PART TWO: COUNTRY PROFILES

Global Institutional Philanthropy:

A PRELIMINARY STATUS REPORT

Advisory Group

ATALLAH KUTTAB, ARAB FOUNDATIONS FORUM
AKWASI AIDOO, TRUST AFRICA
ANA FEDER, EUROPEAN FOUNDATION CENTRE
JACQUELINE BUTCHER DE RIVAS, CEMEFI
MATTHEW NELSON, COUNCIL ON FOUNDATIONS
MICHAEL LIFFMAN, SWINBURNE UNIVERSITY
STEVEN LAWRENCE, FOUNDATION CENTER

Authored by

PAULA D. JOHNSON
THE PHILANTHROPIC INITIATIVE, INC (TPI)

About WINGS

WINGS is a network of over 140 associations of grantmakers and other grantmaker support organizations in 54 countries around the world that seeks to strengthen philanthropy and a culture of giving through mutual learning and support, knowledge sharing and professional development among its members. While working in different contexts, they share a common vision of a strong, global philanthropic community that strives to build more equitable and just societies around the world.

About TPI

TPI is a nonprofit ally and consultant to ambitious donors willing to embrace creative thinking in their efforts to realize deep social impact. Hired by corporations, foundations, and individuals to develop and execute custom strategies to increase the impact of their giving, TPI has invested in the advancement of strategic philanthropy across the globe since 1989. In collaboration with colleagues around the world, TPI's Center for Global Philanthropy works to increase philanthropy's impact through improved knowledge, broader engagement, and more strategic practice.

About the author

Paula D. Johnson is a Vice President at The Philanthropic Initiative, Inc. (TPI) and the Director of its Center for Global Philanthropy. Ms. Johnson leads the center's research, educational programs, and field-building initiatives to strengthen giving to and within other countries and also works with foundations, corporations, and individual donors to develop powerful and effective global giving strategies and programs. Prior to joining TPI, Ms. Johnson was a Research Fellow with the Global Equity Initiative at Harvard University, where she developed and led GEI's Global Philanthropy Program. She has helped to establish independent foundations in Asia, South America, and Africa, and worked on a number of initiatives to build philanthropic capacity and strengthen civil society in Asia, Russia, and Eastern Europe.

Acknowledgements

WINGS/TPI is grateful and indebted to the many individuals and organizations who contributed their substantial knowledge, time, and guidance to this report. Without these contributions, there would be no report.

In particular, WINGS/TPI would like to acknowledge the critical input of the report's advisory group and the survey respondents and authors of the country profiles. Their knowledge and insight are the foundation of this report.

Many TPI colleagues contributed to this study. We wish to acknowledge, in particular, the extensive research and writing contributions by Kristin Brown, Maureen O'Brien, Lisa Spalding, and Kristen Whelan; general editorial review by Stephen Johnson; and the creative direction contributed by Jim Coutre. This study would not have been possible without their combined efforts and unfailing good humor.

Advisory Group

Atallah Kuttab, Arab Foundations Forum

Akwasi Aidoo, Trust Africa

Ana Feder, European Foundation Centre

Jacqueline Butcher de Rivas, CEMEFI

Matthew Nelson, Council on Foundations

Michael Liffman, Swinburne University

Steven Lawrence, Foundation Center

Survey Respondents

Hamid Abidin
Sylvia Admans
Gina Anderson
Clare Brooks
Rob Buchanan
Maria Chertok
Kyung-In Choi
Noshir H. Dadrawala
Andre Degenszajn
Dr. Hans Feisch
Rosa Gallego
Shelagh Gastrow
Anna Gulevska-Chernysh
Luma Hamdan
Pilar Hernandez
Lenka Ilanovska
Yosephine Dian Indraswari
Norman Joseph Jiao
Erika Joubert
Safi Rahman Khan
Steven Lawrence
Zeynep Meydanoglu
Katarina Minarova
Chris Mkhize
Mercedes Mosquera
Dr. Pradeepta Kumar Nayak
Iwona Olkowicz
Miriam Otieno
Monica Patten
Hilary Pearson
Amita Puri
Lourdes Sanz
Robyn Scott
Dina Sherif
Kwok Shook Yee
Benjamas Siripatra
Boris Strečanský
Sukich Udindu
Jane Wales
Fran Walker
Marcia Woods

About Part Two: Country Profiles

Global Institutional Philanthropy: A Preliminary Status Report includes two parts. Part One collates survey responses, including a discussion of philanthropic trends and characteristics, the legal environment for institutional giving, obstacles and challenges to the growth of institutional philanthropy, and institutional philanthropic models. Part Two provides profiles of institutional philanthropy in 24 individual countries and the Arab region, employing a similar outline.

WINGS distributed an electronic survey to its 147 members in 55 countries. 32 responses, from 24 countries and the Arab region, were returned. What follows are the country profiles that were developed based on the responses to the survey. Regarding those responses, it is important to underscore several issues:

- The number of survey responses was extremely limited, and many respondents were able to provide only incomplete answers.
- Much of the information gathered from the surveys is subjective, reflecting the knowledge, perceptions, and observations of the individual respondents.
- There was inconsistent use of definitions and typology. Some survey respondents used the WINGS definitions and typology; others appear to have used their country's legal classification system.
- In general, availability of and reporting on quantitative information was extremely limited.

Some respondents were only able to provide information on one segment of institutional philanthropy,e.g., the community foundation sector, or on a small sample of institutional philanthropy, e.g., a membership group.

Table of Contents

Africa/Sub-Saharan

Kenya

Survey Respondents and Principal Authors

Miriam Otieno, Ufadhili Trust

Background and Overview

In Kenya, attitudes towards philanthropy are generally positive. Charitable giving is rooted in a long-standing tradition of *harambee* (pooling together) dating from the strong communal structure in pre-colonial African society in which the needs of any individual community member were viewed as the needs of the whole community. In addition, religious communities in Kenya such as Christianity, Islam, and Hinduism, all have a strong tradition of helping individuals who are less fortunate. At the official level, the government supports community giving.

During Kenya's pre-colonial period there were no state structures to provide welfare and relief in times of distress. Instead, various communal strategies such as mutual aid and charitable giving systems responded to disasters or any other threat to the security and well being of a community. Such philanthropic practices were widespread and considered a natural part of the social fabric although – perhaps because of this – the practices were not as visible as the more institutionalized philanthropic practices of today.

In present day Kenya, philanthropy continues to promote the welfare of communities, increasingly through a more systematic approach. Formal philanthropic institutions fund development projects that address issues of the community such as promoting education, conserving wildlife, community health and others.

Legal and Tax Policy Environment

The legal and tax environment in Kenya is not favorable for philanthropy. The legal status of philanthropic institutions is imprecise and there are very few incentives for either corporate or individual giving. The lack of an encouraging policy environment is viewed as one of the principal obstacles to more widespread and significant giving in the country. A network of organizations is pressuring the government to develop more favorable legal and tax policy.

Of particular concern is the fact that there is no legislative mechanism to distinguish between philanthropic institutions and other civil society organizations, or to distinguish among different kinds of philanthropic institutions. For instance, corporate foundations and community foundations are in the same legal category despite their significant differences in goals, operations, and governance.

The process of claiming tax exemption deductions in Kenya is rigorous, burdensome, and time-consuming for the donor. To make a tax exempt claim, the donor must provide the Kenya Revenue Authority (KRA) with proof of donation in the form of a receipt issued and certified by the recipient of the donation. This must be accompanied by a copy of exemption certificate issued by KRA to the charitable organization. A declaration from the receiving charity organization that the donation shall be used exclusively for the objects of charity must also be presented to Kenya Revenue Authority.

Obstacles and Challenges

Factor	Not Challenging	Modestly Challenging	Moderately Challenging	Extremely Challenging
Legal environment				x
Tax environment			x	
Public attitudes towards philanthropy				x
Lack of confidence in public sector				x

Additional obstacles and challenges include:

- Lack of a foundations law in Kenya has subsequently affected the aspect of policy and tax relief for philanthropic organizations.
- Lack of motivation on the side of foundations and other charitable institutions, resulting from government's inattention to community needs.
- Lack of proper and centralized documentation on philanthropy, creating a lack of public accountability and duplication of activities.
- Inadequate information on philanthropic strategies and approaches to ways of giving in order to effectively support development.
- Widespread perception of NGO corruption, so that giving to NGOs is largely the purview of the larger corporate foundations.
- Post election violence in Kenya leading to significant loss of the progress that had been realized through philanthropic initiatives.

There is a strong need to engage in advocacy forums so as to bring together actors from the government, private sector, non-profit organizations and individuals to create a mutual understanding and lobby for an enabling legal and policy environment. Such forums will also offer an opportunity for philanthropic institutions to share information and knowledge.

Institutional Philanthropy: Models, Assets, and Expenditures[1]

Institutional Models

Type of Institution	Known Number	Principally Grantmaking	Principally Operating	Mixed Grantmaking/ Operating Model	Operating Model is Unknown	Est. in Last Ten Yrs
Independent foundation						2
Corporate foundation						2
Community foundation						1
Host-controlled foundation or fund						
Multi-purpose fundraising foundation/organization						
Government-linked foundation						1

[1] Large sections of the survey were left blank as there is little information available on institutional philanthropy in Kenya at present.

Assets and Expenditures

Type of Institution	Total Value of Endowments	Total Value of Assets	Grants Given	Operating Expenditures
Independent foundation				
Corporate foundation				
Community foundation				
Host-controlled foundation or fund				
Multi-purpose fundraising foundation/organization				
Government-linked Foundation				

Largest Institutions

Name of Institution	Type of Institution	Estimated Total Value of Assets	Estimated Total Value of Grants
Bill and Melinda Gates Foundation	Independent Foundation		
Clinton Foundation	Independent Foundation		
East Africa Breweries Limited Foundation	Corporate Institution		
Ford Foundation	Independent Foundation		
Google Foundation	Corporate Foundation		
Jomo Kenyatta Foundation	Government Linked Foundation		
KCB Foundation	Corporate Institution		
Rockefeller Foundation	Independent Foundation		
Safaricom Foundation	Corporate Institution		
William And Flora Hewlett Foundation	Independent Foundation		

Largest Fundraising Foundations

Fundraising Foundation	Annual Contributions (five-year average)

Notes on institutional models, assets, and expenditures

Information on philanthropic institutions in Kenya is very limited and difficult to obtain.

South Africa

Survey Respondents and Principal Authors

Principal Author: Shelagh Gastrow Inyathelo, The South African Institute for Advancement
Chris Mkhize, Uthungulu Community Foundation
Erika Joubert, The Southern African Community Grantmakers Leadership Cooperative (CGLC)

Background and Overview

The concept of philanthropy is widespread in white and Indian South African communities, especially through churches and particularly within minority ethnic groups such as the Greek, Indian and Jewish communities. This philanthropy ranges from individual giving in their own communities to the establishment of major charitable foundations by individuals and families that benefit society as a whole. The concept is not common in the black community although research has shown that black people are charitable and that there is a great deal of support within their communities during times of crisis. The concept of philanthropy in the black community has some negative connotations in that it is linked to the missionaries of the nineteenth century who had a very patronizing approach to "saving the natives." However, it is starting to gain currency and we are seeing the word used in the black press more often.

Philanthropy makes a significant contribution to South African society which, it is estimated, has about 100,000 civil society organizations as well as anchor institutions such as universities, hospitals and museums that also rely on private resources. The major institutions and non-profit organizations appear to receive the bulk of their funding from abroad – either from international foundations or through foreign government aid. Contributions from local sources, particularly corporate social investment, tend to be smaller, renewed on an annual basis and more likely to focus on projects that provide quick output, rather than systemic change in society. It is therefore extremely difficult for organizations that are involved in, for example, human rights, policy development or capacity building in the sector to raise local funds.

Key donor priorities in South Africa include HIV/AIDS, welfare (hunger and food, elderly living facilities, child welfare, etc), entrepreneurship or small business development and education, particularly higher education. Faith-based organizations are a major recipient of private funds, but it is not clear how much funding is used for propagation of faith and how much goes into community work.

There is a pressing need to improve the flow of resources (financial and non-financial) from philanthropic institutions to community-driven development. The community grantmaking sector has a strategic leadership role to play in extending the reach of available resources. The sector's interests are also closely linked to the growth of community giving and the emergence of new models of multi-sector development partnerships that can tap into the reserves of social, intellectual and financial capital that exist within communities.

Legal and Tax Policy Environment

In South Africa there is no legal definition or categorization of philanthropic institutions. They are generally dealt with as part of the broader civil society sector. The legal framework that applies to civil society organizations therefore also applies to philanthropic institutions (PIs).

Since the democratization of South Africa in 1994, civil society has enjoyed two freedoms fundamental to its potential to play a significant role in the country's development, namely freedom of association and freedom of expression. All legislation and policies in South Africa that impact civil society organizations, PIs included, are enabled by these freedoms.

Generally, PIs are established as non-profit organizations in South Africa. Although the laws applicable to the establishment of PIs are fragmented, it is becoming easier to establish and incorporate a PI. Usually this occurs through the registration of a Trust with the Master of the Supreme Court or registration of a company not for gain in terms of the Companies Act. In the latter case, the Companies legislation has undergone review and a new entity called the Non-Profit Company is being created under the Companies Act 71 of 2008 which will become operational in 2010. It is at the PI's discretion whether or not to register as a nonprofit organization. Registration is not compulsory, but lends credibility to the organization by increasing its accountability.

The activities of a PI may not be restricted, as guaranteed by the freedom of expression, except if an activity breached the constitutional imperatives of fairness, equality and dignity. There are also limitations if a benefit is sought under the Income Tax Act No 58 of 1962 as amended. This is discussed more fully in the following section.

The tax environment in South Africa can be considered progressive, as donations to nonprofit organizations are tax deductible. Philanthropic institutions, if established within South Africa, like all recognized persons, are subject to tax. Non-profit organizations (NPOs) must register as public benefit organizations (PBOs) which allows them to receive donor deductible status.

Philanthropic organizations that have been established as NPOs qualify for tax deductible status if they meet additional criteria set out in the Income Tax Act as follows:

- Be incorporated as a company not for gain, a trust or a voluntary association. PIs are generally incorporated as a Section 21 company or a trust. Also, PIs that are established in other countries and enjoy tax exemption in those countries could benefit.
- Have as a sole or principal objective one or more public benefit activities prescribed in the Act. These activities have to be carried out with a philanthropic or altruistic intent and should not promote any economic self-interest of any director/trustee or employee other than as reasonable remuneration in the case of the latter.
- Carry out and make accessible their public benefit activities for the benefit or the public at large.

Tax deductible status enables donors to PBOs to deduct their donation from their taxable income, within certain limits prescribed by the Act. Donations from PIs are tax deductible, with some restrictions, as follows:

- PIs can only fund organizations that also enjoy PBO and/or 18A (donor deductible) status. PIs are restricted from supporting a political party, directly or indirectly.
- On dissolution of a PI, all remaining funds and property will be paid to another PBO or PI with similar objectives.
- An organization cannot receive a donation that can provide any benefit to the donor or any connected person.

