and priorities and would promote better knowledge and appropriation of France's development policy among philanthropic actors. In addition, sharing this information would make it possible to have a global vision of international solidarity projects driven by the actors involved.

Smaller meetings could be organized in parallel to deepen the work and further structure dialogue based on key priorities and common geographic areas. These groups could be facilitated by a lead foundation that is an expert on this subject, in cooperation with the MEAE.

These meetings will also be held in connection with the work of the "Innovating Together" group, in particular as part of Proposal 2 of its strategy ("Allowing companies and foundations to direct their activities towards hybrid projects").

#### 3.1.2 Involve representatives from the French philanthropy sector in the CNDSI

To involve French foundations more in reflection on the challenges of France's international development and solidarity policy, French philanthropic actors will be included on the board of the National Council for International Development and Solidarity (CNDSI) and in plenary sessions meeting thrice yearly, as well as in thematic sessions and working groups, in relation to the topics of interest.

29. Private organization that handles and manages the fortune of a single family (single family office) or supervises and manages the fortune of several families (multi-family office). While these bodies are still relatively inactive in the field of development, philanthropy seems to have sparked growing interest among wealthy French families.

For this purpose, a college of “foundation representatives” bringing together bodies representing France’s philanthropic ecosystem (public interest foundations and private foundations) will be created within the CNDSI. Corporate foundations will also be included in the college of “economic actors involved in international cooperation and sustainable development”. In addition, foundations could be awarded the status of observer member so as to take part in CNDSI sessions and will be appointed in relation to the topic of each meeting.

### **3.1.3 Establish formal partnerships with French host structures and the major networks of French foundations**

The establishment of partnerships with major French host structures and with the major networks of French foundations<sup>30</sup> – such as the CFF, the Fondation de France and the Institut de France – would promote the MEAE’s partnership approach among a majority of French philanthropic actors.

In addition, the MEAE’s participation in some of these organizations’ initiatives, in particular those devoted to international action – such as the CFF’s focus group on international action – would allow better coordination with the French foundations in terms of international solidarity. Through this means, the Ministry could also encourage French foundations wishing to operate at international level but due to lack of knowledge, skills or networks not daring to commit, by helping them to develop knowledge of the local context. This would also help identify the pilot innovations and initiatives developed in France by the foundations interested in implementing them in the context of developing countries.

Conversely, actors from the French philanthropic ecosystem would be encouraged to participate in ad hoc events organized by the MEAE involving civil society, and to become involved in the mechanisms to raise citizens’ awareness of and commitment to international solidarity.

The MEAE will ensure that these partnerships established with French philanthropic structures respect the principles of the development approach based on human rights, in accordance with the French interministerial strategy “Human Rights and Development” and will pay particular attention to the sound management of the foundations with whom it decides to work.

### **3.1.4 Study the creation of a fund endowed by French philanthropic actors to support the seeding of entrepreneurs implementing the 2030 Agenda for Sustainable Development in developing countries**

To date there is no collective financing mechanism between French foundations and the MEAE. The creation

of a fund endowed by French philanthropic actors would benefit from a strong leverage effect for financing joint initiatives. This would also help gather and mobilize French philanthropic actors around financing projects dealing with the key topics and geographic areas in France’s development policy.

The nature, practicalities and scope of action of such a fund – an ad hoc structure hosted by a host organization or a fund falling within the existing mechanism to support the seeding of entrepreneurs in Global Southern countries – would be determined in connection with the French philanthropic actors within a specific working group.

Discussions on the creation of this fund could take part in connection with the new Development Innovation Fund, which aims to better involve actors from research and development, and foundations in particular. These could also be fuelled by the results of AFD’s feasibility study for the creation of an endowment fund to mobilize benefactors in several fields of general interest in French Overseas Communities.

## **3.2 Foster and promote French and Francophone philanthropic action in the international arena**

One of the key strands of this strategy will consist in further fostering the action of French philanthropic structures in the international arena in order to showcase their action towards the 2030 Agenda for Sustainable Development and to expand French and Francophone influence in major international discussions on development. To this end, the following means of action will be implemented.

### **3.2.1 Promote the role of French philanthropic actors within international bodies as actors of the 2030 Agenda for Sustainable Development**

French philanthropic actors currently do not enjoy strong visibility within international bodies, even though they play a vital role in implementing the 2030 Agenda for Sustainable Development. To further showcase their action towards financing for development, among UN bodies, they will be invited to join the French delegation for the High-level Political Forum on Sustainable Development (HLPF)<sup>31</sup> and encouraged to participate in side events organized by France on the sidelines of the UNGA High-Level Segment. Obtaining accreditation from the UN and European institutions for the French foundations will also be encouraged and facilitated by the MEAE.

30. See Annex 3 – French foundations and funds: definition and diversity.

31. UN body in charge of the follow-up and review of the SDGs.

In addition, greater participation of French foundations in global philanthropy structures, such as the netFWD and WINGS networks, or even the SDG Philanthropy Platform,<sup>32</sup> will be encouraged. At G7/G20 level, the participation of French philanthropic actors in one of the “engagement groups” that prepare recommendations for the presidency will also be studied.

The systematic representation of French philanthropic actors in European and international fora and at major events could also be studied as part of the MEAE’s global strategy to enhance the representation of French civil society organizations in multilateral fora, in order to durably promote their role as development actors, and strengthen France’s strategy of influence in the international arena. Joint actions with the relevant Ministry departments will be carried out to this end.

### 3.2.2 Foster the emergence and structuring of Francophone philanthropy

The philanthropy ecosystem has historically been dominated by English-speaking countries and those with an Anglophone tradition, starting with the United States. Francophone philanthropy throughout the world is practised more discreetly and in a less structured manner. The aim is therefore to foster the emergence and structuring of Francophone philanthropy, by encouraging the creation of fora for dialogue between Francophone philanthropic actors (Sellen, 2018).

This recommendation will take place in conjunction with the multilateral Francophonie bodies (International Organisation of La Francophonie [OIF], Agence Universitaire de la Francophonie [AUF], Senghor University in Alexandria, Association Internationale des Maires Francophones [AIMF], Assemblée Parlementaire de la Francophonie, etc.) for which the development of Francophone philanthropy is increasingly important<sup>33</sup> and on which this ecosystem could rely. The creation of a Francophone employers’ network, in 2021, supported by France, could in fact serve as a lever for the development of Francophone patronage activity. Furthermore, the development of Francophone philanthropy could favourably complement the efforts of France and La Francophonie in terms of enhancing the provision of French teaching, especially in Africa, and in this way compete with American foundations in this field.<sup>34</sup>

Structuring of Francophone philanthropy could also promote the practice of French within multilateral

organizations and funds, thus guaranteeing better access for French-speaking actors to sources of finance by limiting the crowding-out effect linked to the language barrier. It could also enhance the influence of France and La Francophonie in these organizations, in connection with the CNDSI working group on its strategy with regards to banks and multilateral funds.

