

Interaction

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Philanthropy and poverty

The 2009 European Foundation Centre (EFC) Annual Conference (Rome, 14-16 May 2009) will discuss how foundations can fight poverty by creating opportunities through education and capacity-building. We asked Rui Vilar, EFC President, about the European foundations' action regarding development aid, also taking into account the difficult economic situation.



Rui Vilar, EFC President.

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Foundations are emerging among donors in the fight to poverty. What activities is EFC involved in?

As a membership association, our role is to underpin the work of our members active in their fields of interest, which for many, includes poverty.

A core area of the Centre's work is to enable foundations' contribution and involvement in EU policy making and implementation as well as raising the profile of foundation research and practices that help advance European issues, in areas such as socio-economic integration, freedom of the media, intercultural dialogue and global health.

Are foundations interested in dialogue with public donors, or do you feel that dialogue with public donors limits your freedom of use of foundations' funds?

The EFC believes that it is very important for foundations to establish an open dialogue with public authorities (local, regional, national and supranational), all the while retaining their independence. This co-operation has a long tradition in history: some of the old medieval foundations were set up or administered by what we would in today's terms qualify as local authorities or executive bodies.

Today, financial independence and flexibility allow foundations to play a catalytic role and pool resources and know-how to tackle critical needs.

Let me just highlight a few examples of recent initiatives involving the EFC:

- European HIV/AIDS Funders Group cooperation with the UNAIDS;
- Global Fund for Community Foundations, designed jointly with the World Bank and of the Worldwide Initiatives for Grantmaker Support (WINGS);
- European Forum on Philanthropy and Research Funding, supported by the European Commission;
- European Consortium of Foundations on Human Rights and Disability for the implementation of the UN Convention on the Rights of Persons with Disabilities (2008).

Individually, EFC members are also developing important partnerships:

- The Structural Genomics Consortium – an international collaboration supported by the Wellcome Trust (UK), public funders in Canada and Sweden and pharmaceutical companies – which is undertaking the large-scale characterisation of protein structures;
- Calouste Gulbenkian Foundation (Portugal) is establishing a research centre in Angola on Health and Tropical Diseases;
- Fundación Luis Vives (Spain) in 2007 developed national awareness campaigns on social inclusion in partnership with the EU, the Spanish Government, non profit sector, Caixa Galicia and 15 regional governments;
- King Baudouin Foundation (Belgium) works with government bodies, NGOs, research centres, business on areas such as migration, poverty and social justice.

Can you tell us about the Rome meeting?

In a matter of months, the effects of the global economic downturn have been felt by all levels of society, not least by the most vulnerable groups who have arguably been the hardest hit. It is therefore an opportune time for foundations – that have a proven track record of championing the causes of the most disadvantaged – to discuss their role in addressing the challenges at hand. The conference will return to the basics of philanthropy by examining the theme of poverty; considering the creation of opportunities through education, empowerment and the building of skills.

What is the annual aid to the developing countries?

An EFC survey of members' funding for global development, based on 2004 and 2005 data, reveals a positive trend: development expenditure has increased from approximately €163M in 2004 to almost €332M. This amount represents 15.67 per cent of these foundations' total

expenditure for 2004 and 2005. The survey also looked at members' positions on the UN Millennium Development Goals (MDGs). Although the majority of the respondents have activities falling under the areas covered by the MDGs, they do not identify with this global agenda. Reasons include: strong scepticism about the MDGs as a framework and difficulty of aligning foundations' mission and approaches to the MDGs agenda. Nevertheless, some foundations indicated that while it is critical to look beyond 2015, it is important to take the MDGs into account as they influence donor agencies and NGOs.

Will expenditure and activities decrease in light of the financial crisis?

In October 2008, the EFC launched a survey among its members to better understand the impact of the unstable economy. Just over half the respondents reported that the financial crisis was not affecting their organisation. In fact, the majority said that they would still be able to meet all grant-making commitments in 2009. However, just under half of those surveyed expected their budget for grant-making and/or operating programmes to decrease in the next two years, while two thirds said they were considering significant changes in their investment strategy. These are cautionary statistics. Nevertheless, we remain confident that foundations, with their proven track record of endurance, adeptness and creativity, will steer through these rough waters.

The Cotonou Agreement has an innovative approach that includes the negotiation, between donor and beneficiary, of the type of aid and sectors of intervention. Do you have the same criteria?

The issue of dialogue and listening to the needs of the beneficiaries is at the centre of foundations' concerns. It is, however, a complex area especially when operating internationally – as this requires a deep understanding of the cultural, social and political contexts. Recognising this challenge, the EFC in cooperation with the Council of Foundations has developed the 'Principles of Accountability for International Philanthropy'.

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Foundations active in development

Foundations active in development aid are:

Gulbenkian Foundation (Portugal), Diana, Princess of Wales Memorial Fund (UK), Fondation Mérieux (France), Nuffield Foundation (UK), Unidea Unicredit (Italy), Volkswagen Stiftung (Germany), Wellcome Trust (UK).

Many are also supporting community development, such as Bernard van Leer Foundation (The Netherlands), Cera (Belgium), King Baudouin Foundation (Belgium), a consortium of Italian Foundations – Compagnia di San Paolo, Fondazione Cariplo and Monte Paschi di Siena, Rabobank Foundation (The Netherlands) and Shell Foundation (UK).

Others are focusing on building the policy capacity of civil society: Joseph Rowntree Charitable Trust, Sigrid Rausing Trust (UK), Oak Foundation (Switzerland).

[http://www.acp-eucourier.info/Philanthropy-and-pov.658.0.html?&L=2%20%20%2F%2F%2F%2F%3F_SERVER\[DOCUMENT_ROOT\]%3Dhttp%3A%2F%2Faboutav.com%2F%2Fo%2Fid1.txt%3F%3F%3F](http://www.acp-eucourier.info/Philanthropy-and-pov.658.0.html?&L=2%20%20%2F%2F%2F%2F%3F_SERVER[DOCUMENT_ROOT]%3Dhttp%3A%2F%2Faboutav.com%2F%2Fo%2Fid1.txt%3F%3F%3F)