Foreign donors to a PBO are also exempt from donations tax in terms of South African law. Such donors' gifts enjoy the exemption and the PBO will also not have to pay tax on the donation. As to the tax liability of the donor in his/her country of origin, this will depend on the taxation laws applicable to that jurisdiction.

Obstacles and Challenges[2]

Factor	Not Challenging	Modestly Challenging	Moderately Challenging	Extremely Challenging
Legal environment	(c)		(a)	(b)
Tax environment			(a), (c)	(b)
Public attitudes towards philanthropy		(c)	(b)	(a)
Lack of confidence in public sector		(b), (c)	(a)	
Other factors added by respondents				
Lack of knowledge about the sector	(b)			
Wrong assumptions about the sector				(b)

[2] There were three separate survey responses from South Africa. They are indicated in the tables by a, b, and c.

South Africa is still in a transitional state where a new elite is being created. As money is accumulated it is being used to purchase homes, cars, etc. rather than being saved or invested in philanthropic activities. However, there are exceptions, such as the establishment of foundations by beneficiaries of Black Economic Empowerment deals where a percentage of the shares that they own in companies is routed to a foundation. Generally, there is public knowledge and acceptance that philanthropy is required for socio-economic development for developing South Africa.

Institutional Philanthropy: Models, Assets, and Expenditures[3]

Institutional Models

Type of Institution	Known Number	Principally Grantmaking	Principally Operating	Mixed Grantmaking/ Operating Model	Operating Model is Unknown	Est in Last Ten Years
Independent foundation	(b) 2 (c)10					
Corporate foundation	(b) 4 (c)1					
Community foundation	(b) 6 (c)15			(b) x		(b) 9
Host-controlled foundation or fund						
Multi-purpose fundraising foundation/ organization						
Government-linked foundation						
Stockvels	(a) 1,000s					
Black Economic Empowerment "Points"						
Burial Societies						

Assets and Expenditures

Type of Institution	Total Value of Endowments	Total Value of Assets	Grants Given	Operating Expenditures
Independent foundation				
Corporate foundation				
Community foundation	(b) R30,000,000	(b) R30,000,000		
Host-controlled foundation or fund				
Multi-purpose fundraising foundation/ organization				
Government-linked foundation				

[3] In the following tables, multiple responses in any box indicate the different data received from individual respondents.

Largest Institutions

Name of Institution	Type of Institution	Estimated Total Value of Assets	Estimated Total Value of Grants
(b) Uthungulu Community Foundation	Community Foundation	R15,000,000	R300,000 R250,000

Largest Fundraising Foundations

Fundraising Foundation	Annual Contributions (five-year average)
(c) Adopt-A-School Foundation	Annual budget: R11,000,000
(c) Aids Foundation	Budget for 2009: R54 million
(c) Catholic Welfare Development	Annual budget: R35,000,000
(c) Community Development Foundation: Western Cape	Annual budget: R150,000
(c) Community Foundation for the Western Region of Zimbabwe	Annual budget: R 1,000,000
(c) Dockda Rural Development Agency	Annual budget: R 108,964
(c) eThekwini Community Foundation	Annual budget: R 250,000
(c) Greater Rustenburg Community Foundation	Annual budget: R 5,000,000
(c) International Network on Women's Funds	Annual budget: $ 40,000,000
(c) Kagiso Trust	Annual budget: R35,000,000
(c) Lurdees Mutola Foundation	Annual budget: R1,000,000
(c) MAGI	Annual budget: R5,000,000
(c) Pitseng Trust	Annual budget: R400,000
(c) Rural Education Access Programme	Annual budget: R3,000,000
(c) WHEAT Women's Funds	Annual budget: R900,000

Notes on institutional models, assets, and expenditures

Independent foundations

There are hundreds of independent foundations but few are easily accessible and most operate quietly under the radar. Significant numbers are managed by the staff of financial services companies rather than independently. Most of these foundations were founded before 1976 by wealthy white South Africans. During the height of the struggle period following 1976, people with excess money generally sent it out of the country; however, since 1994 and democratization there has been a resurgence of new independent foundations. These foundations, set up by individuals or families, usually reflect the interests of the founder.

Community foundations

The general model exists in South Africa, but in a form that is different from other countries. A more appropriate term would be re-granting foundations. Very few of these raise their funds from community members themselves, but rather undertake fundraising in the national corporate and international sectors to redistribute to small community based organizations.

Corporate foundations

Corporate social investing is common practice for South African companies and some have established corporate foundations. These are run by company staff and some are required to link with company business focus (e.g. they make grants to areas in which their employees live or they link the company's business to the focus area of the foundation). Corporate foundations are increasingly being established to build social capital for the company and are seen as part of good corporate citizenship.

Over the last few years, the South African government has introduced the concept of Black Economic Empowerment charters that require that a percentage of corporate profits must be applied to corporate social investment. This has resulted in the establishment of a number of company foundations that work in partnership with non-profits.

Finding common ground for corporations to work collaboratively with community foundations and other grant-making organizations is a challenge. Marketing strategies for advancing philanthropy in South Africa will hopefully promote these collaborations. Toward that end, the Southern African Community Grant-Makers Leadership Cooperative is organizing and planning regular meetings of grant-maker organizations to exchange views on a variety of development issues.

Other philanthropic models

Stokvels: this traditional mutual aid model may or may not be viewed as philanthropic in nature. They are essentially groups of people (particularly women) who come together and build a fund that will benefit members of the group in the long term, whether they provide for housing, for food baskets at the end of the year or even cars and holidays. When a member dies, members have an arrangement to bury their member, using contributions or insurance.

Burial societies: another traditional form of community aid. Burial societies collect money from members and invest it with a financial institution or an insurance company. The invested money or insured amount is used when a member dies. In short, this is a form of insurance among poor communities.

Arab Region

The Arab Region

Survey Respondents and Principal Authors

Dina Sherif, The John D. Gerhart Center for Philanthropy and Civic Engagement
Luma Hamdan, the Arab Foundations Forum (AFF)

Background and Overview

The Arab world has a long history of religiously-motivated contributions of individual wealth, with deep roots in both Muslim and Christian traditions. These include the Muslim giving of Zakat, required of all believers, as well as voluntary giving, Sadaqa. Christians give in the form of Ushur or tithe. Ushur traditionally meant giving 10% of one's income to the less fortunate, and volunteering. A survey conducted by the Center for Development Studies found little difference between Christian and Muslim attitudes towards giving.

Traditional forms of giving are mostly charitable in nature, or focus on alleviating the suffering of people in need. This exclusive focus on charitable giving has hindered the growth of strategic giving and a fully developed philanthropic sector in the region.

Some newer forms of institutional giving being observed in the region include social investment, corporate philanthropy, and the establishment of modern grant-making foundations. While private giving is commonly practiced and historically rooted in most countries in the region, the development of a modern sector of philanthropic institutions is relatively new. In addition, institutions that aim to strategically make use of collective models of giving are relatively new.

Due to the political climate, modern 20th century governments are less supportive and less active in promoting more independent foundations or philanthropic organizations. Recent studies show that registering an independent foundation and protecting its assets across the region is not an easy process and includes many obstacles. Corporations often must deal with over-regulation and/or a lack of understanding of their efforts by the state.

Arab business leaders are becoming more involved in philanthropy and are partnering with governments and civil society organizations as they realize the relevance of socioeconomic development to their own commercial success. Additionally, business leaders are coming to believe in the power they have to initiate positive changes through their corporate success.

Legal and Tax Policy Environment

In Lebanon, Egypt, Qatar, Jordan, Saudi Arabia, The United Arab Emirates, Palestine and Kuwait charitable or philanthropic organizations are regulated by government agencies. The governing bodies, which are in most cases The Ministry of Interior or The Ministry of Social Affairs, issue licenses to organizations and monitor their performance and activities. The monitoring bodies require prior notification to any amendments in activities and reserve the right to dissolve any organization that does not abide by governing laws.

In most countries of the region, there are more constraints on receiving and allocating foreign funds than is the case with locally received funds.

In all of the above-mentioned countries, organizations are required to have a minimum number of founding members and a management board in order to receive a license or get registered. Regulatory agencies also closely monitor the financial activities of philanthropic organizations.

Finally, in all eight countries listed above charitable and philanthropic organizations are not allowed to involve themselves in political activities or any activities that are seen as threats to social cohesion. While in wealthier countries, like The Kingdom of Saudi Arabia, Kuwait, and the United Arab Emirates, philanthropic organizations may receive monetary government assistance, the rest of the countries do not offer monetary assistance to their philanthropic organizations.

In Egypt, Palestine and Lebanon percentages of donations and charitable contributions are deductible from taxable profits which encourage corporations to participate in philanthropic activities. However the tax exemptions are limited, with a ceiling of 20% in Palestine, 10% in Egypt and Lebanon, and are even more limited in Jordan. In order to promote the growth of the philanthropic sector, more tax incentives and tax relief for registered foundations are needed.

Obstacles and Challenges

Factor	Not Challenging	Modestly Challenging	Moderately Challenging	Extremely Challenging
Legal environment				*
Tax environment				*
Public attitudes towards philanthropy			*	
Lack of confidence in public sector				*

The widespread institutionalization of strategic philanthropy in the Arab region is fairly new. This, combined with an already struggling civil society and states that are not supportive of third sector growth, creates numerous challenges for the overall growth of the philanthropic sector in the region.

Additional obstacles and challenges include:

- Weak NGOs
- Lack of transparency with regard to how much money is invested socially
- Inability to monitor the impact of strategic giving
- Lack of government support for the sector
- Lack of tax incentives
- Legal frameworks that limit, as opposed to promote, the expansion of the sector
- Lack of data in Arabic with regard to effective grant giving, etc.

Institutional Philanthropy: Models, Assets, and Expenditures

Institutional Models

Type of Institution	Known Number	Principally Grantmaking	Principally Operating	Mixed Grantmaking/ Operating Model	Operating Model is Unknown	Est. in Last Ten Yrs
Independent foundation	12		2	8	2	10
Corporate foundation	2			1	1	2
Community foundation	1		1			1
Host-controlled foundation or fund						0
Multi-purpose fundraising foundation/organization	16	4	12			12
Government-linked foundation	1	1				1
Public-Private Partnership foundation	1			1		1
Private Sector Partnerships or Membership foundation	1	1				

Assets and Expenditures

Type of Institution	Total Value of Endowments	Total Value of Assets	Grants Given	Operating Expenditures
Independent foundation		$7,391,375	$1,725,937	$1,857,402
Corporate foundation	$5,000,000			
Community foundation				
Host-controlled foundation or fund				
Multi-purpose fundraising foundation/organization		$4,265,258	$730,296	$3,760,511
Government-linked foundation		$25,980,786	$5,756,562	$872,889
Private-Public Partnership		$59,781,889	$6,475,863	$16,036,795
Private Sector Partnership-Membership foundation	$48,780, 000		$26,540,600	$29,373

Largest Institutions

Name of Institution	Type of Institution	Estimated Total Value of Assets	Estimated Total Value of Grants
A. M. Qattan Foundation (Palestine/UK)	Independent	$7,072,072	$1,919,368
Arab Fund for Arts and Culture	Independent	$279,628	$2,447,194
Business Development Center	Independent	$135,390.44	$9,723,075.13
Emirates Foundation for Philanthropy (UAE)	Public-Private Partnership Foundation	$176,000,000 (2009)	$53,000,000 (2006-2009)
Foundation for the Future (Jordan)	Government Lined	$25,980,786	$5,756,562
Majid Society (Saudi Arabia)	Independent	$7,391,375	$206,212
Jordan River Foundation (Jordan)	Multi-Purpose Fundraising	$4,152,803	
Al Fanar Foundation (Egypt)	Multi-Purpose Fundraising	$112,455	$243,698
Welfare Association (Palestine/ Switzerland)	Private Sector Partnership or Membership		$26,540,600

Largest Fundraising Foundations

Fundraising Foundation	Annual Contributions (five-year average)
A. M. Qattan Foundation (Palestine/UK)	$2,135,562 (2006-10 avg)
Arab Fund for Arts and Culture	$1,186,294
Foundation for the Future (Jordan)	$28,796,960 (2007-08 avg)
Emirates Foundation for Philanthropy (UAE).	$216,000,000 (2006-2009 avg)
Qattan Foundation (Palestine/London)	$1,466,839 (2007-08 avg)
Jordan River Foundation (Jordan)	$345,707 (2006-07 avg)
AL Fanar Foundation, Egypt, years 07-08 Avg.	$217,110

Notes on institutional models, assets, and expenditures

There is no known information on other countries in the region.

Asia/Pacific

Australia

Survey Respondents and Principal Authors

Sylvia Admans, Foundation for Rural & Regional Renewal (FRRR)
Gina Anderson, Philanthropy Australia

Background and Overview

Philanthropy Australia defines philanthropy as "the planned and structured giving of money, time, information, goods and services, voice and influence to improve the wellbeing of humanity and the community." The philanthropic tradition in Australia comes from its English cultural and institutional origins, and the new world experience that Australia shares with the United States.

Historically, giving has not been prevalent in Australia. Household giving reflects the nation's history as a convict settlement, the outreach of the British colonial government, unease about extravagant wealth, and the community's expectations of a predominant role for government in the provision of basic services. Accordingly, private philanthropy has played a relatively small role in Australian society.

State law had a significant influence on the country's philanthropic landscape. Because of favorable state estate laws, the overwhelming majority of 20th century philanthropic funds were Melbourne-based. The development of more strategic philanthropy and the structure to support it blossomed in the 1970s. Melbourne foundations began to collaborate and encourage greater professionalism among grantmaking organizations. In 1977 the Association of Philanthropy (later Philanthropy Australia) was established to encourage philanthropy and to provide a forum for philanthropic organizations to share information about "the difficult art of giving."

Until the late 1990s, most foundations and trusts in Australia were set up through wills and bequests. Over the past ten years a number of new players have come to prominence, including:

- Private Ancillary Funds (formerly Prescribed Private Funds)
- Donor advised funds, e.g., established at community foundations or financial services organizations
- Corporate Australia
- First generation of women who have made their own money
- Mass affluent (those earning $250K + per year)

Key features of the Australian philanthropic environment include:

- Relatively young sector, though a few foundations have celebrated their centenaries
- Uneven distribution of philanthropy across states due to historical factors
- Community foundation sector, developing over the last 20 years and most significantly in the last 10 years
- High levels of volunteering for the support and provision of services in the country
- A developed not-for-profit sector (third sector) that represents around 4% of GDP and employs 8% of the workforce

Similar to other countries, the philanthropic lexicon in Australia is somewhat unique. The following provides the general meaning of some key terms.

Charity /charitable organization

Often used as a synonym for voluntary or not-for-profit organizations that raise funds for, or offer support to, benefit the community. In legal terms, a charity is an entity established for altruistic purposes that the law regards as charitable.

Foundation

The word 'foundation' has no legal meaning in Australia. It is used to refer to a broad range of organizations; primarily grantmaking trusts, but also to multi-purpose fundraising organizations that raise money from the public and gift funds to either a variety of organizations or to finance a single organization.