Furthermore, discussions between Francophone actors could be launched by France in the EU fora, to facilitate dialogue between Francophone foundations in Europe.

## 3.3 Encourage cooperation between the MEAE and foundations at local level

This strategy will also aim to operationalize the possible synergies and complementary action between the MEAE and philanthropic actors at local level, in particular through our embassies, who are major contributors in implementing France’s development assistance policy locally.

### 3.3.1 Foster better reciprocal knowledge locally through our embassies

To encourage synergy between philanthropic actors and the MEAE at local level, embassies will be informed of the MEAE’s partnership approach and of active partnerships between the MEAE and foundations, as well as the presence of philanthropic actors known to the MEAE in their respective country. Network days could be the perfect opportunity to present this partnership strategy and raise awareness about foundations’ action towards development.

Embassies will be encouraged to dialogue with philanthropic actors, especially those partnering with France, and to report back to the Ministry on these exchanges. Embassies will also be requested to carry out a biennial inventory of the presence of French foundations in their respective country and the actions they carry out. The MEAE will also systematically encourage French foundations to approach the embassies in the countries where they carry out their initiatives. In this context, relations between foundations and the embassies could be fostered.

32. Collaborative platform steered by the United Nations Development Programme (UNDP) and WINGS, for the purpose of fostering dialogue between all actors in the development ecosystem (public and private), mainly at local level.

33. The OIF recently launched the solidarity fund for women entitled “La Francophonie avec Elles” to support grassroots actions allowing vulnerable women and girls in the Francophone area – in particular in Africa and the Caribbean – access to economic development, education, health, citizenship and training, with a view to enhanced resilience. This project, designed as a seed fund, aims to be provisioned in the long term by the public and private sectors to finance “Francophone solidarity”.

34. See box – Fabrice Jaumont (2018), “Partenaires inégaux. Fondations américaines et universités en Afrique”, Éditions de la Maison des sciences de l’homme – Summary.



### **3.3.2 Better knowledge and monitoring of the action of corporate foundations and the patronage of French companies in Africa**

French corporate foundations have proven their role as key philanthropic actors in Africa, especially through their strong presence there, and their rapid and massive mobilization at the time of the COVID-19 crisis. It is important to have better knowledge of how these foundations operate on the African continent in order to evaluate possible synergies of action in the field. To this end, mapping of the foundations of big French companies (CAC 40) working in Africa could be carried out. Avenues for cooperation between MEAE projects in Africa and Corporate Social Responsibility (CSR) and patronage programmes led locally by French companies could also be identified.

### **3.3.3 Make the forging of partnerships with local philanthropic structures systematic when implementing embassy projects**

Embassies will be systematically encouraged to identify local philanthropic actors capable of co-financing certain projects or contributing in kind to implementing field projects, in connection, for example, with the Presidential Council for Africa (CPA), which could play a catalyzing role in these procedures. Synergies of action could be identified between the projects of the MEAE's Solidarity Fund for Innovative Projects, supporting civil society, La Francophonie and human development (FSPI) and its Solidarity Fund for Innovative Projects of Civil Societies and Coalitions of Actors (PISSCA) led by embassies and the local activities of foundations, and embassies will be requested to inform the Ministry of the names of their local philanthropic partners.

## **3.4 Develop cooperation with African philanthropic actors**

As Africa is the key geographic area for French ODA, today it appears vital to deepen the MEAE's relations with African philanthropic actors.

### **3.4.1 Develop partnerships with major African foundations**

Currently, the MEAE does not have an active partnership with African foundations. Creating partnerships with major African foundations, such as the Tony Elumelu and Mo Ibrahim Foundations, would strengthen both France's intervention capacity for development in Africa and its expertise. Action by these foundations in Francophone countries and priority countries for French development assistance will be encouraged in particular. These partnerships will be formed in conjunction with the AFD, which is already partnering with some African foundations. As part of the new composition of the college of foreign figures with expertise in the field of international

cooperation and development within the CNDSI, the appointment of a representative from an African foundation could also be examined.

### **3.4.2 Support the reinforcement of philanthropic infrastructure in Africa**

Reinforcing philanthropic infrastructure (organizations and networks supporting the philanthropy sector) in Africa is also a crucial lever for action for agencies and donors of public aid. Given that the comparative analysis of national environments (Chapter 1) highlighted the poor development of this infrastructure in Africa, it is necessary to support the reinforcement and structuring of bodies necessary for the development of local philanthropy, to further mobilize private resources for development in Africa. The MEAE could work in particular with existing networks, such as the African Philanthropy Forum (APF), founded in 2014, or the AGN, founded in 2009, which facilitate exchanges between both established and emerging African funding organizations.

### **3.4.3 Encourage the structuring of the African diaspora in France**

Remittances from the African diaspora can have a real impact on Africa's development, due to their volume but also to the fact that they are less volatile than business investments. These are a potentially powerful source of development financing, which to date is relatively untapped, as these flows mainly remain within the family context. A key challenge for the MEAE therefore consists in better understanding and encouraging the structuring of African diaspora networks for better acknowledgement of these flows.

The implementation of this recommendation could happen through the Forum of Migrant International Solidarity Organizations (FORIM), a national platform joining networks, federations and groupings of International Solidarity Organizations from Immigration (OSIM, totalling about a thousand), engaged in actions towards integration in France and in development actions in the country of origin. It would also be relevant to establish relations with African diaspora networks, especially those capable of mobilizing major donors such as the Club Effcience, or new participatory financing initiatives such as Jamaafunding. Mapping the actors of the African diaspora in France would provide a comprehensive vision of them and better understanding of how they operate.

### 3.5. Enhance dialogue and means of action with European and international philanthropic structures

The MEAE will also endeavour to develop synergies of action with European and international philanthropic structures, for the purpose of creating and/or deepening operational partnerships with key philanthropic actors.

#### 3.5.1 Strengthen France's presence in the structuring of the philanthropic sector at European level

As mentioned in Chapter 1, European philanthropy is a flourishing sector with over €60 billion donated for the general interest each year within the EU. One of France's challenges is therefore to encourage the structuring of this sector for the purpose of greater efficiency in international solidarity.

In this context, the MEAE could work with major European networks<sup>35</sup>, which gather together several European philanthropic actors and contribute to developing and strengthening philanthropy in Europe, with which contacts could be made and institutionalized.

Within the EU, closer work could also be carried out with the unit for "Civil Society Organisations and Foundations" of the European Commission's Directorate-General for International Cooperation and Development, based on common interests, and the creation of an environment conducive to cross-border European philanthropy could be encouraged.