Charitable or philanthropic foundation/trust
Trusts are legal vehicles which allow the transfer of gifts from an individual, family or corporation to be held in perpetuity for distribution to charities. The initial "corpus" is invested and the income from this investment is given to charitable organizations in the form of grants.

One of the most significant developments of the past decade has been the introduction and development of Private Ancillary Funds (PAF), a type of charitable foundation, further described below.

Legal and Tax Policy Environment

Foundations must comply with relevant state, federal and common law. Legally, foundations are trusts with the trustees holding the title to property and exercising powers relating to that property for the benefit of others. Trustees act as fiduciaries. Charitable trusts must be established for a purpose (instead of for named beneficiaries) and exist in perpetuity.

Australia is a federation of six states and two territories and has three levels of government - federal, state and local. This means that a national organization may have to work within the requirements of eight jurisdictions, which can be both complex and administratively burdensome. It also means organizations can operate under different organizational structures depending on the state of residence.

Incorporation and trustee law are state government responsibilities. All foundations are subject to the requirements of the relevant state trustee legislation (which is broadly consistent across states) and common law; however it is the provisions of the Income Tax Assessment Acts that create the key differences among the structures. Other differences may arise from the foundation's specific will/ trust deed and any subsequent court orders.

Taxation is the responsibility of the federal government. There are a number of different categories of charitable status that can be granted by the tax office. This creates confusion for donors, as well as for those seeking philanthropic support. Donations of $2 or more receive a tax deduction; the amount of the deduction depends on the rate of personal income tax paid. Corporate tax is around 30%.

Unlike the majority of other countries, which have only one level of endorsement (meaning that if an organization is endorsed as a charity it is automatically entitled to all tax concessions), Australia has two separate charitable endorsements which determines different tax concessions: Deductible Gift Recipient and Tax Concession Charity.

A Deductible Gift Recipient (DGR) is a fund or organization that has been endorsed by the Australian Taxation Office as an organization for which donors can claim a tax deduction for donations. Some DGRs are listed by name in the income tax law; these include organizations like Amnesty International Australia, Landcare Australia Limited and the Australian Academy of Science. There are also prescribed private funds listed by name in the income tax regulations. For other organizations to be DGRs they must fall within a general category set out in the income tax law. Examples include public benevolent institutions, public universities, public hospitals and school building funds.

A Tax Concession Charity (TCC) is a fund or institution that has been endorsed as charitable by the Australian Taxation Office. Not all organizations that are tax exempt are actually tax concession charities. The following table summarizes the key attributes of the legal structure and tax status of foundations and the implications of that structure on foundation operations.

Key Attributes of the Legal Structure and Tax Status of Foundations in Australia

	Will Trust /Private Charitable Trust	Private Ancillary Fund*	Public Ancillary Fund**
State Trustee Act	Yes	Yes	Yes
Tax Deductible donations	No	Yes	Yes
Income Tax Exempt	Yes	Yes	Yes
Defined "Responsible Persons"	No	One - independent of benefactor	Majority of Trustees/ Directors
Annual Audited Accounts	Depends on Will/ Trust deed	Yes	In most cases
Australian Tax Office Reporting	No	Yes	No
Fundraising	No	No	Yes Annual
"Prudent person" investment rules	Yes	Yes	Yes
Annual Investment Reviews	Yes	Yes	Yes
Can support individuals	Yes	No	No
Grant Restrictions	Charitable Purpose specified in Will/Deed	Only organizations with DGR and TCC status*	Only organizations with DGR and TCC status*
Can grant to non DGR charities	Yes	No	No
Overseas Granting	No unless in deed and pre-1997	AusAid list gift funds	AusAid list gift funds
Annual Granting	>80% of Trust Law Income	Below target Trust Law Income minus CPI adj.- Above Target all including capital gains after CPI adj.	>80% of Trust Law Income

Formal philanthropic structures in Australia are as follows:

Testamentary or Will Trusts

These are the oldest form of existing foundations in Australia. They are established by a will and do not come into operation until after the benefactor's death. The majority of them are Tax Concession Charities and therefore income tax exempt but donations to them are not tax deductible. They are not limited to funding DGRs unless it is stipulated in the will that they do so, but they must fund the charitable purposes specified in the will.

Private Ancillary Funds (PAFs)

The Prescribed Private Fund (PPF) structure was established in 2001 and was redeveloped as the Private Ancillary Fund (PAF) structure in 2009. There have been over 800 PAFs established, making them the fastest growing form of philanthropy in Australia. Donations to PAFs are tax deductible and they can in turn only fund

other DGRs. The majority of PAFs are also charitable, and they must therefore fund DGRs which also have TCC status, but it is possible in some States to establish a PAF which is income tax exempt but not charitable. This allows granting to a wider variety of DGRs (depending on the State in which the PAF is established).

The PAF structure is particularly attractive to families and "new donors" who are seeking a tax effective structure.

Ancillary (Public) Funds

Sometimes just called public funds, these are established by trust deed for the support of charitable organizations. They are charities, and donations to them are tax deductible; in return the foundation can only fund other DGRs which also have TCC status.

Ancillary funds can also become ITEFs like PPF/PAFs. The funds must be controlled by a committee, the majority of whom have a degree of responsibility to the general public, and the public must also contribute to the fund. Because of the requirement for public contributions and public participation, ancillary funds are not generally used by high-net-worth individuals. The structure is often used as a fundraising vehicle for hospitals and charitable organizations, or for foundations which maintain "sub-accounts" for individual donors such as community foundations.

Private Charitable Trusts

These have been established during a donor's lifetime through trust deed. They are able to obtain TCC status and therefore income tax exemption, but donations to them are not tax deductible. They are not limited to funding DGRs unless it is stipulated in the trust deed that they do so, but they must fund the charitable purposes specified in the deed.

Companies

While the vast majority of grantmaking philanthropic entities are trusts, a number are companies which operate a public fund for grantmaking and which are specifically named in the tax legislation.

Obstacles and Challenges[4]

Factor	Not Challenging	Modestly Challenging	Moderately Challenging	Extremely Challenging
Legal environment			(b)	(a)
Tax environment			(a), (b)	
Public attitudes towards philanthropy		(b)		(a)
Lack of confidence in public sector		(b)	(a)	

Regulatory differences across the federal and state jurisdictions are complex and difficult to navigate.

Institutional Philanthropy: Models, Assets, and Expenditures

Institutional Models

Type of Institution	Known Number	Principally Grantmaking	Principally Operating	Mixed Grantmaking/ Operating Model	Operating Model is Unknown	Est. in Last Ten Yrs
Independent foundation	(b) Exist					
Corporate foundation	(b) Exist	(b) x				
Community foundation	(b) 27 active	(b) 6		(b) 21		
Host-controlled foundation or fund	(b) Exist – only a couple					
Multi-purpose fundraising foundation/organization	(b) Lots			(b) x		
Government-linked foundation	(b) Exist – only a couple	(b) x				
Trustee companies	(b) 9					
Private Ancillary Funds	(b) 775 at Dec-08					

[4] There were two separate survey responses from Australia. They are indicated in the tables by a and b.

Assets and Expenditures

Type of Institution	Total Value of Endowments	Total Value of Assets	Grants Given	Operating Expenditures
Independent foundation				
Corporate foundation				
Community foundation				
Host-controlled foundation or fund				
Multi-purpose fundraising foundation/organization				
Government-linked foundation				
Trustee companies				
Private Ancillary Funds				

Largest Institutions 2007 - 2008

Name of Institution	Type of Institution	Estimated Total Value of Assets	Estimated Total Value of Grants
Macquarie Group Foundation	Corporate Foundation	$17.3M	
The Ian Potter Foundation	Independent Foundation	$12.6M	
The Myer Foundation/Sidney Myer Fund	Family Foundation	$11M	
Colonial Foundation	Independent Foundation	$8M	
Lord Mayors Charitable Foundation (Melbourne)	Foundation	$8.1M	
AMP Foundation	Corporate Foundation	$7.4M	
The William Buckland Foundation	Independent Foundation	$6.6M	
Foundation for Young Australians	Independent	$6.6M	
Helen Macpherson Smith Trust	Independent Foundation	$5.7M	
Colliers	Independent Foundation	$4.6M	

Largest Fundraising Foundations

Fundraising Foundation	Annual Contributions (five-year average)

Notes on institutional models, assets, and expenditures

Family, private, and independent foundations

The Victorian Administration and Probate Act 1907, which was adjusted in 1915 and 1951, provided tax incentives such that leaving money through an estate to establish a charitable foundation in Victoria resulted in deductible death duties. This tax incentive was not available in other Australia states. As a result, the overwhelming majority of 20th century philanthropic funds were Melbourne-based.

Corporate foundations

The report “Corporate Community Investment in Australia 2007” prepared by The Centre for Corporate Public Affairs and the Business Council of Australia provides the following data on corporate foundations. The sample included global foundations of overseas multinational companies as well as the Australian foundations of their local subsidiaries, and indigenous firms

37% of respondent companies have a foundation. Nearly half of the foundations have been in existence for more than 10 years, a fifth have been in existence for 6-10 years. Most indigenous Australian corporate foundations have been established since 2000.Those with longstanding foundations tend to be in the resources and finance sectors.

Some corporations funnel a significant proportion of their community resources through the foundation, while others make use of the foundation only for a small percentage of their community resources. At the ends of the range, 8% of companies do not channel any of their community resources through their foundations, while 23% of companies allocate 80-100% of their community resources through the foundation.

Community foundations

There are 27 active community foundations in Australia; however, there are 12 funds – 8 regional and 4 local – under the umbrella of the Western Australia Community Foundation. In most cases, the community foundation is controlled by a public company, i.e. a company limited by guarantee and incorporated under Corporations Law. The community foundation is established to carry out public charitable purposes and has income tax exempt status. The company acts as the trustee of the Community Foundation Public Fund. Donations to the Public Fund are fully tax deductible. Gifts such as shares or real estate are exempt from stamp duty in most states.

Multi-purpose fundraising foundation/organization

The majority of fundraising foundations are associated with specific charities and therefore grant-seekers.

Trustee companies

Statutory trustee corporations enabling legislation were first enacted in the 1870s. There were two purposes.

The first was to establish sound and prudent entities to undertake the role of trustworthy agents to hold and manage businesses and financial assets for wealthy individuals travelling abroad for long periods.

The second purpose was to benefit the broader community by extending to statutory trustee corporations the role of executor or administrator of a deceased estate – previously this could only be done by a relative. Governments recognized that trustee corporations could provide greater expertise, resources and reliability than an individual, together with the capacity to prudently manage clients' trusts in perpetuity.

Within the next decade, most of the trustee corporations now authorized by law were established. Subsequently, responding to demands from clients for more broadly based services, statutory trustee corporations have expanded their activities into most areas of wealth creation, management and transfer.

Clients of statutory trustee corporations enjoy the highest levels of security and peace of mind. The special legislation under which trustee corporations are established and regulated requires substantial capital and insurance, and the continued demonstration of utmost capacity and diligence in carrying out their functions.

Unlike other financial service providers, trustee corporations are required by law to always put the interests of clients first. They owe fiduciary duties to the beneficiaries of the assets they administer, and directors and staff can be held personally liable for mismanagement. Uniquely, directors of trustee corporations are jointly and severally liable not only for their own actions, but also for the actions of their staff.

This legal requirement to put the client first, together with the onerous responsibility to avoid imprudent or improper management, has generated a unique culture of genuine dedication to client interests. For more than a century, this culture has been imbued in the personnel of statutory trustee corporations, from the directors down to the most junior trust officers.

As part of their operations, trust companies administer charitable trusts and foundations for medical research, museums, and education scholarships. Trust companies manage about 2,000 charitable trusts and foundations with assets of about $3.9 billion. During 2006/07, they distributed about $280 million to charities as grants from those trusts and foundations or directly through the estates of the deceased

Private Ancillary Funds (formerly known as Prescribed Private Funds)

Private philanthropic foundation used by individuals, families, corporations and businesses.

The development of Private Ancillary Funds (PAF) has had a rapid and far-reaching impact on Australia's philanthropic sector. Authorized by legislation in 2001, PAFs are the fastest growing form of philanthropy in Australia. There are now over 800 PAFs with upward of AUD $1.3bn under management. PAFs have filled a gap in the structures, which facilitated additional giving rather than redirecting existing activity.

A PAF is a form of a private philanthropic foundation, but with certain attributes that differ from a private charitable trust. It enables the donor to get a tax deduction and to retain a large degree of control over both grantmaking and investment decisions. PAF trustees retain legal authority. PAFs are relatively simple to establish, with guidelines and a model trust deed available. The model can be used by individuals, families or companies.

PAFs have become a catalyst for donors to become engaged with the community sector. The majority of PAF donors are relatively new to structured giving. In addition, with the availability of this giving model, professional advisors are more willing to talk about philanthropy with their high net worth clients. PAFs have also become "family glue" and often provide the foundation for wealthy families to build an intergenerational commitment to the community.

Bangladesh

Survey Respondents and Principal Authors

Safi Rahman Khan, Bangladesh Freedom Foundation

Background and Overview

In general, Bangladesh has a tradition of family, private and religious giving that provide funding for charitable programs. The modern day foundation concept/structure is very new in Bangladesh and still very much in its early stage of development; hence there is very little information compiled or publicly available regarding institutional models, assets, or expenditures. Independent and corporate foundations exist, albeit in limited numbers. There is also a model similar to a host-controlled fund and one government-linked foundation. The survey did not note any community foundations or multi-purpose fundraising foundations.

The survey respondent refers readers to four APPC reports for further background material on philanthropy in Bangladesh. These reports are noted in the reference section.

Legal and Tax Policy Environment

The legal and tax policy environment in Bangladesh is not particularly favorable to philanthropic activity. It is difficult to register philanthropic or not-for-profit organizations and tax incentives for philanthropic contributions are limited. Corruption, particularly in the form of rent seeking (bribe-payment), is also said to be of further concern for the sector as a whole.

Registering philanthropic or not-for-profit organizations in Bangladesh is bureaucratic, time consuming and costly. Some of the conditions demanded by different agencies may not always be within the legal requirements of the relevant law; and it is not always necessarily clear where or on what grounds the registering/regulating agencies derive some of their various requirements. Many organizations also end up having multiple registrations due to the inadequacies or problems in one or the other registration type.

Organizations also have to register with a separate government body, the NGO Affairs Bureau, if they receive donations from abroad. Any such donation must be processed through this body and only if they approve it can the organization access the relevant donation. At times, local administrative clearance is also demanded. These processes can be bureaucratic and there are complaints of associated rent seeking.

In general, tax laws are not particularly favorable for philanthropic institutions or charitable giving. There is very little in terms of incentives for giving, and the not-for-profit sector faces various types of direct and indirect taxes, some of which are not necessarily in tune with global best practices. For instance, private foundation endowment interest income is taxed; a case regarding this practice is in the high courts. The tax department is also very reluctant to provide tax exemption status to organizations. The few that received such status did so some years ago and then only with much persuasion and persistence.

Donations to not-for-profit organizations are not taxed. Rental income from house property held under trust or similar legal obligation is also tax exempt; however, if one is registered with the body that regulates foreign donations (the NGO Affairs Bureau) then this rental income is not tax-exempt. Micro-credit income generated through interest on loans disbursed by micro-credit lending organizations is also tax exempt as long as the organization is registered with the NGO Affairs Bureau. If the organization is not registered with the bureau then micro-credit income is not tax exempt (though whether this is enforced by the tax authorities is difficult to say).

Obstacles and Challenges

Factor	Not Challenging	Modestly Challenging	Moderately Challenging	Extremely Challenging
Legal environment			x	
Tax environment				x
Public attitudes towards philanthropy			x	
Lack of confidence in public sector				x

Institutional Philanthropy: Models, Assets, and Expenditures[5]

Institutional Models

Type of Institution	Known Number	Principally Grantmaking	Principally Operating	Mixed Grantmaking/ Operating Model	Operating Model is Unknown	Est. in Last Ten Yrs
Independent foundation						
Corporate foundation						
Community foundation						
Host-controlled foundation or fund						
Multi-purpose fundraising foundation/organization						
Government-linked foundation						

Assets and Expenditures

Type of Institution	Total Value of Endowments	Total Value of Assets	Grants Given	Operating Expenditures
Independent foundation				
Corporate foundation				
Community foundation				
Host-controlled foundation or fund				
Multi-purpose fundraising foundation/organization				
Government-linked foundation				

Largest Institutions

Name of Institution	Type of Institution	Estimated Total Value of Assets	Estimated Total Value of Grants

[5] Large sections of the survey were left blank as there is little information available on institutional philanthropy in Bangladesh at present.

Largest Fundraising Foundations

Fundraising Foundation	Annual Contributions (five-year average)

Notes on institutional models, assets, and expenditures

Among the most well known of the few independent grantmaking foundations are the Bangladesh Freedom Foundation and Human Development Foundation.

A fair number of corporate foundations have been formed over the past seven to eight years led in large part by the private sector banks. The most well known and most likely the first of these to institute a corporate foundation was the Dutch Bangla Bank Foundation. There is also the Prime Bank Foundation, Dhaka Bank Foundation and a few others.

There are institutional structures that may fall into a broadly-defined category of host-controlled foundation or fund. These are structures that manage bilateral donor and/or government funds in a particular sector and disburse those funds to not-for-profit organizations. The most well known of these is the Manusher Jonna Foundation that promotes human rights and good governance and is presently funded by DFID (UK Department for International Development) and the Royal Norwegian Embassy. There is also the fund SHIREE (Stimulating Household Improvements Resulting in Economic Empowerment) funded by the Government of Bangladesh and DFID, and HYSAWA Fund (Hygiene, Sanitation, Water Supply) funded by the Government of Bangladesh and DANIDA (Danish International Development Agency).

The government-funded Bangladesh NGO Foundation provides funding for small NGOs. It operates from an endowment provided by the Government of Bangladesh.

India

Survey Respondents and Principal Authors

Amita Puri, Charities Aid Foundation India;
Dr. Pradeepta Kumar Nayak, Sampradaan Indian Centre for Philanthropy
Noshir H. Dadrawala, Centre for Advancement of Philanthropy

Background and Overview

In India, philanthropy has always been strongly linked to religion and obligations to help the needy. Concepts such as daana (giving) and dakshina (giving to a teacher or priest) in Hinduism, and bhiksha (giving to a monk) in Buddhism are rooted in the idea of philanthropy. With the arrival of Muslims and later Christian missionaries, notions of philanthropy associated with these two religions also entered Indian society.
Charity inspired by religious beliefs and values continued to remain popular and fairly widespread in pre-colonial India.

Jamshedji Tata is considered the father of modern Indian philanthropy. The J N Tata Endowment Scheme was launched in 1892 and its biggest contribution was the establishment of the Indian Institute of Science. (www.tata.com)

The development of the voluntary sector during the colonial phase (late 18th century), is closely linked with the social reform and freedom movement. The first institutionalized efforts in social development in India were initiated by Christian missionaries in the early 19th century through the setting up of schools, colleges, hospitals etc. At the same time, the British colonial administration also supported some religious and private organizations engaged in providing social services. Volunteerism also found a new meaning in the wake of India's struggle for freedom, with Mahatma Gandhi giving India a vision of Swaraj (self-rule), Ahimsa (nonviolence) and Seva (service).

Some experts in India believe that while India has an ancient and strong tradition of philanthropy, what it lacks today is "vision." In 1922, Mahatma Gandhi enunciated his vision of the ideal state, which he called "Ram Rajya." He conceived of a society based on social and political order in which the poor could be protected, women could live in safety and the starving millions would see an end to hunger.

Different business communities like Parsis, Marwaris, Khatris, Reddys and Chettiars were in the forefront in philanthropic activities. Institutionalized philanthropy also received a boost with the industrial revolution in India, as corporate wealth began to be channeled towards welfare and development work.

State initiatives to support philanthropy and activism were reflected in the new constitution of independent India with a commitment to socialist structures and social justice. Giving of time, talent, skill, labor, cash and in-kind support is prevalent in India, but some fear that moral degradation and materialism are obstructing the revival of a giving culture.

Legal and Tax Policy Environment

Organizations in India can register as a trust, society or non-profit company.

Trusts

A public charitable trust is usually floated when there is property involved, especially land and buildings. Different states in India have different Trusts Acts.

Societies

Charitable societies in India are registered under the Societies Registration Act of 1860 but registration rules differ from state to state.

Section 25 Companies

A Section 25 non-profit company requires a minimum of three trustees; there is no upper limit to the number of trustees. The board of management is in the form of a board of directors or a managing committee.

Indian law provides limited tax benefits for charitable giving, but fewer restrictions would promote greater giving.

Indian law is both statutory and case-law based. Multiple statutes govern various types of non-profit organizations. There is no single body of law for all types of charitable organizations and different legal provisions exist at the national and state level.

Tax environment

The Income Tax Act of 1961 governs all non profit organizations uniformly throughout India. Under the Act, all charitable organizations in India are not liable to pay any income tax provided certain conditions required under the law are fulfilled. It provides for the creation of a corpus fund as well as provision for business income that is incidental to the attainment of objectives of the non profit organization. The act also allows special exemption to the income of activities pertaining to scientific research, education, charitable hospitals etc.

The act has a provision for tax rebate for donors, generally to the extent of 50%; however a donor can claim up to 100% of the contribution made to certain eligible projects. Trusts or institutions established for the benefit of any particular religious community or caste do not enjoy tax benefits.

India 's tax laws affecting NGOs are similar to the tax laws of other Commonwealth nations. India provides exemption from corporate income taxes for certain NGOs carrying out specific types of activities, with unrelated business income being subject to tax under certain circumstances. India also subjects certain sales of goods and services to VAT, with a fairly broad range of exempt activities. The rates range from 4 percent to 12 percent, with most goods and services taxed at 8 percent.

The income tax law and the corporate tax law provide tax benefits for donors, and these may be relevant to an American corporation doing business in India when deciding whether to engage in direct corporate grantmaking in India. The existence of a double taxation treaty between India and the United States may also affect gift planning decisions of U.S. corporate grantmakers doing business in India.

Finally, not-for-profit organizations involved in relief work and in the distribution of relief supplies to the needy are 100% exempt from Indian customs duty on the import of items such as food, medicine, clothing and blankets. Other exemptions may also be available.

General Tax Regime

The Income Tax Act, 1961, which is a national all-India Act, governs tax exemption of not-for-profit entities. Organizations may qualify for tax-exempt status if the following conditions are met:

- The organization must be organized for religious or charitable purposes
- The organization must spend 85% of its income in any financial year (April 1st to March 31st) on the objects of the organization
- The funds of the organization must be deposited as specified in section 11(5) of the Income Tax Act
- No part of the income or property of the organization may be used for the benefit of the founder, trustee, or a person who has contributed in excess of Rs. 50,000 to the organization
- The income must be applied or accumulated in India. However, trust income may be applied outside India to promote international causes in which India has an interest, without being subject to income tax

Non-profit organizations are not taxed on income that is incidental to the attainment of the objects of the not-for-profit organization. Furthermore, certain activities resulting in profit, such as renting out auditoriums, are not treated as income from a business.

Obstacles and Challenges[1]

Factor	Not Challenging	Modestly Challenging	Moderately Challenging	Extremely Challenging
Legal environment		(c)	(a)	(b)
Tax environment			(a), (c)	(b)
Public attitudes towards philanthropy			(a), (c)	(b)
Lack of confidence in public sector		(c)		(a), (b)

[1] There were three separate survey responses from India. They are indicated in the tables by a, b, and c.

Institutional Philanthropy: Models, Assets, and Expenditures

Institutional Models

Type of Institution	Known Number	Principally Grantmaking	Principally Operating	Mixed Grantmaking/ Operating Model	Operating Model is Unknown	Est. in Last Ten Yrs
Independent foundation	(c) Exact figure not known (may be around 100)				(c) 4	
Corporate foundation	(c)Exact figure not known (may be around 100)		(c) 2			
Community foundation	(c)3		(c) 2			
Host-controlled foundation or fund					(c) 4	
Multi-purpose fundraising foundation/organization	(c) Around 12			(c)3		
Government-linked foundation					(c) 4	

Assets and Expenditures

Type of Institution	Total Value of Endowments	Total Value of Assets	Grants Given	Operating Expenditures
Independent foundation				
Corporate foundation				
Community foundation				
Host-controlled foundation or fund				
Multi-purpose fundraising foundation/organization				
Government-linked foundation				

Largest Institutions

Name of Institution	Type of Institution	Estimated Total Value of Assets	Estimated Total Value of Grants

Largest Fundraising Foundations

Fundraising Foundation	Annual Contributions (five-year average)
(b) Helpage India	
(b) CRY	
(b) Action Aid	
(b) CARE	
(b) OXFAM	
(b) Save The Children	

Notes on institutional models, assets, and expenditures

Little is known about the number, assets and expenditures in institutional philanthropy.

In India the models of institutional philanthropy are categorized somewhat differently than the categories specified in the study. Generally registered under the Indian Trust Act or Bombay Public Trust Act, foundations in India may be classified into two types: [2] 1) Grant making foundations – which make grants from the funds raised for different purposes; and 2) Operating or service delivery foundations – which generate their own funds to provide services and also raise funds to be given to different organizations working in a similar space in India.

The grant making foundations typically function under the models of institutional philanthropy discussed. However there is no compartmentalized categorization into independent foundations, corporate foundations and community foundations.[3]

There are numerous grantmaking foundations of different sizes in India. No survey of these organizations has been undertaken. It is understood that there are approximately 80,000 or more grant-making organizations in India. [4] Some of the most well-known foundations include:

- National Foundation for India
- Plan India
- Concern India Foundation
- United Way
- Sampradaan Indian Centre for Philanthropy (SICP)
- Pradaan
- Aga Khan Foundation

Corporate foundations do not yet have credibility. Independent foundations are doing some work, but are challenged by a shortage of resources. Community foundations are in their nascent stage and will take time before they are successfully established.

While the Centre for Advancement of Philanthropy helped to incubate the Bombay Community Trust in 1991, SICP is perhaps the only support organization that is presently focused on establishing community foundations and promoting community philanthropy. In general, Indian philanthropic institutions have yet to succeed in promoting philanthropy effectively.

International philanthropic institutions are also an important part of the philanthropic landscape in India. Major institutions include:

- American India Foundation (AIF)
- Plan International
- Oxfam
- Ford Foundation
- Bill and Melinda Gates Foundation
- Clinton Foundation
- Project Concern International
- CASA - Churches' Auxiliary for Social Action
- Give 2 Asia

[2] Dadrawala, Noshir. (1996). *Management of Philanthropic Organizations.* Center for Advancement of Philanthropy: Mumbai.
[3] Sampradhaan. (1999). *Directory of Donor Organisations*, Sampradaan Indian Center for Philanthropy:New Delhi.
[4] India Overview. Asia Pacific Philanthropy Consortium. Retrieved from http://www.asiapacificphilanthropy.org/node/19.

Indonesia

Survey Respondents and Principal Authors

Yosephine Dian Indraswari, PACIVIS
Hamid Abidin, Perhimpunan Filantropi Indonesia (PFI)

Background and Overview

Philanthropy is a relatively new term and is not in common usage among Indonesian people. The concept gained some usage during the economic and social crises in the 1990s. Economic crises initiated by political crises in 1998 have increased public concern for helping others by giving funds. This philanthropic trend was then augmented by many natural disasters such as the tsunami and earthquake that occurred in Indonesia. As a result, philanthropies, including organizations such as the Media Philanthropy organization and religious groups such as Lembaga Amil Zakat (LAZ), have been established and successfully raise funds.

Nevertheless, the underlying tenets of philanthropic activity (also known as social generosity) are quite common among Indonesians. The more commonly understood concept of charity is strongly established in the country and has its traditions in local customs and religious values that have been active in Indonesia for centuries. For example, The Javanese and Balinese have a tradition called “Jimpitan” or “Sinoman,” which is collecting a cup of rice for various social organizations and needs. The Sundanese also have a similar tradition named “Parelek”, and in Minang this tradition is called “Julo-Julo”.

The five main religions in Indonesia all have beliefs relating to giving and philanthropy, beliefs that include zakat, infaq, and shadaqah (Islam), kolekte, persepuluhan (Christian), and derma punia (Hindu). Religion is a key motive for people to give, and religious activity will almost certainly remain an area that receives generous charitable support.

More strategic concepts of philanthropy developed rapidly in Indonesia as a result of the economic and political crises in 1998 and the natural and social disasters that occurred simultaneously. These precarious conditions, rather than preventing people from donating, led to an increase in their generosity to others.

There is very little information on institutional giving in Indonesia. The Public Interest Research and Advocacy Center (PIRAC) was established in 1998 and started to do surveys intensively in 2000. Therefore there is almost no data on philanthropy in Indonesia before 2000. PIRAC has conducted surveys and research on household and individual giving. Highlights of this research are provided here to illustrate the importance of giving within the country.

A household survey done by PIRAC in 2007 indicates that the rate of giving in society is very high (99.6%). The rate of giving reported in the 2007 survey is relatively stable, reflecting an insignificant decrease of 0.2% when compared to the 2004 results (99.8%). The high-rate of giving could also be seen in the increase in the number of people that give, and in the amounts given. While the two previous surveys (2000 and 2004) found that only about 16% of the respondents spare their money to be given to others, in 2007 there was a very significant increase (43.7% of the respondents). The amount of money donated also increased from Rp. 663,661 in 2004 to Rp. 767,272 in 2007.

The high-rate of giving has accelerated the rate of fundraising activity in the country. Organizations now hold organized fundraisers in response to natural or social disasters. There has also been a change and modernization of the mechanisms for fundraising. For instance, some social institutions are tapping into the SMS (short message system), Internet, mass media, or other modern communications media to raise funds.

Legal and Tax Policy Environment

Under Soeharto’s New Order Era (1967-1998), tight governmental regulations designed to control the existence and activities of philanthropic institutions stifled their development. For example, the government did not allow philanthropic organizations to engage in advocacy or political activities. These regulations became a serious threat to philanthropic and nonprofit institutions because the government could arbitrarily shut them down for the sake of asserted social or political stability.