#### 3.5.2 Forge partnerships with key actors in European and international philanthropy

The Ministry could seek to identify new cooperation opportunities with key actors in European and international philanthropy on topics of common interest, to generate potential operational synergies in connection with the AFD. The action of these foundations in Francophone countries and priority countries for French development assistance will also be encouraged.

Furthermore, the COVID-19 crisis led major foundations in English-speaking countries to seek new sources of financing in the form of innovative financing, such as social bonds, which created opportunities in development financing that the MEAE could explore, in particular as part of ongoing reflection with the Leading Group on Innovative Financing for Development.

#### 3.5.3 Deepen relations with international philanthropic institutions

The MEAE will also endeavour to develop and deepen relations with the major international philanthropic platforms and institutions<sup>36</sup> to promote its partnership approach and to make known France's commitment to greater inclusion of the philanthropic actors in reflection on development financing. The example of cooperation between the Ministry and netFWD in 2018 as part of the French translation of the Private Philanthropy for Development study could thus be repeated, and similar partnerships could be envisaged. France will also participate more systematically in the work of these philanthropic bodies.

35. See Annex 2: The major global and European philanthropic networks.

36. See Annex 2: The major global and European philanthropic networks.

# Annex 1

## Accountability framework – Strategy monitoring indicators

Recommendations	Means indicators	Results indicators	Actors involved	Schedule <sup>37</sup>
<b>Priority 1. Institutionalize relations between the MEAE and French philanthropic structures</b>				
<b>1.1 Create a forum for dialogue between the MEAE and representatives of the French philanthropic sector</b>	<ul style="list-style-type: none"> <li>• Set up an annual meeting between the MEAE and French philanthropic actors working abroad</li> <li>• Set up thematic work meetings between the MEAE directorates and the relevant philanthropic structures</li> </ul>	<ul style="list-style-type: none"> <li>• Number of meetings held with French philanthropic actors</li> <li>• Number of French philanthropic actors represented at these meetings</li> <li>• Number of synergies of action identified and implemented at the time of these meetings</li> </ul>	<ul style="list-style-type: none"> <li>• MEAE</li> <li>• AFD</li> <li>• IRD</li> <li>• French philanthropic actors</li> </ul>	Annually from 2021 onwards
<b>1.2 Involve representatives from the French philanthropy sector in the CNDSI</b>	<ul style="list-style-type: none"> <li>• Creation of a college of “foundation representatives”</li> <li>• Involvement of corporate foundations in the college of “economic actors involved in international cooperation and sustainable development”</li> </ul>	<ul style="list-style-type: none"> <li>• Number of structures representing the French philanthropic ecosystem, permanent members of the CNDSI</li> <li>• Number of structures representing the French philanthropic ecosystem actively involved in CNDSI work</li> <li>• Number of foundations participating in CNDSI meetings as observer members</li> </ul>	<ul style="list-style-type: none"> <li>• MEAE</li> <li>• French philanthropic actors</li> </ul>	At each CNDSI meeting from 2021 onwards
<b>1.3 Establish formal partnerships with French host structures and the major networks of French foundations</b>	<ul style="list-style-type: none"> <li>• Signing of partnership agreements with the major French philanthropic structures</li> </ul>	<ul style="list-style-type: none"> <li>• Number of partnerships forged between the MEAE and major structures in the French philanthropic ecosystem</li> <li>• Number of interventions by MEAE representatives in initiatives or events organized by French philanthropic actors</li> <li>• Number of French philanthropic structures participating in ad hoc events organized by the MEAE</li> </ul>	<ul style="list-style-type: none"> <li>• MEAE</li> <li>• Major actors in the French philanthropic ecosystem</li> </ul>	Continuously from 2021 onwards
<b>1.4 Study the creation of a fund endowed by French philanthropic actors to support the seeding of entrepreneurs implementing the 2030 Agenda for Sustainable Development in developing countries</b>	<ul style="list-style-type: none"> <li>• Define the financial and governance mechanisms allowing co-financing of projects by French philanthropic actors and the MEAE</li> <li>• Define the scope of action (key topics and geographic areas) of such a fund</li> <li>• Define the projects that could benefit from this fund</li> </ul>	<ul style="list-style-type: none"> <li>• Total amount reached by the fund (in euros)</li> <li>• Amount of endowments allocated thanks to this fund</li> <li>• Number of projects financed thanks to this fund</li> </ul>	<ul style="list-style-type: none"> <li>• MEAE</li> <li>• AFD</li> <li>• French philanthropic actors</li> </ul>	By 2021

37. With an assessment concerning implementation of the recommendations after 5 years.

Priority 2. Foster and promote French and Francophone philanthropic action in the international arena				
<p><b>2.1 Promote the role of French philanthropic actors within international bodies as actors of the 2030 Agenda for Sustainable Development</b></p>	<ul style="list-style-type: none"> <li>• Encourage the participation of French philanthropic actors in the French delegation for the HLPF</li> <li>• Encourage the participation of French philanthropic actors in one of the G7/G20 "engagement groups"</li> <li>• Encourage the participation of French philanthropic structures in United Nations General Assembly (UNGA) side events</li> <li>• Facilitate the awarding of accreditation by UN and European bodies for French foundations</li> <li>• Encourage the participation of French philanthropic structures in international philanthropic institutions</li> </ul>	<ul style="list-style-type: none"> <li>• Number of French philanthropic structures members of the French delegation for the HLPF</li> <li>• Number of French philanthropic actors participating in G7/G20 "engagement groups"</li> <li>• Number of French philanthropic actors participating in major international discussions on development</li> <li>• Number of French foundations accredited by UN and European bodies</li> </ul>	<ul style="list-style-type: none"> <li>• MEAE</li> </ul>	<p>Continuously from 2021 onwards</p>
<p><b>2.2 Foster the emergence and structuring of Francophone philanthropy</b></p>	<ul style="list-style-type: none"> <li>• Support for the development of a network for Francophone philanthropic actors within the Francophonie institutions</li> <li>• Creation of a once-yearly forum for dialogue between Francophone philanthropic actors</li> </ul>	<ul style="list-style-type: none"> <li>• Number of meetings held with Francophone philanthropic structures</li> <li>• Number of philanthropic actors present at these meetings</li> <li>• Number of synergies of action identified and implemented between Francophone philanthropic actors</li> </ul>	<ul style="list-style-type: none"> <li>• MEAE</li> <li>• Institutional bodies of La Francophonie</li> <li>• Francophone philanthropic actors</li> </ul>	<p>Annually + continuously from 2021 onwards</p>
Priority 3. Encourage cooperation between the MEAE and foundations at local level				
<p><b>3.1 Foster better reciprocal knowledge locally through our embassies</b></p>	<ul style="list-style-type: none"> <li>• Make embassies aware of foundations' development action</li> <li>• Inform embassies of the active partnerships between the MEAE and philanthropic actors</li> <li>• Reporting by embassies on exchanges with philanthropic structures, particularly those with which France is partnering</li> <li>• Biennial inventory by embassies of the projects carried out locally by French foundations</li> <li>• Facilitation of contacts between French philanthropic structures and embassies</li> <li>• Encourage partner foundations to maintain close relations with embassies in the countries where they operate</li> </ul>	<ul style="list-style-type: none"> <li>• Number of embassies made aware</li> <li>• Number of contacts made between embassies and the active philanthropic structures in their country</li> </ul>	<ul style="list-style-type: none"> <li>• MEAE</li> <li>• IRD</li> <li>• Philanthropic actors carrying out projects at international level</li> </ul>	<p>Continuously from 2021 onwards</p>