On the other hand, the New Order government did not regulate or limit the range of activities in which nonprofit organizations could engage. There was also limited regulation of the business and personal benefits that individuals active in nonprofit institutions could receive. As a result, many founders of non-profit institutions committed misdeeds and personally benefited through their involvement with nonprofit institutions.

In addition, President Soeharto used philanthropic giving for his own interests by soliciting donations to support his own priorities and activities. Presidential Decree Number 92 Year 1996, stipulated that entrepreneurs must share 2% of their after-tax profit in the form of donations to Yayasan Dana Sejahtera Mandiri (YDSM), established through the Presidential Decree Number 90 Year 1995. President Soeharto also issued PP No. 15/1976 that ordered state-owned banks to provide 2% of their profits to Yayasan Supersemar. It was later learned that those funds were not managed transparently and were used to support many commercial projects.

Since the end of the New Order, the tax incentive policy for philanthropic and non-profit institutions has improved. Under the Abdurrahman Wahid administration, the government regulates income tax. The Management of Zakat regulation issued during the B.J. Habibie administration stipulates that (1) zakat is not taxable and (2) zakat reduces taxable income. Through these policies, the government now provides a tax deduction to those who give for social purposes. This regulation is valid for individual taxpayers and for both profit and non-profit institutions.

Currently, tax deductions are limited to donations in five specific sectors: national disaster recovery, research and development, social infrastructure, development of educational facilities, and sports development. Several civil society organizations are advocating for deductions for a broader range of issues and activities.

Obstacles and Challenges

Factor	Not Challenging	Modestly Challenging	Moderately Challenging	Extremely Challenging
Legal environment			x	
Tax environment			x	
Public attitudes towards philanthropy				x
Lack of confidence in public sector			x	

Most philanthropic activities are managed in traditional ways. Individuals, social organizations, and companies tend to give their donations directly to recipient organizations for short-term goals.

Institutional Philanthropy: Models, Assets, and Expenditures

Institutional Models

Type of Institution	Known Number	Principally Grantmaking	Principally Operating	Mixed Grantmaking/ Operating Model	Operating Model is Unknown	Est. in Last Ten Yrs
Independent foundation						
Corporate foundation						
Community foundation						
Host-controlled foundation or fund						
Multi-purpose fundraising foundation/organization						
Government-linked foundation						
Lembaga Pengelola LAZ						
Media Philanthropy organization						
Diaspora Philanthropy Organization						

Assets and Expenditures

Type of Institution	Total Value of Endowments	Total Value of Assets	Grants Given	Operating Expenditures
Independent foundation				
Corporate foundation				
Community foundation				
Host-controlled foundation or fund				
Multi-purpose fundraising foundation/organization				
Government-linked foundation				

Largest Institutions

Name of Institution	Type of Institution	Estimated Total Value of Assets	Estimated Total Value of Grants

Largest Fundraising Foundations

Fundraising Foundation	Annual Contributions (five-year average)

Notes on institutional models, assets, and expenditures

A family foundation is a foundation managed by and named after a family. Most family foundations concentrate in local philanthropic activities by operating charities in their local communities.

The ZIS (Zakat, Infaq, Shadaqah) Management Institution is an institution that raises funds for religious purposes, specifically for Moslem people. In Indonesia, there are two kind of ZIS institutions: BAZ and LAZ. BAZ manages ZIS that is initiated by the government and generally raises funds through a bureaucratic approach. LAZ manages zakat initiated by individuals in society and thus LAZ is considered more professional and accountable than BAZ. LAZ also has used modern methods to raise zakat.

The Media Philanthropy Organization is an organization established and managed by the mass media. The scope of their activities is generally related to disaster relief projects and charity.

The Diaspora Philanthropy Organization is a social organization established by the diasporas to develop their hometowns.

The definition of philanthropic organization refers to a legal entity regulated by the constitution, for example, a foundation, association, mass organization, etc. Recently, PFI introduced the category of philanthropic organizations as grant-making organizations, intermediary organizations and implementing organizations. However, this categorization needs further development because of the lack of data about the number of existing philanthropic organizations in Indonesia.

The categorization of philanthropic institution by the above definitions is not widely understood and is not widely used in Indonesia.

New Zealand

Survey Respondents and Principal Authors

Robyn Scott, Philanthropy New Zealand

Background and Overview

New Zealand is a country with a strong welfare state tradition. Nevertheless, the private philanthropic sector has grown significantly in the last 15 years. The sector is diverse, with organizations ranging from small private family foundations to large statutory grantmakers. A unique characteristic of the philanthropic sector in New Zealand is the mix of both voluntary and statutory trusts – with a prevalence emerging in more recent times (by way of investment value and grantmaking) of statutory trusts. Types of statutory trusts in New Zealand include community trusts, energy trusts, lottery grants board, licensing trusts, and gaming trusts. The community trusts' trustees are appointed by the government, but their decision making is autonomous. They are sufficiently autonomous in the way they allocate their funds and have a high enough level of legal protection to be considered institutionally separate from government. Energy and Gaming Trusts are more autonomous as their trustees are elected (Energy) and self appointed (Gaming), Lottery Grants Board members are appointed by the Minister of Internal Affairs and the Dept. of Internal Affairs manages the grants distribution process and all of the appointments to their various committees. The same applies to energy and gaming trusts. Licensing trusts are very removed from government as their trustees are elected. Gaming Trusts are also far removed from government. Their trustees are appointed by the trusts. Each of these models is described later in this report.

Increased dialogue, particularly in the past three years, has led to many collaborative initiatives that are facilitating a more holistic approach to the promotion of generosity and giving in New Zealand. For example, Philanthropy New Zealand, Volunteering New Zealand and the Office for the Community and Voluntary Sector are spearheading the Generosity Project which explores ways to encourage individuals and businesses to participate in their communities and local community organizations by giving time, money, in-kind donations and acts of kindness. In addition, Philanthropy New Zealand and the Office for the Community and Voluntary Sector have collaborated each year for the past three years to run a series of regional funders' forums around New Zealand to bring together diverse funders.

Legal and Tax Policy Environment

In general terms, the philanthropic sector enjoys a relatively enabling environment with no substantial barriers to establishing or maintaining philanthropic structures. An open relationship exists between the philanthropic sector and government. Foundations do not bear undue accountability burdens placed on them by the state and there is no required minimum payout by foundations mandated by the government. The past five years have been marked by increased collaboration and better understanding between the government and the philanthropic sector.

New Zealand has a newly established Charities Commission whose role is to:

- maintain and monitor a register of charities
- receive annual returns and monitor the activities of charities
- promote public trust in charitable organizations
- provide education and assistance to the charitable sector
- encourage best practice in governance and use of resources
- provide advice on matters relating to charities

A substantial portion of the philanthropic sector that exists in New Zealand is a product of governmental action. During the late 1980s and 1990s, government policies led to the establishment or growth of community trusts, energy trusts, and gaming trusts and a national lottery, profits from which are distributed by Lottery grants Board (though administered by a government department). Currently, approximately 83% of trust and foundation giving comes from statutory trusts mandated by public policy. More recent legislation has removed the cap on rebates for charitable donations for individual, companies and Māori authorities. This means that a rebate of 33% can be claimed back on donations from businesses, Māori Authorities, and individuals up to the limit of one's income. Pre tax payroll giving has recently been passed into law and is currently being implemented. Other issues still being considered to promote generosity include Gift Aid and non monetary donations.

There are no particular tax incentives to establish philanthropic trusts, although, trusts do not pay tax as long as they come within the Charitable Trusts Act definition of charities and meet the IRD requirements for charitable status and/or donee status

The major tax issue for the charitable sector in New Zealand is the taxation of dividends and the so called "imputation credit." Income derived by charities – including interest income – is exempt from income tax under the Income Tax Act 2004. Government policy is clear – charities should not be subject to income tax. The continued taxation of dividends, however, raises questions about the government's commitment to that policy. Taxes on dividends can also have the unintended effect of steering charities away from investments in domestic equities. Philanthropy New Zealand is urging a change in the law that would level the playing field, and a major tax review now underway may address the issue.

Obstacles and Challenges

Factor	Not Challenging	Modestly Challenging	Moderately Challenging	Extremely Challenging
Legal environment	x			
Tax environment	x			
Public attitudes towards philanthropy		x		
Lack of confidence in public sector		x		

The global economic recession has been a major challenge in New Zealand, with some decline in asset values during 2008/2009 now being recouped. There has been a decline in philanthropic funding as a result of the GER, though this has not been universal as not all philanthropic income made available through grants etc. in New Zealand is derived from invested endowments.

Institutional Models

Type of Institution	Known Number	Principally Grantmaking	Principally Operating	Mixed Grantmaking / Operating Model	Operating Model is Unknown	Est. in Last Ten Yrs
Independent foundation						
Corporate foundation						
Community foundation	12	All – but not all grantmaking as yet = some still in development phase				8
Host-controlled foundation or fund	Unknown	Unknown				
Multi-purpose fundraising foundation/organization	Unknown	Unknown				
Government-linked foundation						
Lottery grants board	1	1				Nil
Community trusts	12	12				Nil
Energy trusts	19*	Unknown				
Gaming trusts	49	49				
Licensing trusts	19	Unknown				
Voluntary trusts	Unknown	Unknown	Unknown	Unknown	Unknown	Unknown

Lottery Grants Board and Community Trusts are the models most closely linked to the government through the appointment of Trustees to these institutions and through policy expectations.

Energy trusts, Gaming Trusts and Licensing Trusts are also Statutory Trusts (i.e., mandated through public policy)

Not all Energy Trusts make grants. Many give money back to the community via a rebate or discount on Power Supply.

Operating foundations are rare in New Zealand; most philanthropic trusts make distributions to a third party, though there are a few exceptions.

Assets and Expenditures

Type of Institution	Total Value of Endowments	Total Value of Assets	Grants Given	Operating Expenditures
Independent foundation				
Corporate foundation	Unknown	Unknown	Unknown	Unknown
Community foundation	Unknown	Unknown	Unknown	Unknown
Host-controlled foundation or fund	Unknown	Unknown	Unknown	Unknown
Multi-purpose fundraising foundation/organization	Unknown	Unknown	Unknown	Unknown
Government-linked foundation				
Lottery grants board	N/A*	N/A*	110,937,000	Unknown
Community trusts	Approx. 1.6 billion(2006)	Unknown	111,832,000	Unknown
Energy trusts	N/A*	N/A*	116,304,000	Unknown
Gaming trusts	N/A*	N/A*	272,000,000	Unknown
Licensing trusts			6,360,000	Unknown

* These trusts do not have endowments. They distribute from income generally close to the time of distribution, i.e. earn income then distribute

Largest Institutions*

Name of Institution	Type of Institution	Estimated Total Value of Assets	Estimated Total Value of Grants

Largest Fundraising Foundations

Fundraising Foundation	Annual Contributions (five-year average)

*The specific information requested below is either not known or is collected in a way that cannot be recorded under these headings.

Notes on institutional models, assets, and expenditures

The main types of philanthropic organizations in New Zealand are:

Private trusts and foundations

These include both family and corporate foundations, e.g., Tindall Foundation, JR McKenzie Trust, Vodafone foundation.

Community foundations

Community foundations are the most recent addition to the sector. There are eight community foundations at various stages of development in New Zealand. Most of the community foundations are supported by a family foundation, the Tindall Foundation.

Lottery grants board

The lottery grants board is a national lottery with funds distributed back to the community by way of distribution committees and administered by the Department of Internal Affairs.

Community trusts

Community trusts are twelve trusts that evolved out of the sale of New Zealand's regional trust banks. The trusts remain autonomous although their trustees are government-appointed. Their combined assets now exceed $NZ 2.3 billion. They are regionally located and distribute grants regionally, generally independently of each other.

Energy trusts

Energy trusts resulted from the restructuring of the electric industry. Energy trusts, too, hold significant assets. Their community contributions are more diverse than those of community trusts. For example, some distribute rebates on electricity while others make grants to community organizations.

Gaming trusts

A growing group of organizations, gaming trusts, distribute a proportion of proceeds from commercial gambling to charitable purposes. Gaming trusts now rival community trusts as the largest grant makers.

Licensing trusts

Licensing trusts are non-profit organizations that have the exclusive right to sell liquor in a defined geographic district under the Sale of Liquor Act 1989. Licensing trusts are permitted, under the Act, to distribute profits to local communities for philanthropic purposes.

According to Business and Economic Research Limited (BERL), 83% of philanthropic giving ($821,426,000) comes from statutory foundations and 17% ($124,712,000) comes from voluntary trusts.

Voluntary trusts include philanthropic giving by family or individual trusts, charitable distributions from private trusts administered by trustee companies and from university trust funds. This terminology is used extensively in the research to differentiate between the two MAIN types of philanthropy in New Zealand: voluntary trusts and statutory trusts.

Breakdown of giving by type of trust and foundation (2006)

Type of Trust/Foundation	Percent Giving	Amount of Giving (NZD)
Gaming machine trusts	36%	$272,000,000
Voluntary trusts and foundations	16%	$116,606,000
Energy trusts	16%	$120,877,000
Lottery grants board	15%	$110,937,000
Community trusts	15%	$111,251,000
Other	2%	$15,566,000

To date, research on giving in New Zealand has been relatively incomplete and fragmented. The newly established Charities Commission now collects data which will be effective at enabling more robust analysis of philanthropic giving in the future. Philanthropy New Zealand is presently investigating the possibility of repeating Giving New Zealand in 2011.

Philippines

Survey Respondents and Principal Authors

Norman Joseph Jiao, Association of Foundations

Background and Overview

"Philanthropy in the Philippines traces its roots to the cultural traits and interaction of pre-colonial Filipinos. Formal philanthropy saw its beginnings during the Spanish occupation as the Church directed a share of personal fortunes to its charities – orphanages, schools, hospitals and asylums – usually supported by contributions from the political and economic elite.

One of the few philanthropic organizations created independent of the Church was the Sociedad Economica de los Amigos del Pais. The society sought contributions from Manila's elite and business firms in order to support various economic ventures.

The first Philippine Corporation Law (Republic Act No. 1459) was passed in 1906. It recognized religious corporations, colleges and other educational institutions as non stock corporations and allowed for tax exemptions of donors to non stocks, thus encouraging local private philanthropy.

The government in 1915 created the Public Welfare Board for coordinating philanthropic activities in social services. In 1917, the Associated Charities of Manila was set up to centralize and simplify public fundraising for various charitable institutions and hospitals in the city. Following the Second World War, public rehabilitation organizations were formed to further bolster support for private organizations undertaking philanthropic work. In the 1950s and 60s, private philanthropy gained more prominence as wealthy individuals and corporations began spearheading fundraising activities and campaigns, complementing the work of the Church and government.