<b>3.2 Better knowledge and monitoring of the action of corporate foundations and the patronage of French companies in Africa</b>	<ul style="list-style-type: none"> <li>• Carry out mapping of the major French corporate foundations intervening in Africa</li> <li>• Identify possible synergies between MEAE projects in Africa and the CSR and patronage programmes carried out locally by French companies</li> </ul>	<ul style="list-style-type: none"> <li>• Number of projects carried out in partnership with French corporate foundations</li> <li>• Number of synergies of action identified between the CSR programmes of French companies and MEAE projects</li> </ul>	<ul style="list-style-type: none"> <li>• MEAE</li> <li>• French corporate foundations</li> </ul>	Continuously from 2021 onwards
<b>3.3 Make the forging of partnerships with local philanthropic structures systematic when implementing embassy projects</b>	<ul style="list-style-type: none"> <li>• Identification of local philanthropic actors capable of co-financing projects or contributing in kind</li> </ul>	<ul style="list-style-type: none"> <li>• Number of projects co-financed or led in partnership with local philanthropic structures</li> </ul>	<ul style="list-style-type: none"> <li>• MEAE</li> <li>• AFD</li> <li>• Local philanthropic structures</li> </ul>	Continuously from 2021 onwards
<b>Priority 4. Develop cooperation with African philanthropic actors</b>				
<b>4.1 Develop partnerships with major African foundations</b>	<ul style="list-style-type: none"> <li>• Forge partnerships based on common interests</li> <li>• Appoint a representative from an African foundation to the college of foreign figures within the CNDSI</li> </ul>	<ul style="list-style-type: none"> <li>• Number of partnerships forged with African foundations</li> <li>• Number of projects co-financed with African foundations</li> </ul>	<ul style="list-style-type: none"> <li>• MEAE</li> <li>• AFD</li> <li>• African philanthropic actors</li> </ul>	Continuously from 2021 onwards
<b>4.2 Support the reinforcement of philanthropic infrastructure in Africa</b>	<ul style="list-style-type: none"> <li>• Better understand and monitor the action of the African philanthropic infrastructure</li> <li>• Encourage partners of African philanthropy to carry out their action within the framework of this philanthropic infrastructure</li> <li>• Encourage the implementation of projects that structure and reinforce philanthropic infrastructure in Africa</li> </ul>	<ul style="list-style-type: none"> <li>• Number of projects implemented contributing either directly or indirectly to reinforcing African philanthropic structures</li> </ul>	<ul style="list-style-type: none"> <li>• MEAE</li> <li>• AFD</li> <li>• African philanthropic actors</li> </ul>	Continuously from 2021 onwards
<b>4.3 Encourage the structuring of the African diaspora in France</b>	<ul style="list-style-type: none"> <li>• Carry out mapping of the African diaspora actors in France</li> <li>• Forge partnerships with the African diaspora networks in France</li> </ul>	<ul style="list-style-type: none"> <li>• Number of partnerships forged with the African diaspora networks in France</li> </ul>	<ul style="list-style-type: none"> <li>• MEAE</li> <li>• AFD</li> <li>• African diaspora actors in France</li> </ul>	Continuously from 2021 onwards
<b>Priority 5. Enhance dialogue and means of action with European and international philanthropic structures</b>				
<b>5.1 Strengthen France's presence in the structuring of the philanthropic sector at European level</b>	<ul style="list-style-type: none"> <li>• Forge partnerships with the major European networks</li> <li>• Establish dialogue with the European Commission</li> <li>• Encourage the creation of an environment conducive to cross-border European philanthropy in the EU bodies</li> </ul>	<ul style="list-style-type: none"> <li>• Number of partnerships forged with the major European networks</li> <li>• Number of events organized by the major European networks and monitored by the MEAE</li> <li>• Number of studies/publications on European philanthropy for development assistance</li> </ul>	<ul style="list-style-type: none"> <li>• MEAE</li> <li>• European philanthropic institutions</li> <li>• European Commission</li> </ul>	Continuously from 2021 onwards

<b>5.2 Forge partnerships with key actors in European and international philanthropy</b>	<ul style="list-style-type: none"> <li>• Forge partnerships with the major European and international foundations on the basis of common interests</li> </ul>	<ul style="list-style-type: none"> <li>• Number of partnerships forged with European and/or international foundations</li> <li>• Number of projects co-financed with these foundations</li> </ul>	<ul style="list-style-type: none"> <li>• MEAE</li> <li>• AFD</li> <li>• European and international foundations</li> </ul>	Continuously from 2021 onwards
<b>5.3 Deepen relations with international philanthropic institutions</b>	<ul style="list-style-type: none"> <li>• Participate in the work of international philanthropic structures</li> <li>• Identify avenues for cooperation with these actors, especially in the field of innovative financing</li> </ul>	<ul style="list-style-type: none"> <li>• Number of events organized by the international philanthropic institutions monitored by the MEAE</li> <li>• Number of projects led with these actors</li> </ul>	<ul style="list-style-type: none"> <li>• MEAE</li> <li>• International philanthropic structures</li> </ul>	Continuously from 2021 onwards

# Annex 2

## The major global and European philanthropic networks

### At global level

#### EDGE Funders Alliance

EDGE Funders Alliance is a community of 300 members that raises awareness among foundations of the interconnected nature of social, economic and ecological crises. This community aims in particular to finance greater equity and sustainable practices while seeking and supporting strategies that meet systemic challenges and contribute to transformational change over the long term. Since 2015, the network has begun to develop in Europe (EDGE Europe) and has about 50 members to date.

#### Network of Foundations Working for Development (netFWD)

In 2012, the OECD Development Centre launched the Network of Foundations Working for Development (netFWD), to convene philanthropists, but also policy makers and OECD experts to share evidence and strategic insights, explore promising novel approaches and engage in genuine partnerships for development.

Over the past eight years, the network has backed foundations in the vital role they play on the development stage. It has also served as an effective platform for dialogue and cooperation between foundations and other development actors. It has also produced thematic studies on foundations' experiences and the innovative approaches they implement, as well as concrete guidelines for the purpose of underpinning discussions on public action to be taken in terms of sustainable development, a distinct comparative advantage on which foundations can rely.

It regularly organizes thematic working groups on the topics of education, health and gender equality.

#### Worldwide Initiatives for Grantmaker Support (WINGS)

WINGS is a network of 160 philanthropic associations, networks, academic institutions, support organizations and funders across 45 countries worldwide, whose goal is to enhance and promote the advancement of philanthropy and private social investment.

WINGS produces and disseminates knowledge and data about the field of philanthropy to build the capacity of philanthropy actors. It also promotes knowledge dissemination, joint projects, and regular exchange among its members, and promotes and defends the philanthropy sector at global level – in particular through the SDG Philanthropy Platform, which it coordinates with the UNDP. It also builds alliances with other civil society networks and key actors in the field such as the academic community, development actors, the private sector and funders interested strategically engaging with philanthropy.

### At European level

#### Ariadne

Ariadne is a peer-to-peer network of more than 600 funders and philanthropists who support social change and human rights. It was created by a group of European funders. Ariadne allows its members to achieve more together than they would alone by linking them to other funders and providing practical tools of support.

#### Donors and Foundations Networks in Europe (Dafne)

The Donors and Foundations Networks in Europe is a network bringing together national associations and donors' networks. Through its 30 member associations it

represents more than 10,000 foundations and grant-makers. Its goal is to bolster European philanthropy and promote cooperation at European level through the exchange of know-how and learning from peers' experiences.

Dafne supports the representative role that donors' associations play at national level. It works with two main strategic partners, EFC and WINGS, to strengthen the voice and representation of the philanthropic sector at European and global levels and advocates for legal and operational frameworks propitious for the foundations' work.

## European Foundation Centre (EFC)

As a leading platform for philanthropy in Europe, the EFC works to strengthen the sector and make the case for institutional philanthropy as a formidable tool for effecting change.

The EFC believes that institutional philanthropy has a unique, crucial and timely role to play in meeting the critical challenges societies face. More people and causes benefit from institutional philanthropy than ever before, from eradicating deadly diseases and making the world's populations healthier to combating climate change and fighting for global human rights and equality.

Working closely with its members, a dynamic network of philanthropic organizations from nearly 40 countries, the EFC:

- Fosters peer-learning and exchange by drawing on the expertise and experience embedded in the sector;
- Enhances collaboration by connecting people for inspiration and joint action;
- Represents philanthropy for favourable policy and regulatory environments;
- Builds a solid evidence base through knowledge and intelligence relative to institutional philanthropy;
- Raises the visibility of philanthropy's value and impact.

## European Venture Philanthropy Association (EVPA)

The European Venture Philanthropy Association is the European network of investors for impact. It brings together organizations with a common interest in venture philanthropy, or those already practising it, and social investment. It currently has more than 300 members from 40 countries, mainly in Europe, but also in the United States, the Middle East and Asia. These diverse organizations, which include family foundations, impact investing funds, corporate foundations, incubators/accelerators, consultants and universities, all share a common goal: creating positive societal impact through venture philanthropy.

The EVPA encourages a European philanthropy movement and has the mission of helping its members to strengthen the societal impact of their initiatives in order to enhance the efficiency of financing and support for NGOs and social entrepreneurs. To do this, the network provides numerous tools and resources for its members and organizes peer cooperation to share the best practices and expertise of those involved in venture philanthropy.

## Network of European Foundations (NEF)

The Network of European Foundations is an association of leading European foundations dedicated to strengthening philanthropic cooperation. NEF aims to develop projects between European foundations or other actors such as NGOs, governmental institutions and universities, and it intervenes at European and international levels in fields such as social inclusion, democracy and international development.

## Transnational Giving Europe (TGE)

The Transnational Giving Europe network gathers major European charity foundations and associations. Created in 1998, its role is to facilitate cross-border giving in Europe in a secured legal and fiscal framework, in preparation for a single market for philanthropy in Europe.

The network enables donors, individuals and corporations resident in one of the partner countries to financially support not-for-profit organizations in other Member States, while benefiting directly from the tax advantages provided for in the legislation of their country of residence. Today, this network covers 21 countries: Austria, Belgium, Bulgaria, Croatia, Estonia, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Switzerland and the United Kingdom.

The donation process is carried out between two "reference" foundations and is identical in all countries:

- The donor contacts the foundation (national TGE partner) in their country of residence. This foundation asks the TGE partner in the beneficiary country to examine the beneficiary organization and to fill in an eligibility form with the requested supporting documents.
- If this organization is approved, the donor makes a donation to the foundation in the country of residence, which then issues a tax receipt to the donor and transfers the donation to the beneficiary organization.

The "reference" foundation for France is the Fondation de France.

An online platform built by the Transnational Giving Europe network and coordinated by the King Baudouin Foundation was launched in June 2020. This digital tool aims to simplify the process of online cross-border giving in Europe and to stimulate European philanthropy.



# Annex 3

## French foundations and funds: definition and diversity

In France, there is no legal definition for the term “philanthropy”, and as such it can be interpreted in many ways. According to a study by the Observatoire de la Philanthropie<sup>38</sup>, more than 2,600 foundations were operating in 2020, 40% of which had been created since 2010. Concerning endowment funds, 2,989 had been recorded since the creation of this status in 2008, some 1,800 of which were still operating (i.e. 60%). Between 2018 and 2019, the number of philanthropic structures had therefore increased by 5%. The financial commitment of these structures also progressed: in 2018, foundations and endowment funds spent more than €11 billion for the general interest.

Article 18 of the French Act. 87-571 of 23 July 1987 on the development of patronage activities defines a **foundation** as “the act by which one or more legal or natural persons decide the irrevocable assignment of property, rights or resources to the realization of a work of general interest and not-for-profit”.

The notion of **general interest** is therefore central. The tax instructions BOI-BIC-RICI-20-30-10-10-20170510 and

BOI-IR-RICI-250-10-10-2017051 specify that an entity of general interest must simultaneously meet the following three criteria: it cannot carry out any gainful activities, it does not have a fee-based management system, and it does not operate for the benefit of a limited group of persons.<sup>39</sup>

A distinction can be made between **operating foundations** and **collector/distributor foundations**. The former implement their own projects (hospitals, nursing homes, museums, etc.). As a result, they have significant staffing costs and are mainly financed by public resources. The latter finance and support projects that are not theirs. This occurs in particular by distributing grants to associations and scholarships to students. Lastly, **hybrid foundations** are a blend of both approaches.

French foundations may be classified based on several criteria relative to the flexibility of the rules governing them and according to the procedures determining their creation. French law provides for eight types of foundation: four generalist and four sectoral.