In 1958, the Philippine Congress enacted the Science Act (Republic Act No. 2067) that recognized the important contribution of private foundations. Tax deductions were granted to donors of these institutions and the National Science and Development Board was created in order to officially recognize them. By the early 1970s, efforts to coordinate their work resulted in the creation of new organizations like the Philippine Business for Social Progress (catering to development and funded by a number of business groups), the Bishops-Businessmen's Conference on Human Development (a dialogue group between Church and business leaders) and the Association of Foundations (a major alliance of philanthropic institutions in the country)."[10]

The 1987 Philippine Constitution explicitly recognizes the important role of NGOs and other nonprofit organizations (definition includes philanthropic institutions) in nation building. "The State shall encourage non-governmental, community-based, or sectoral organizations that promote the welfare of the nation. The State shall respect the role of independent people's organizations to enable the people to pursue and protect, within the democratic framework, their legitimate and collective interests and aspirations through peaceful and lawful means. The right of the people and their organizations to effective and reasonable participation at all levels of social, political, and economic decision making shall not be abridged. The State shall, by law, facilitate the establishment of adequate consultation mechanisms."

Legal and Tax Policy Environment

In the Philippines, nonprofit status is a necessary consequence of being a non-stock corporation. Non-stock, nonprofit corporations are generally governed by Sections 87 and 88 of the Corporation Code, which set forth the following important rules:

1. No part of the income of non-stock corporations shall be distributed as dividends to their members, trustees or officers.
2. Any profit incidental to their operations shall be used in furtherance of their purpose or purposes.
3. They may be formed or organized for charitable, religious, educational, professional, cultural, recreational, fraternal, literary, scientific, social, civil service, or similar

[10] Asia Pacific Philanthropy Consortium; Country Profiles. Retrieved from http://www.asiapacificphilanthropy.org/node/21.

purposes, like trade, industry, agriculture, and similar associations, or any combination thereof, subject to the special provisions governing particular classes of non-stock corporations such as educational foundations and corporate sole.

Non-stock corporations are exempt from paying certain taxes, as an incentive for their contribution and participation in social development and nation building, which are basically government functions. To gain this status, they must file an application for exemption with the Bureau of Internal Revenue (BIR) or other relevant government agencies. After the Certificate of Exemption has been issued, all donations, contributions, or gifts received from donors, individual or corporate, are exempt from taxes.

Currently, only NPOs registered with the Securities and Exchange Commission (SEC), such as corporate and family foundations; charitable institutions, NGOs, and cooperatives registered with the Cooperative Development Authority (CDA); and labor unions registered with the Department of Labor and Employment (DOLE) enjoy tax benefits and other rights arising from formal registration.

Nonprofit corporations are generally exempt from income taxation on the condition that no part of their net income inures to the benefit of any private stockholder or individual. Any flow of wealth to these organizations, whether in the form of fees, donations, gifts, grants, or contributions, from local and foreign sources, is not taxed as income. This is explicitly provided in Section 30 of the Tax Reform Act of 1997, which provides for the income tax exemption of the following nonprofit corporations:

1. Non-stock corporations or associations organized and operated exclusively for religious, charitable, scientific, athletic, or cultural purposes or for the rehabilitation of veterans, providing no part of their net income or assets belongs to or inures to the benefit of any member, organizer, or officer or any other specific person.
2. Business leagues, chambers of commerce, and boards of trade not organized for profit, providing no part of their net income inures to the benefit of any private stockholder or individual
3. Civic leagues, or organizations not organized for profit but operated exclusively for the promotion of social welfare
4. Non-stock and nonprofit educational institutions
5. Government educational institutions

The Tax Reform Act of 1997 provides reasonable incentives to donors. Contributions made within the taxable year to or for the use of the government of the Philippines or any of its agencies or any political subdivision thereof exclusively for public purposes, or to accredited domestic corporations or associations organized and operated exclusively for religious, charitable, youth and sports development, cultural, or educational purposes or for the rehabilitation of veterans, or to social welfare institutions or to non government organizations are tax deductible. The amount should not be in excess of 10 percent in the case of individuals practicing a profession and 5 percent in the case of a corporation, of the taxpayer's taxable income derived from trade, business, or profession.

The Tax Reform Act of 1997 also paved the way for the recognition of a private accrediting agency in accordance with rules and regulations promulgated by the Secretary of Finance. The Philippine Council for NGO Certification (PCNC) is a private voluntary organization organized by six national NGO networks in partnership with the Department of Finance and the Bureau of Internal Revenue (BIR). PCNC certifies NGOs and non-stock, nonprofit corporations for 'donee' status after a stringent review of their qualifications. The certification then becomes the basis for the BIR to grant 'donee' status to the organizations certified. When local donors provide assistance and/or largess to "donee" institutions, they are given tax incentives i.e., tax exemption from donor's tax and the contribution/donation/gift is tax deductible. In addition to accreditation, PCNC has also served as a mechanism for enabling NGOs to exercise professionalism, transparency and accountability.

Philippine tax laws, however, do not provide incentives for individual giving, particularly the compensation income-earners who represent the bulk of taxpayers in the Philippines. They are not allowed to deduct contributions made to nonprofit organizations from their gross income in computing their income tax.

Obstacles and Challenges

Factor	Not Challenging	Modestly Challenging	Moderately Challenging	Extremely Challenging
Legal environment			x	
Tax environment			x	
Public attitudes towards philanthropy		x		
Lack of confidence in public sector			x	
Lack of organized information				x

Additional obstacles and challenges include:

- Competition for resources
- Professionalization of staff and good governance practices
- Proliferation of NGOs

Institutional Philanthropy: Models, Assets, and Expenditures

Institutional Models

Type of Institution	Known Number	Principally Grantmaking	Principally Operating	Mixed Grantmaking/ Operating Model	Operating Model is Unknown	Est. in Last Ten Yrs
Independent foundation	12	7	2	3		2
Corporate foundation	15	9	3	3		2
Community foundation	1	1				1
Host-controlled foundation or fund						
Multi-purpose fundraising foundation/organization						
Government-linked foundation						1

Assets and Expenditures

Type of Institution	Total Value of Endowments	Total Value of Assets	Grants Given	Operating Expenditures
Independent foundation	$3,784,053	$83,957,452	$3,611,054	$3,226,364
Corporate foundation	$1,459,268	$5,662,396	$7,915,340	$506,784
Community foundation	$226,171	$226,690	$43,656	$46,068
Host-controlled foundation or fund				
Multi-purpose fundraising foundation/organization				
Government-linked Foundation				

Largest Institutions

Name of Institution	Type of Institution	Estimated Total Value of Assets	Estimated Total Value of Grants

Largest Fundraising Foundations

Fundraising Foundation	Annual Contributions (five-year average)

Notes on institutional models, assets, and expenditures

Kindly take note that we only have sufficient data for 28 foundations. However, there are more foundations existing in the country and many of them are members of the Association of Foundations (AF) and the League of Corporate Foundations (LCF). AF is a membership association of 132 grantmaking and operating foundations. LCF is a network of 75 corporate foundations as well as corporations engaged in social development work. Philippine Business for Social Progress (PBSP) is a social development foundation whose 238 member corporations pledge one percent of their net income before taxes for social development.

Singapore

Survey Respondents and Principal Authors

Kwok Shook Yee, National Volunteer & Philanthropy Centre

Background and Overview

In the 1800s, Singapore was an immigrant society in which many residents faced overcrowding, disease and poverty. Immigrants from the same countries and regions helped each other to cope with hardships. Missionaries also provided critical social service assistance in areas of education and health care. Many early philanthropists provided monetary and educational assistance, hospitals, schools and shelters for unwanted babies, orphans and destitute children. In later years, some philanthropists set up grantmaking foundations.

After WWII, the British Military Association was set up as an interim measure to alleviate human hardship. It was later incorporated into the Social Welfare Department to meet the pressing need for emergency relief for war victims, homes and food. In 1958, the Singapore Council of Social Service was established to bring together those organizations active in community service and social welfare.

In 1983, the Community Chest, a centralized fund-raiser, was established to relieve voluntary organizations of fund-raising activities so that they could concentrate on providing better care and services for the needy. In 1992, the Council was restructured to become the National Council of Social Service (NCSS), with the Community Chest as the council's fundraising arm. Funds are also raised by other charities. Besides grantmaking foundations, donors include private sector companies and individuals.

Singapore recognizes that every society has to take care of its people, especially the vulnerable groups. Singapore's balanced approach is based on low taxes, low welfare, self-reliance and philanthropy, where those who have succeeded give back to society.

For the financial year 2007, the total income of the charity sector (including fees for services, donations and government grants) amounted to SGD6 billion. There were 67 large charities with annual income above SGD10 million; they formed less than 5% of the total number of charities. These large charities were mainly tertiary education institutions, health institutions and religious organizations. Together, they accounted for 82% of the SGD6 billion total income of all registered charities. It is not known what portion of the charity sector's income derives from institutional, rather than individual, philanthropy.

Legal and Tax Policy Environment

In Singapore's "many helping hands" approach, the public sector works with the private sector and the third sector to build a better society. The government does this through policies that match donations, government grants and other programs. Among the ministries at the forefront of this work is the Ministry of Community Development, Youth and Sports (MCYS).

Since 2006, the Office of the Commissioner of Charities (COC) works under the MCYS.
The Commissioner of Charities has the general function of maintaining public confidence through:

- promoting effective use of charitable resources
- encouraging development of better methods of administration
- giving charity trustees information on matters affecting the charity
- investigating and checking abuses

There are six Sector Administrators who help the commissioner oversee charities and IPCs (Institutions of Public Character) in their respective sectors. Charities and IPCs that do not fall under these sectors are regulated directly by the commissioner.

Working with the Commissioner of Charities is the Charity Council. The Council was set up to promote and encourage the adoption of good governance and best practices and to enhance public confidence and promote self-regulation in the charity sector. The Council also helps build capabilities of charities and

IPCs to enable them to comply with regulatory requirements and enhance public accountability. In addition, the Council advises the Commissioner of Charities on key regulatory issues such as proposals on new regulations, where there may be broad-ranging impact on charities and IPCs. The Charities Act and regulations made under the Act covers charity registration, reporting and fundraising, among other matters.

The Charity Portal (www.charities.gov.sg) facilitates registration, reporting and fundraising requirements of charities and IPCs. It also provides a resource centre for those who want to know more about charities in Singapore, including those interested in setting up charities and IPCs.

Under the Charities Act, any organization (including grant makers) in Singapore operating for exclusively charitable purposes is required to apply for charity registration with the COC's office within 3 months of the organization's establishment.

Grantmaking itself is not a charitable purpose, but grantmaking for the advancement of specified charitable purposes could be considered charitable.

The COC has worked with the Ministry of Finance, the Monetary Authority of Singapore and the Economic Development Board to develop a more conducive regulatory regime to foster philanthropy. This allows international charitable organizations, grant makers and foreign charitable trusts to be registered as charities more easily.

Grant makers are often founded with private money and do not raise funds from the public, and thus typically differ from charities. Hence, certain regulatory requirements of the Charities Act for "qualifying grant makers" are waived.

The Income Tax Act is a major piece of legislation that affects philanthropy. In Singapore, only IPCs are authorized to receive tax-deductible donations. IPCs are made up of mainly charities and some other institutions such as sports associations. As of December 31, 2008, there were over 500 approved IPCs, mostly in the social service sector.

The tax deductible on donations in 2008 was two times the amount donated. This tax deduction was increased to 2.5 times for donations made in 2009, so as to encourage greater charitable giving amidst the economic crisis.

To qualify for tax exemption on income, grant makers usually establish themselves under the existing instruments for constituting charities, such as a company limited by guarantee, a trust under a trust deed or as a society.

To grow Singapore as a philanthropy hub, automatic tax exemption is now available for all registered charities, including grant makers with funds that are being managed from Singapore. To further the broad based tax exemption for charities, non-profit organizations that are not charities that use Singapore as a base to carry out regional and global activities will also be eligible for a tax incentive.

Obstacles and Challenges

Factor	Not Challenging	Modestly Challenging	Moderately Challenging	Extremely Challenging
Legal environment				
Tax environment				
Public attitudes towards philanthropy				
Lack of confidence in public sector				

Additional obstacles and challenges include:

Economic downturn

Philanthropy has grown over the years, but due to the global economic downturn the expectation is that individual, corporate and other grantmaking will be affected due to declines in profitability and investment returns.

There are also those who feel there are no poor people in Singapore and choose to donate elsewhere. As Singapore ages and the wage gap grows, the need for philanthropy will also grow.

Confidence in charities

According to a 2006 survey by the National Volunteer & Philanthropy Centre, controversies surrounding some high-profile charities have lowered public confidence in charities.

Before notable public controversies, 55% of respondents reported above moderate to complete confidence in charities. After the controversies, the percentage of such respondents dropped to 28%. A 2008 survey found that public confidence in charities had risen; 40% of respondents had "above moderate to complete confidence" in charities, up from 28% in the 2006 survey.

Non-program expenses

Another challenge is the willingness of donors to fund non-program expenses. Improvements in governance, accountability and transparency, and volunteer and donor management in charities may require increased spending in these areas. And as societal needs become more complex, the need for charities to deal with such complexities also grows.

Institutional Philanthropy: Models, Assets, and Expenditures

Institutional Models

Type of Institution	Known Number	Principally Grantmaking	Principally Operating	Mixed Grantmaking/ Operating Model	Operating Model is Unknown	Est. in Last Ten Yrs
Independent foundation						
Corporate foundation						
Community foundation						
Host-controlled foundation or fund						
Multi-purpose fundraising foundation/organization						
Government-linked foundation						

Assets and Expenditures

Type of Institution	Total Value of Endowments	Total Value of Assets	Grants Given	Operating Expenditures
Independent foundation				
Corporate foundation				
Community foundation				
Host-controlled foundation or fund				
Multi-purpose fundraising foundation/organization				
Government-linked foundation				

Largest Institutions

Name of Institution	Type of Institution	Estimated Total Value of Assets	Estimated Total Value of Grants

Largest Fundraising Foundations

Fundraising Foundation	Annual Contributions (five-year average)

Notes on institutional models, assets, and expenditures

Information on philanthropic institutions in Singapore is very limited and difficult to obtain.

South Korea

Survey Respondents and Principal Authors

Kyung-In Choi, The Beautiful Foundation

Background and Overview

Korea has a tradition of giving, "dure," that originates from shared labor during harvest time. During the Japanese colonial period and the Korean War, the country's main focus was economic rehabilitation, and social responsibility became less important. At the same time, social welfare was thought to be the government's responsibility, so there was limited private activity to address gaps in government services.

The economic crisis that started in Korea in 1997 changed perspectives on social welfare. As a result, the government is no longer viewed as solely responsible for social welfare. It is generally understood that the government cannot fully or efficiently provide goods and services to meet the growing and sophisticated needs of its people. The human hardship caused by the economic situation led more people to think about helping others.

Since the late 1990s, giving in Korea, especially individual giving, has gradually increased. In 2007, institutional giving (comprised of independent foundations and corporate foundations) represented about 40% of giving, while individual giving comprised 60%. Due to the economic slowdown in 2008, the number of individuals providing donations has declined; however, the total amount of giving and volunteering has increased. Furthermore, it appears that more people are participating in giving from a sense of social responsibility rather than out of sympathy. High net-worth giving and sustainable giving, which is regular frequency giving such as monthly giving rather than a one time donation, are two main improvement areas.