38. Fondation de France, 2020 *Baromètre annuel de la philanthropie – Les fondations et fonds de dotation en France – Dossier: Voyage dans la France des fondations*, Observatoire de la philanthropie ([https://www.fondationdefrance.org/sites/default/files/atoms/files/fdf\\_barometre\\_interactif.pdf](https://www.fondationdefrance.org/sites/default/files/atoms/files/fdf_barometre_interactif.pdf)).

39. BOFIP (Official Public Finances Bulletin, relative to tax breaks for patronage), *BIC – Réductions d'impôt – Mécnat ou réduction d'impôt pour les dons en faveur des œuvres et organismes visés à l'article 238 bis du CGI – Champ d'application – Cas particuliers*, on <https://bofip.impots.gouv.fr/bofip/10964-PGP.html/identifiant%3DBOI-BIC-RICI-20-30-10-15-20170510>.

## The four general statuses

General foundations	Public interest foundation (FRUP)	Endowment funds (FDD)	Corporate foundation (FE)	Hosted foundation (under the aegis - FSE)
<b>Definition</b>	<ul style="list-style-type: none"> <li>Irrevocable assignment of an asset on completion of an undertaking for the general interest</li> <li>Legal person</li> </ul>	<ul style="list-style-type: none"> <li>Irrevocable assignment of an asset for the purpose of its capitalization, whose earnings (or a portion of the endowment whose statutes allow it to be used) are used to carry out or support an undertaking for the general interest</li> <li>Legal person</li> </ul>	<ul style="list-style-type: none"> <li>Irrevocable payment of funds by one or more companies for five-year periods for the purpose of carrying out an undertaking for the general interest</li> <li>Legal person</li> </ul>	<ul style="list-style-type: none"> <li>Irrevocable assignment of an asset for the purpose of carrying out an undertaking for the general interest via a host foundation</li> <li>Absence of legal person</li> </ul>
<b>Founder(s)</b>	One or more natural and/or legal persons governed by private or public law (subject to conditions)	One or more natural and/or legal persons (private or public)	One or more civil-law and trading companies, publicly owned establishments of an industrial and commercial nature (EPIC), cooperatives, provident societies and mutual insurance companies	One or more natural and/or legal persons (private or public)
<b>Main field(s) of intervention in the general interest</b>	<ul style="list-style-type: none"> <li>Art, culture and heritage</li> <li>Research and higher education</li> <li>Education and family</li> <li>Environment</li> <li>Social and humanitarian</li> <li>Sport</li> <li>Philanthropy, etc.</li> </ul>	Same as a public interest foundation	Same as a public interest foundation	Same as a public interest foundation + compatibility with the missions of the host foundation
<b>Setting-up procedure</b>	Request for recognition as a public interest (RUP) reviewed by the Ministry for the Interior and bodies in charge. Decree after decision by the Council of State published in the Official Bulletin (JO) Technical supervision	Declaration to the prefecture Publication of the declaration in the Official Bulletin Limited control of legality	Authorization by decision of the Prefect Publication of the decision in the Official Bulletin Control of legality	By agreement after deliberation by the host foundation Technical supervision
<b>Duration</b>	Unlimited except for an expendable endowment	According to the statutes	Temporary (at least 5 years)	According to the agreement with the host foundation
<b>Initial endowment</b>	Mandatory (intangible or expendable) Instalments over 10 years maximum Minimum amount in practice: €1.5 million	Initial endowment as a cash contribution of at least €15,000, expendable or non-expendable	No initial endowment Financing through a multi-year action programme of one or more founders of at least €150,000 in cash per five-year period	According to the specifications of the host foundation: with or without endowment, financing of "flows" possible
<b>Legal capacity (donations)</b>	Significant capacity/ conditions: individual donations, gifts and bequests, public appeals for giving, temporary usufruct donations	Same as a public interest foundation	Limited capacity: instalments from founding companies only (multi-year action programme) and donations from employees, corporate officers, members or shareholders from founding companies or companies in their tax group	Same as a public interest foundation (capacity of the host foundation)

<b>Main resources</b>	Income from the endowment Donations Revenue from activities Public funds	Same as a public interest foundation except for the possibility of receiving public funds (exceptions by decree)	Multi-year action programme (statutory or increased by amendment) Revenue from activities for services rendered Public contributions	Same as a public interest foundation (capacity of the host foundation)
<b>Governance</b>	Board of Directors from 9 to 15 members or Supervisory Board and Management Board • <b>Mandatory colleges (Board of Directors or Supervisory Board):</b> – Founders (1/3 max) – Ex officio members (1/3 at least) – Qualified external individuals • <b>Optional colleges:</b> “employees” and/or “friends” and/or “institutional partners”	Free composition of the Board of Directors, which must include at least 3 members	<b>Board of Directors: 2 mandatory colleges:</b> • Representatives from founding companies and staff (2/3 max) • Qualified external individuals (1/3 at least)	According to specifications of the host public interest foundation (FRUP) (Management Council or Committee)
<b>“Patronage” tax mechanism</b>	• Corporate donations: 60% or 40% reduction (for donations > €2M) in corporation tax • Donations from individuals: 66% reduction in income tax or 75% reduction in wealth tax on real estate assets (IFI)	Same as a public interest foundation except for a reduction in “IFI donations”	• Donations from founding companies: 60% or 40% reduction (for donations > €2M) in corporation tax • Donations from employees of the founding company (and consolidated subsidiaries): 66% reduction in income tax	Same as a public interest foundation

Source: Tableau comparatif des fondations en France, Stéphane Couchoux, FIDAL, September 2017 (comparative table of foundations in France).

The **status of the public interest foundation (FRUP)** refers to structures with an initial endowment of at least €1.5 million whose founders have transferred their assets to serve the general interest. This status, which is granted by a Council of State decree, gives the foundation a full legal personality. In such a structure, the founders have minority interests in the Board of Directors, and the State is represented.

The **endowment fund** is created by one or more legal or natural persons, for a specified or non-specified period. This type of fund is intended to launch charitable causes or a mission of general interest or financially help other not-for-profit organizations. This mechanism (created in 2008) was designed to be a flexible tool for philanthropy. An endowment fund can be created by simple declaration along with the filing of the articles of association with the prefecture. In addition, its governance does not follow any particular rules, save the obligation to appoint three administrators. The initial endowment is at least €15,000. The endowment fund can also receive donations, as long as they are not public funds.

The **corporate foundation** has the particularity of being created for a specified period (five years minimum), by civil or commercial companies, public industrial and commercial entities, cooperatives or mutual insurance companies. In this structure, donations are limited to employees, corporate officers, shareholders or members. To create this type of foundation, the company must allow for an endowment of at least €150,000, spread over five years.