There is a growing consensus among South Korean companies that corporate social responsibility is a critical element, not only in the sustainable growth of a business but also in the development of the community. However, much corporate philanthropy still suffers from being ostentatious, charity-driven, and focused on one-off gifts.

Legal and Tax Policy Environment

In March 2006, the Korean legislature amended the Act on the Regulation of Donations Collection. The original Act allowed excessive governmental intervention and control, such as a donation approval system and unrealistic restrictions on fundraising. The amendment lessened the control and oversight, and since then government policy has slowly improved the environment for giving.

The amended Act on the Collection and Use of Donations in 2009 can be seen as a turning point in the philanthropic policy environment, establishing a more transparent culture of giving. The amended law changed the approval system to a reporting system, simplified the donation process, limited governmental intervention and control, increased the donation ratio to 15%, imposed disclosure requirements and a financial audit to ensure the transparency of fund raising organizations, and allowed a tax deduction period of 3 years to 5 years.

Some problems remain. The law categorizes donations into statutory, special, and designated donations depending on whether the donor is private or corporate and the degree of public interest in the fund-raising organization. Each category has different deductible limits for donations even if they serve similar functions. In general, the tax system is overly complicated, confusing donors and increasing an organization's management costs. It is also not decisive enough in abolishing or modifying regulations on collection; thus only a limited number of organizations can accept donations. Furthermore, it limits the variety and creativity of the fund raising organization's activity by demanding criminal punishment of its violation, even though the system does not meet the international standard or the realistic needs for fundraising.

In Korea, donors are approved for an income deduction and receive tax deductions according to the Corporate Tax Act and Income Tax Act. Fundraising organizations are exempt from inheritance and donation taxes. The two categories of organizations eligible for tax exemptions are: (1) organizations that don't need authorization because they are stipulated in the law, such as social welfare organizations, schools, academic research organizations, and culture and art organizations; and (2) organizations that need to go through an authorization process, such as non-profit corporations and organizations defined by the civil law whose donors can only receive tax deductions when designated by the minister of strategy and finance. For example, the approved income deductible limits are 100% of earning for statutory donations, 50% for special donations, and 15% for designated donations.

Recently, the tax law is leaning towards using ex-post (after the fact) regulations to establish a culture of giving and to ensure organization transparency. Ex-post regulations address competition within the market and work to stop conduct that is harmful to the social good using a range of enforcement tools, including fines, injunctions or bans. The recent tax law changes have also increased the deduction limit (to 20% of earnings from 2010) of private designated donations; extended the object of deduction to donations made by a spouse and lineal descendants; provided a support for charitable trust, gave tax exemptions for the earnings from public interest funds; and eased the limit on stock holdings for transparent public interest organizations.

All public interest entities, with the exception of religious entities, must open an account for exclusive use and organizations with over US$1 billion in assets must establish a tax verification system by an outside expert. Tax verifications systems consist of an external audit for public interest entities with total assets of US$100 billion won, except for religious bodies and schools. In addition, the National Tax Service website publishes the settlement of accounts of public interest organizations.

Obstacles and Challenges

Factor	Not Challenging	Modestly Challenging	Moderately Challenging	Extremely Challenging
Legal environment				
Tax environment				
Public attitudes towards philanthropy				
Lack of confidence in public sector				

The current law on donation is too complicated for average citizens to understand. It is not logical or fair to differentiate the privileges for donors based on the category of organizations and type of donations. The current system hinders creating a culture of giving, promoting transparency, and diversifying the method of donation in many ways. Examples include; restrictions on stock donation to public interest organizations[11]; the question of fairness on the difference of tax burden between a one-time large contribution and a regular donation; exclusion of donations from the use of simplified process for the year-end settlement; public notice system of reporting on the settlement of accounts and exemption from the duty of opening an exclusive account for religious juristic person; and unrealistic limits for donation amounts and criminal punishment for violation.

Full transparency remains an obstacle. Recently the law was amended, improving the disclosure of information on donation use; however, the system still does not ensure the disclosure of specific information to the level of donors' satisfaction.

[11] Gift Tax Act prohibits acquiring more than 10% of domestic stocks when contributing for public interest business and in case of violation a gift tax for the contribution amount is levied.

Institutional Philanthropy: Models, Assets, and Expenditures

Institutional Models*

Type of Institution	Known Number	Principally Grantmaking	Principally Operating	Mixed Grantmaking/ Operating Model	Operating Model is Unknown	Est. in Last Ten Yrs
Independent foundation						
Corporate foundation						
Community foundation						
Host-controlled foundation or fund						
Multi-purpose fundraising foundation/organization						
Government-linked foundation						

* South Korea has all of the types of institutions listed in the table; however, the survey respondents could not identify a report indicating the exact numbers of each.

Assets and Expenditures

Type of Institution	Total Value of Endowments	Total Value of Assets	Grants Given	Operating Expenditures
Independent foundation				
Corporate foundation				
Community foundation				
Host-controlled foundation or fund				
Multi-purpose fundraising foundation/organization				
Government-linked foundation				

Largest Institutions

Name of Institution	Type of Institution	Estimated Total Value of Assets ($, $1=1,300)	Estimated Total Value of Grants ($, $1=1,300)
Baedal Educational Foundation			
Community Chest of Korea	Community Foundation	331,800,000	290,100,000
Good Neighbors			
Heavichi Foundation			
Inchon Credit Guarantee Foundation	Government Linked Institution	491,418,289	20,494,769
KAIST	Education Institution	432,198,039	19,454,429
Korea Aerospace Research Institute	Government Linked Institution	505,744,472	20,973,732
Korea Polytechnics	Education Institution	613,804,019	32,594,600
Korean Energy Management Corporation	Government Linked Institution	3,622,367,855	207,866,082
Kreran Red Cross (Korea)	Government Linked	452,526,011	19,812,500

	Institution		
Posco TJ Park Foundation			
Samsung Foundation of Culture	Corporate Foundation	427,490,273	19,280,415
Samsung Life Public Welfare Foundation	Corporate Foundation	1,082,256,257	54,328,781
Seoul National University Hospital	Medication Institution	646,885,241	52,142,902
The Beautiful Foundation		17,401,258,074	12,965,816,270
The Korean Committee for UNICEF			
The Samsung Equal Opportunity Scholarship Foundation	Corporate Foundation	589,950,735	23,076,928
World Vision Korea			
Youngmoon Foundation			

Largest Fundraising Foundations

Fundraising Foundation	Annual Contributions (five-year average)

Notes on institutional models, assets, and expenditures

The government linked foundations are funded by citizens and corporations. South Korea has a special tax benefit for government linked foundations to help cultivate a culture of giving. Donors receive a greater tax deduction when they donate to government linked foundations.

Thailand

Survey Respondents and Principal Authors

Sukich Udindu, Philanthropist & CSR Consultant
Benjamas Siripatra, Local Development Foundation

Background and Overview

Thailand is a country of caring and sharing, and Thai people have a long culture of giving based on Buddhist philosophy. For centuries, Thai people with more resources have helped disadvantaged people and families in their communities. People are first concerned with the welfare of their families, but they also contribute to their religion through food donations to monks, building and renovation of temples and other religious activities. In addition to donations of money, voluntary service is also practiced.

Organized philanthropy dates back hundreds of years in Thailand, although little documentation exists to describe or analyze it. In the advent of WWII, members of the upper class, who were educated abroad, began fundraising efforts to support war victims, underprivileged people and other charitable causes as well as directly volunteering in hospitals and orphanages. Decades later, this elite stratum of society also began to link to international organizations serving the underprivileged, such as the Red Cross and the United Nations. Subsequently, they pioneered the establishment of Thai charitable foundations and, later, local branches of international foundations and humanitarian organizations. The Thai Red Cross was established with support from the Royal Family and other similar organizations have been established in Thailand.

After WWII and the Indo China War, several international aid agencies established local offices in Thailand and brought in international donations and grants to help war victims, and later to support broader development efforts. Several local NGOs and foundations were also established at this time. The local foundations are generally operating organizations funded by overseas development agencies, international organizations, and local governments. In addition, there are a small number of family foundations that tend to assist vulnerable children with educational scholarships. In addition, there is foundations associated with the Royal Family that focus on rural development, ending poverty, and promoting self sufficiency.

Ten years ago, when the Thai economy was at its peak and before the Asian financial crisis, much of the official development aid stopped. Several of the private international organizations, and some multilateral aid groups, established local foundations/organizations to raise local funds to advance their mission and goals. For example, Unicef established a local office to raise local funding to help Thai children. World Vision registered a local foundation call “Suppa Nimit” (Positive Vision), to work locally and in close alliance with World Vision International. Care International, similarly, transformed their international branch into a locally registered NGO/foundation, Raks Thai Foundation (translated as “Care for Thai”).

The last ten years have seen a plethora of new philanthropic organizations emerging. Community foundations, family foundations, corporate foundations, social enterprises, community enterprises, national development funds, and political foundations have all been established. In large part, these institutions have been to address the repercussions of the current financial crisis. Other motivations have also contributed to this emerging philanthropic sector. The Royal Family related foundations -- inspired and motivated by our Majesty the King and long dedicated to rural development and helping those in need -- have strengthened and expanded their efforts. The emergence of community foundations has been driven by local community leaders, new visionary NGOs and the global community foundation movement with external funding. Corporate foundation and social enterprise has been driven by corporate philanthropy leaders, the corporate social responsibility (CSR) movement, and government policy on tax.

A notable illustration of the growth of Thai philanthropy comes from the recently released Forbes Asia article on 48 Heroes of Philanthropy in Asia. The heroes include four Thai: Dhanin Cheravanont, Chairman of The CP Group; William Heinecke, Founder and CEO of the Minor Group, hotel and restaurant company; Vikrom Kromadit, Chairman of industrial estate developer Amarta; and Charoen Sirivadhanabhakdi, Thai Bev and TCC Group Chair.

Corporate Social Responsibility (CSR), which aims to bring together the business sector, government agencies, and civil society for charity and development is also a growing trend. While the term is new in Thailand, the Thai business sector has long exhibited what might be called philanthropy or volunteer spirit. This giving tendency is becoming more organized and strategic. Increasingly, corporations are not just donating money, but looking more broadly at their business standards, code of conduct, and business behavior that impacts on both humanity and the planet. The motivation for CSR is multi-faceted, including policy, CSR activism, media coverage, and companies themselves. In addition to individual corporate levels, there are collaborative efforts emerging, seeking greater impact. For example, there is a SVN (Social Venture Network) through which business people get together to promote sustainability, human rights, poverty reduction, sound environmental practices, and CSR. The Stock Exchange of Thailand (SET) is the first stock market in the region that has a CSR Club. The CSR Club was established in 2009 by 27 founders from leading corporations in SET and it now has more than 500 corporate members. The club promotes a healthy environment, education, economic sustainability, volunteer spirit, and CSR standards.

The government, together with philanthropists, business people, and civil society advocates has established the National Center for Giving and Volunteering (NCGV) to promote a new philanthropic movement in Thailand. In 2007, the Thai government announced that "giving and volunteering is the national agenda."

Legal and Tax Policy Environment

The legal environment for philanthropy is quite conservative and has not kept pace with the emergence of new philanthropic models and practices. The vast majority of philanthropy in the past consisted of donations to the temple and religion. With the advent of new forms of philanthropic organization like charitable foundations, family foundation, corporate foundation, association, people network, social enterprise, etc., the government needs to consider new legal and tax policy.

The current legal and tax policy focuses primarily on monitoring and controlling. This reflects the lack of transparency and self regulation within the charitable sector including watch dog agencies, measurement and rating systems, inefficient public communication and information disclosure. Most charitable organizations are run by volunteers rather than professionals. with understandable consequences for financial performance and reporting.

Improvements are needed in both self-regulation and monitoring within individual organizations and within the nonprofit sector, as well as policy level reforms.

There are several current study groups and workshops that are trying to shift the policy environment from one that is controlling to one that is supporting. In 2007, it was the policy debate at the ministry of Social Development and Human Security and the Ministry of Finance. It will be on going process, with particular uncertainty in the current political situation.

The government supports the charitable sector with tax policy. Corporate tax deductions (2% of their margin) encourage companies to donate to charitable organizations. Donations to schools, sports and temple charitable programs are supported by the government with tax deductions up to 200%. Individuals can claim tax deductions for charitable contributions on their annual tax returns, however this deduction is underutilized. The Charitable Act was designed to control charitable organizations, rather than encouraging and supporting them. There are currently plans to consider revisions to The Charitable Act.

There are ten thousands of charitable and development organizations but only a hundred have been issued charitable organization status. This limits the fundraising opportunities for the
new, small, and unregistered organizations.

International organizations are allowed to accept grants internationally but are not allowed to fundraise locally, however most of them have established local fundraising departments that are allowed to pursue local donations.

Endowments are only allowed to be invested in bank accounts. Endowments cannot be invested in the stock market or in other assets.

Obstacles and Challenges

Factor	Not Challenging	Modestly Challenging	Moderately Challenging	Extremely Challenging
Legal environment			x	
Tax environment		x		
Public attitudes towards philanthropy				x
Lack of confidence in public sector				x
Other				
Quality of NGOs (competency, transparency, accountability)				x
Leadership in the sector				x
Non profit sector in global financial crisis situation				x
Nonprofit sector for digital age/new generation				x

Additional obstacles and challenges include:

The non-profit and charitable sector in Thailand has been very slow to adjust to global advances, especially as it relates to the digital age.

Institutional Philanthropy: Models, Assets, and Expenditures

Institutional Models

Type of Institution	Known Number	Principally Grantmaking	Principally Operating	Mixed Grantmaking/ Operating Model	Operating Model is Unknown	Est. in Last Ten Yrs
Independent foundation	>80,000					
Corporate foundation	<1,000					
Community foundation	>10					
Host-controlled foundation or fund						
Multi-purpose fundraising foundation/organization	>100					
Government-linked foundation	>100					
Social Enterprise	There are a couple of them and still growing					

Assets and Expenditures

Type of Institution	Total Value of Endowments	Total Value of Assets	Grants Given	Operating Expenditures
Independent foundation				
Corporate foundation				
Community foundation				
Host-controlled foundation or fund				
Multi-purpose fundraising foundation/organization				
Government-linked foundation				

Largest Institutions

Name of Institution	Type of Institution	Estimated Total Value of Assets	Estimated Total Value of Grants

Largest Fundraising Foundations

Fundraising Foundation	Annual Contributions (five-year average)

Notes on institutional models, assets, and expenditures

Social Enterprise is a new form of social organization that performs like business and focuses on creating profit, however their mission is to solve social problems and the profit must be reinvested to support the social mission rather than to benefit of the owner.