The **hosted (or “under the aegis”) foundation** is defined as the provision of assets to a public interest foundation (FRUP), whose statutes make provision for its being a host<sup>40</sup>. The hosted foundation has no legal personality and therefore is fully governed by its host foundation from a legal and tax viewpoint. This duo operates according to the rules set out in the rules of procedure of the host foundation, which determines the profile and operation of the foundations it wishes to host.

There are several advantages to this configuration. Persons wishing to create a hosted foundation can do so easily, via

40. Only the foundations with the following three legal forms are authorized to request the status of host foundation: public interest foundations, scientific cooperation foundations and partnership foundations.

an agreement with the host foundation. In addition, the foundation being hosted is entitled to all the benefits granted to the host foundation. In this way, while the latter has the status of public interest foundation (FRUP), the hosted foundations linked to it are entitled to a corporate tax exemption concerning income from assets. Furthermore, the host foundation takes charge of the administrative management of the foundations under its aegis (asset management, donation and resource management, issuance of tax receipts to donors, accounting, etc.). This allows hosted foundations to free time to focus on their main activities. Lastly, this type of partnership also allows them to be part of a peer community and benefit from the host foundation's expertise.

For a long time, the only entities in a position to host other foundations were the Fondation de France and the Institut de France (even though the latter does not have the status of foundation, but rather of legal person with a special status governed by public law). The State has since extended this status of host foundation and the number of host foundations increased between 2000 and 2010. Today there are 80 of these. The Fondation de France and the Institut de France have lost their long-standing monopoly, but remain the two main host structures in the landscape of French foundations. Today, the main host foundations in France are the Fondation de France (about 888 foundations hosted) and the Caritas France Foundation (about 90 foundations hosted). Incidentally, about 200 active foundations are hosted by the Institut de France.

## BOX 10

### The main host structures

The **Fondation de France** was created more than 50 years ago. This foundation is present all over France and it intervenes in two ways: through its own action programmes and by facilitating the work of the 888 foundations that it hosts, in all areas of public interest (help to the vulnerable, medical research, the environment, employment, education, culture, etc.). As the leading philanthropy network in France, its mission is also to support the development of the sector and to analyse its evolution, by relying on the Observatoire de la Philanthropie.

The **Institut de France (IF)** stems from a grouping of the five *académies* that compose it\*. Since 1795, this institute has endeavoured to promote literature, science and art. The IF stands out through its role as guardian of French heritage, as evidenced by the foundations and museums that it hosts, but also through its special legal status (*sui generis*) placing it under the protection of the President of the French Republic. It currently hosts 200 active foundations in about 50 countries. These work in the aforementioned domains but also on social, humanitarian and environmental issues.

The **Caritas France Foundation**, recognized as a public interest foundation, was created by the Secours Catholique charity in 2009 to broaden its means of action. Its purpose is to fight poverty and exclusion both in France and throughout the world. It helps more than 90 of its hosted foundations realize their projects. In parallel, it finances and provides advice for initiatives to fight poverty: projects meeting the basic needs of the most vulnerable, innovative projects, initiatives of the social and solidarity economy, etc.

Host foundations, bringing many foundations of varying sizes under their wing, and in some cases mobilizing networks of experts, are in fact philanthropic networks themselves. There are, however, many other entities such as institutional networks, trade unions/guilds and interest groups (1), that provide structure to the sector and make it more professional.

\* Académie Française, Académie des Inscriptions et Belles-Lettres, Académie des Sciences, Académie des Beaux-Arts and Académie des Sciences Morales et Politiques.

Reference: (1) Fondation de France (2016), report entitled *La philanthropie, de l'individuel au collectif*, Observatoire de la Philanthropie ([http://admical.org/sites/default/files/uploads/basedocu/fdf\\_philanthropie\\_de\\_lindividuel\\_au\\_collectif.pdf](http://admical.org/sites/default/files/uploads/basedocu/fdf_philanthropie_de_lindividuel_au_collectif.pdf))

## The main French philanthropy structures

The **French Foundation Centre (CFF)** is an association that currently brings together more than 300 foundations and endowment funds. It was created in 2002, at the initiative of seven French foundations\*. Its mission is to promote the development of foundations and endowment funds in France through various services and projects. It carries out studies and creates documentary collections, and also facilitates dialogue between philanthropy actors, by fostering exchange and pooling experiences, and supports their gaining expertise. With this in mind, it invites its members to participate in thematic groups, one of these focusing on international action. Created in 2020, this last group gathers about 40 representatives from the sector. Lastly, the CFF represents the common interests of French funds and foundations among national, European and international institutions.

**France Générosités** is a guild for associations and foundations that call on the general public's generosity. Created in 1998, its mission is to defend their interests and to promote and develop giving in France. Today, France Générosités has about one hundred members, both associations and public interest foundations that call on all forms of giving at national level: contributions from

individuals, bequests, donations, life insurance policies, corporate partnerships, etc.

The **Association Française des Fundraisers** is an association that since 1991 has been rallying professionals in the fields of fundraising and patronage from all public interest sectors (solidarity, higher education, research, the environment, culture, etc.). The association's goal is to train and inform fundraisers by allow them access to a network of committed professionals, thus fostering the development of philanthropy and solidarity in France.

The **Association for the development of industrial and commercial patronage (ADMICAL)** is a French public-interest foundation whose goal is to develop patronage among entrepreneurs. This association, which was created in 1979, today boasts a network of more than 190 members.

**Un Esprit de Famille** is an association that brings together persons managing an endowment fund or a family foundation, wishing to pool resources to optimize their practices, strengthen their means and encourage the development of private philanthropy.

\* Fondation Apprentis d'Auteuil, Fondation Macif, Fondation Caisse d'Épargne pour la Solidarité, Fondation de France, Fondation Hippocrène, Fondation pour la Recherche Médicale, Institut Pasteur.

## The four sectoral statuses

A **scientific cooperation foundation** is a public interest foundation geared towards education and scientific research. It may be created by simple decree and its founders can hold a majority interest in the Board of Directors.

A **university foundation** is under the aegis of a public institution of a scientific, cultural and professional nature. Just like hosted foundations, it does not have a legal personality.

A **partnership foundation** can only be created by a public institution of a scientific, cultural and professional nature. Its status is not unlike that of a corporate foundation, but it can be created for an undetermined period and can receive donations and bequests.

A **hospital foundation** is created by simple decree, at the initiative of one or more public health institutions. Its status is also similar to that of a public interest foundation but its founders can hold a majority interest in the Board of Directors.

# Acronyms and abbreviations

<b>AFD</b>	French Development Agency	<b>CIRAD</b>	French Agricultural Research Centre for International Development
<b>AFE</b>	<i>Asociación de Fundaciones Familiares y Empresariales</i> (Colombian Association of Family and Corporate Foundations)	<b>CNDSI</b>	National Council for International Development and Solidarity
<b>AGN</b>	African Grantmakers' Network	<b>COVID-19</b>	Coronavirus Disease 2019
<b>AIMF</b>	Association Internationale des Maires Francophones	<b>CPA</b>	Presidential Council for Africa
<b>AKDN</b>	Aga Khan Development Network	<b>CSR</b>	Corporate Social Responsibility
<b>APF</b>	African Philanthropy Forum	<b>DAC</b>	OECD Development Assistance Committee
<b>AUF</b>	Agence universitaire de la Francophonie	<b>DAFNE</b>	Donors and Foundations Networks in Europe
<b>BMGF</b>	Bill & Melinda Gates Foundation	<b>DG Trésor</b>	Directorate-General of the Treasury
<b>BMZ</b>	<i>Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung</i> (Federal Ministry for Economic Cooperation and Development)	<b>DGM</b>	Directorate-General for Global Affairs, Culture, Education and International Development
<b>CAC 40</b>	French stock market index that tracks the 40 largest French stocks based on the Euronext Paris market capitalization	<b>DGP</b>	Directorate-General for Political and Security Affairs
<b>CAPSI</b>	Africa Centre on Philanthropy and Social Investment	<b>ECF</b>	European Climate Foundation
<b>CDCS</b>	MEAE's Crisis and Support Centre	<b>ECOSOC</b>	United Nations Economic and Social Council
<b>CEFIS</b>	<i>Centro de Filantropía e Inversiones Sociales</i> (Center for Philanthropy and Social Investments of the Adolfo Ibáñez University in Chile)	<b>EESC</b>	European Economic and Social Committee
<b>CEMEFI</b>	<i>Centro mexicano para la filantropía</i> (Mexican Center for Philanthropy)	<b>EFC</b>	European Foundation Center
<b>CFF</b>	French Foundation Centre	<b>EU</b>	European Union
<b>CICID</b>	Interministerial Committee for International Cooperation and Development	<b>EVPA</b>	European Venture Philanthropy Association
<b>CIESC</b>	<i>Centro de Investigación y Estudios sobre Sociedad Civil</i> (Center for Research and Studies on Civil Society in Mexico)	<b>FDD</b>	Endowment funds
<b>CIFF</b>	Children's Investment Fund Foundation	<b>FE</b>	Corporate foundation
		<b>FORIM</b>	Forum of Migrant International Solidarity Organizations
		<b>FRUP</b>	Public Interest Foundation
		<b>FSE</b>	Hosted foundation

<b>FSPI</b>	Solidarity Fund for Innovative Projects
<b>G20</b>	Group of Twenty (Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, South Korea, Mexico, Russia, Saudi Arabia, South Africa, Turkey, the United Kingdom and the United States of America) – and the European Union
<b>G7</b>	Group of Seven ( Canada, France, Germany, Italy, Japan, the United Kingdom and the United States) – and the European Union
<b>GAVI</b>	Global Alliance for Vaccines and Immunization
<b>GDFE</b>	<i>Grupo de fundaciones y empresas</i> (Argentine Group of Foundations and Enterprise)
<b>GDP</b>	Gross Domestic Product
<b>GIFE</b>	<i>Grupo de Institutos Fundações e Empresas</i> (Brazilian Group of Institutes, Foundations and Enterprises)
<b>HCESSIS</b>	High Commissioner for Social and Solidarity Economy and Social Innovation
<b>HLPF</b>	United Nations High-level Political Forum on Sustainable Development
<b>HNWI</b>	High-Net-Worth Individual
<b>IDIS</b>	<i>Instituto para o Desenvolvimento do Investimento Social</i> (Institute for the Development of Social Investment)
<b>IF</b>	Institut de France
<b>IFI</b>	Wealth tax on real estate assets
<b>IMFE</b>	Institut Médical Français pour l'Enfant
<b>IRD</b>	French Research Institute for Development
<b>IS</b>	Corporation tax
<b>JO</b>	Official Bulletin
<b>MEAE</b>	Ministry for Europe and Foreign Affairs
<b>NEF</b>	Network of European Foundations
<b>netFWD</b>	Network of Foundations Working for Development
<b>NGO</b>	Non-governmental organization
<b>OECD</b>	Organisation for Economic Co-operation and Development
<b>ODA</b>	Official Development Assistance
<b>OIF</b>	International Organisation of La Francophonie
<b>OSF</b>	Open Society Foundation
<b>OSIM</b>	International Solidarity Organizations from Immigration

<b>PATH</b>	Program for Appropriate Technology in Health
<b>PISSCA</b>	Solidarity Fund for Innovative Projects of Civil Societies and Coalitions of Actors
<b>RUP</b>	Recognition as a public interest
<b>SDG</b>	Sustainable Development Goal
<b>SME</b>	Small and Medium Enterprise
<b>TGE</b>	Transnational Giving Europe
<b>UHNWI</b>	Ultra-High-Net-Worth Individual
<b>UNDP</b>	United Nations Development Programme
<b>UNGA</b>	United Nations General Assembly
<b>UNICEF</b>	United Nations International Children's Emergency Fund
<b>VSE</b>	Very Small Enterprise
<b>WHO</b>	World Health Organization
<b>WINGS</b>	Worldwide Initiatives for Grantmaker Support

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## Strategy

# Philanthropy and development:

## Stocktake and partnership strategy

This strategy addresses one of the recommendations issued by the Interministerial Committee for International Cooperation and Development (CICID) in February 2018 on scaling up partnerships between the French government and foundations, with a view to contributing to the implementation of the Sustainable Development Goals (SDGs). It also builds on momentum for the programming bill on inclusive development and the fight against global inequalities, which strengthens the partnership dimension of France's development policy.

A result of extensive consultations, this strategy provides an overview of the role of philanthropy in financing global development and analyses complementary aspects of action between philanthropy actors and the Ministry for Europe and Foreign Affairs in order to propose strategic operational ways to improve coordination with these actors under French development policy.

Philanthropic practices for development are growing in number across the globe, mainly in Africa and especially in the health sector. In Europe, philanthropic actors are becoming more structured. In France, foundations are increasingly interested in international development, as can be seen in their mobilization in response to the COVID-19 crisis.

Through their structural and operational specificities, linked to their flexibility of action and innovation, foundations have a full role to play in international development, alongside public actors. Strengthening synergies of action and partnerships between the Ministry and foundations will thus create significant leverage for development financing.

This strategy identifies operational priorities to this end:

1. Institutionalize relations between the MEAE and French philanthropic structures
2. Foster and promote French and Francophone philanthropic action in the international arena
3. Encourage cooperation between the MEAE and foundations at local level
4. Develop cooperation with African philanthropic actors
5. Enhance dialogue and means of action with European and international philanthropic structures

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