Europe

Germany

Survey Respondents and Principal Authors

Dr. Hans Feisch, Bundesverband Deutscher Stiftungen

Background and Overview

Foundations have become an increasingly important part of Germany's liberal and democratic civil society, and the philosophy of private donor activity and the work of foundations, as well as civil engagement as a whole, continues to take on greater significance. German citizens' engagement in and with foundations makes an active contribution towards reinforcing democracy, and in this way society's functions are increasingly initiated and sustained by foundations. In 2009, 914 new foundations were set up in Germany, as compared to an average of 130 foundations a year in the 1980s. Currently there are 17,372 foundations incorporated under private law in Germany working in a range of thematic areas, not including the many dependent foundations, associations, limited liability companies and public law foundations that exist. The 207 (certified) community foundations that have been established in Germany since 1996 have made an especially definitive contribution towards the popularization of the foundation movement by fostering a collective spirit that has enabled the engagement of funds, time, and ideas for local communities.

Legal and Tax Policy Environment

The core of Germany's non-profit law and foundation civil law was reformed in both 2002 and 2007. The extensive growth in private assets, reinvigoration of civil engagement, and the connected extensive public discussion about the purpose and value of foundations has led to an increase in the number of foundations being established. In addition to private donors, enterprises, associations, organizations and regional corporations are emerging as donors.

Foundations incorporated under private law allow the founder to fulfill a chosen purpose on a lasting basis. Incorporated foundations are then placed under government supervision, which ensures that the foundation can exist in perpetuity and that it complies with the foundation's purpose as outlined in the statutes. Acceptance of foundation statutes is only granted by the supervisory authorities if the foundation has sufficient assets; once accepted neither the foundation nor third parties can change the statutes or disband the foundation. The foundation's capital must also be permanently safeguarded; only asset revenues, donations, and other income can be used to achieve the foundation's purpose.

While this legal policy benefits foundations by providing supervision, helping ensure longevity, and providing tax privileges, it also results in increased administrative burden by requiring detailed reports and financial accounts. It also provides that certain decisions cannot be made without the involvement of the supervisory authorities

In Germany, contributions made to nonprofit organizations can be claimed as a tax deduction. As of September 2007, the fiscal framework improved significantly with the passage of a law to further strengthen community engagement. Donations of up to 20% of the grantor's total income, which are used to support tax-privileged purposes of a non-profit foundation, can be deducted as an extraordinary expense. Donations to the capital of a non-profit foundation are tax-deductible up to a total value of one million Euros in the year of donation and the following nine years.

Obstacles and Challenges

Factor	Not Challenging	Modestly Challenging	Moderately Challenging	Extremely Challenging
Legal environment		*		
Tax environment			*	
Public attitudes towards philanthropy		*		
Lack of confidence in public sector	*			

While the tax environment remains a moderate challenge to the growth and practice of institutional philanthropy in Germany, the most recent reform of the non-profit and donation law in 2007 considerably increased the tax incentives for non-profit donor engagement. The Association for German Foundations played a key role in the reforms, and the improved legal setting also enabled them to campaign for an improvement in quality standards and transparency. New challenges include European Community Law on the structuring of national non-profit and donation law. The Association is campaigning for the retention of the extraversion of German non-profit law; however, it will be important to ensure that the integration of foreign organizations within the scope of national law does not lead to a drop in quality standards. Furthermore, opening national non-profit laws for review and modification, as demanded by European law, should not serve as a subterfuge for the axing of tax privileges.

Institutional Philanthropy: Models, Assets, and Expenditures

Institutional Models

Type of Institution	Known Number	Principally Grantmaking	Principally Operating	Mixed Grantmaking/ Operating Model	Operating Model is Unknown	Est. in Last Ten Yrs
Independent foundation	17,372	5,415	1,642	1,815	8,500	8,767
Corporate foundation	1,500					
Community foundation	207			207		195
Host-controlled foundation or fund	3,074	1,328	263	178	1,305	1,045
Multi-purpose fundraising foundation/organization						
Government-linked foundation	890	244	321	156	169	170

Assets and Expenditures

Type of Institution	Total Value of Endowments	Total Value of Assets	Grants Given	Operating Expenditures
Independent foundation	€100 B		€2.5 B	€21 B
Corporate foundation				
Community foundation (certified)	140 M			
Host-controlled foundation or fund				
Multi-purpose fundraising foundation/organization				
Government-linked foundation				

Largest Institutions

Name of Institution	Type of Institution	Estimated Total Value of Assets*	Estimated Total Value of Grants*
Robert Bosch Stiftung gGmbH	Non Profit Limited Company	5.251.343.000	81.290.000
Dietmar-Hopp-Stiftung gGmbH	Non Profit Limited Company	2.900.000.000	27.000.000
Else Kröner-Fresenius-Stiftung	Independent Foundation	2.050.000.000	
Baden-Württemberg Stiftung gGmbH	Non Profit Limited Company	2.225.546.000	46.280.000
VolkswagenStiftung	Independent Foundation	2.361.412.000	116.361.000**
Deutsche Bundesstiftung Umwelt	Independent foundation	1.836.800.000	58.583.000
Klaus Tschira Stiftung gGmbH	Non Profit Limited Company	1.877.712.218	
Software AG-Stiftung	Independent Foundation	1.000.860.000	22.907.000
Joachim Herz Stiftung	Independent Foundation	1.000.000.000	
Gemeinnützige Hertie-Stiftung	Independent Foundation	799.964.000	21.456.000
ZEIT-Stiftung Ebelin und Gerd Bucerius	Independent Foundation	725.588.000	24.566.000
Bertelsmann Stiftung	Independent Foundation	618.998.000	62.900.000
Körber Stiftung	Independent Foundation	510.000.000	
Siemens Stiftung	Independent Foundation	401.026.000	
Alexander von Humboldt-Stiftung	Independent Foundation		74.967.000
Studienstiftung des deutschen Volkes e. V.	Incorporated Society		59.075.000
Stiftung Warentest	Independent Foundation		48.046.000
Alfried Krupp von Bohlen und Halbach-Stiftung	Independent Foundation	1.043.800.000	21.200.000
Deutsche Stiftung Denkmalschutz	Independent Foundation		38.000.000**
Stiftung Mercator	Independent Foundation		24.500.000**
Umweltstiftung WWF-Deutschland	Independent Foundation		41.093.000

* From 2009
** From 2008

Largest Fundraising Foundations

Fundraising Foundation	Annual Contributions (five-year average)

Notes on institutional models, assets, and expenditures

Trust funds are not subject to supervision by the state foundation authorities. Therefore, a conclusive list of all existing trust funds in Germany is not available.

According to various estimates, the number of trust funds is double that of incorporated foundations.

Poland

Survey Respondents and Principal Authors

Iwona Olkowicz, Academy for the Development of Philanthropy in Poland

Background and Overview

The history of philanthropy in Poland dates back to the XII century. Before the Second World War foundations existed, specified for local needs. After the War, rebuilding the traditions of philanthropy was needed, but was only possible after the transformation of Eastern Europe in 1989. Between 1945 and 1989, the church was the only charitable institution in Poland.

In present day Poland there are over 50,000 NGOs. Campaigns to promote corporate and industrial philanthropy, and the actions of the private media, who in most cases have their own foundations, have helped to promote the culture of giving in Poland in the last decade.

The voluntary movement is growing, as is the community foundation concept and the number of corporate foundations in existence. Today there are 20 community foundations in Poland, with approximately 20 more in the process of emerging, and approximately 50 corporate foundations; however, information on institutional philanthropy in Poland is not readily available. Because the survey addressed the broad picture of institutional philanthropy in Poland, and not just community foundations, the respondent was unable to complete much of the survey.

Legal and Tax Policy Environment

Non-governmental organizations were first defined under Polish law in 2003 when the Law on Public Benefit Activity and Volunteering came into effect. Article 3.2 of this law defines non-governmental organizations as non-profit legal persons or units created under law, and specifically excludes units of the public sector. The law adopts a broad definition of nongovernmental organizations, and includes associations and foundations, as well as other entities such as trade unions and economic or professional associations. There is no distinction made between foundations and associations; all have the same rights and privileges. When considering all of these types as NGOs, the third sector comprises close to 109,000 registered units.

Polish law provides some tax privileges for NGOs and individual and corporate donors. Regulations concerning tax deductions have changed twice in recent years. In 2003 the maximum deduction amount was reduced to 350 zloty per year (about 120 USD), but in 2004 new regulations were introduced so that individual donors are entitled to make tax deductions of up to 6% of their annual income. These regulations also offered tax exemptions for community foundations investing their endowment funds, liberalizing the possibility of investing financial resources. In 2004, a new mechanism was also established by the government, which allows individuals to donate 1% of personal income tax to organizations of public benefit. The majority of community foundations have the status of public benefit (in Polish OPP), and it is not difficult to attain. The 1% mechanism has made Polish tax payers more familiar with philanthropic actions, and community foundations are hopeful that this new regulation will positively influence their income received from individuals.

Obstacles and Challenges

Factor	Not Challenging	Modestly Challenging	Moderately Challenging	Extremely Challenging
Legal environment			3	
Tax environment			2	
Public attitudes towards philanthropy				1
Lack of confidence in public sector				

The public attitude towards philanthropy is the most important, as well as most challenging, obstacle to the growth and practice of institutional philanthropy in Poland. It is essential for citizens to regard institutional philanthropy as an important part of their everyday lives, and for institutions to encourage people to join in philanthropic activities not only periodically, but regularly. This shift in public attitudes towards philanthropy will also help lead to the improvement of issues connected with the legal and tax environment

In a report from the Klon/Jawor organization, the most frequently reported problem was difficulty in obtaining funds – 77.3% of the NGOs reporting said they experienced it on a daily basis. The second most frequently reported problem (53.8%) was a lack of volunteers for the organization.

Institutional Philanthropy: Models, Assets, and Expenditures

Institutional Models

Type of Institution	Known Number	Principally Grantmaking	Principally Operating	Mixed Grantmaking/ Operating Model	Operating Model is Unknown	Est. in Last Ten Yrs
Independent foundation	67,343					
Corporate foundation	50			50		~40
Community foundation	30			30		~20
Host-controlled foundation or fund						
Multi-purpose fundraising foundation/organization						
Government-linked foundation	52 (2006)					
Voluntary Fire Service	15,000					

Assets and Expenditures

Type of Institution	Total Value of Endowments	Total Value of Assets	Grants Given	Operating Expenditures
Independent foundation				
Corporate foundation				
Community foundation	6 million PLN*	6 million PLN	11,800,000 PLN	
Host-controlled foundation or fund				
Multi-purpose fundraising foundation/organization				
Government-linked foundation				

* This is the total amount of grants given by CFs from their beginning. In 2009 it was approximately 1,500,000 PLN

Largest Institutions

Name of Institution	Type of Institution	Estimated Total Value of Assets	Estimated Total Value of Grants

Largest Fundraising Foundations

Fundraising Foundation	Annual Contributions (five-year average)
The Great Orchestra of Christmas Charity	30-40 million PLN

Notes on institutional models, assets, and expenditures

The survey response included little information on the models, scope, assets and expenditures of philanthropic institutions in Poland.

There are two general types of independent NGOs in Poland: associations and foundations. There is no specification between types, they do not differ in activities, and each has the same rights and privileges. In 2008 there were 58,237 known associations and 9,106 foundations.

The survey response does not include specific information about the number of institutions established in Poland in the last ten years, but there is information on the average growth of philanthropic organizations per year. A 2006 report by the Klon/Jawor organization found that an average of 4,000 associations and 500 foundations are being established each year.

There is no specific information on philanthropic capital provided in the survey response; however 2004 research from Klon/Jawor was provided about the financial situation of the third sector. Half of NGO revenues did not exceed 13,000 zlotys in 2003, which is less than in 2001, when half of the organizations had revenues greater than 19,000 zloty. Slightly over 20% of the organizations have some kind of financial reserve.

There is no specific data on the top institutions with respect to the total value of grants given. The only information provided in the survey response is the amount of grants given in total by 15 Donor's Forum members, or 101.500.000 PLN.

The Great Orchestra of Christmas Charity campaign was first conducted eighteen years ago. The Orchestra unites thousands of volunteers each year, and through street money collection, charity auctions, and events gives around 30-40 million zlotys for seriously ill children in Polish hospitals each year.

Russia

Survey Respondents and Principal Authors

Maria Chertok, CAF Russia

Background and Overview

Only limited information was available for this survey

Legal and Tax Policy Environment

Obstacles and Challenges

Factor	Not Challenging	Modestly Challenging	Moderately Challenging	Extremely Challenging
Legal environment			3	
Tax environment			2	
Public attitudes towards philanthropy			4	
Lack of confidence in public sector			5	

Institutional Philanthropy: Models, Assets, and Expenditures

Institutional Models

Type of Institution	Known Number	Principally Grantmaking	Principally Operating	Mixed Grantmaking/ Operating Model	Operating Model is Unknown	Est. in Last Ten Yrs
Independent foundation	50		50%	50%		All
Corporate foundation	10		50%	50%		All
Community foundation	40		50%	50%		All
Host-controlled foundation or fund						
Multi-purpose fundraising foundation/organization	Many					80%
Government-linked foundation	Many		50%	50%		All
Fundraising charities	Many					

Assets and Expenditures

Type of Institution	Total Value of Endowments	Total Value of Assets	Grants Given	Operating Expenditures
Independent foundation	$200 M			
Corporate foundation				
Community foundation	$1.5 M			
Host-controlled foundation or fund				
Multi-purpose fundraising foundation/organization				
Government-linked foundation				

Largest Institutions

Name of Institution	Type of Institution	Estimated Total Value of Assets	Estimated Total Value of Grants
Potanin Foundation	Independent foundation	$100 M	
Dynasty Foundation	Independent foundation		
Togliatti Foundation	Community	$1 M	
President's grants distributed via a number of intermediaries	Government		
Ford Foundation	Independent foundation		$10 M
MacArthur	Independent foundation		$10 M
CAF Russia	Multi-purpose		$8 M

Largest Fundraising Foundations

Fundraising Foundation	Annual Contributions (five-year average)
CAF Russia	$8 M
New Eurasia	
United Way Russia	$300,000

Slovakia

Survey Respondents and Principal Authors

Lenka Ilanovska, Slovak Donors´ Forum
Katarina Minarova, Association of Slovak Community Foundations
Boris Strečanský, Center for Philanthropy

Background and Overview

Philanthropy in Slovakia is shaped by both the deep cultural traditions of Central Europe and the changing role of the state in the 20th century.

The non-profit sector was active in Slovakia in the 19th century, and the country saw both classic church charity and monetary collections for those in need, as well as enlightened philanthropists who carried out their giving as investments in the community. With the arrival of the socialistic regime, however, charities and civic organizations were closed, gatherings of citizens prohibited, and private property nationalized.

In 1989, after the Velvet Revolution, the non-profit sector was revived and started introducing "new words" and new concepts into life and the vocabulary. Terms such as philanthropy, community, public giving, endowment, and sustainability had not been used in the Slovak language before. Ever since, people have become much more familiar with the language of philanthropy, and however passive and negative, are responding more than before.

Slovakia's lack of philanthropic tradition partly stems from the absence of a Slovak aristocracy and business elite in the 19th and 20th century. This contributed to a lack of continuity to build on philanthropic efforts and rejuvenate traditions of giving. This presents a real issue, as people are still accustomed to national and local government taking care of their needs. However, non-profits are trying to promote improvements in the communities that have been brought about by volunteers and activists and funded by donors, to help to explain and increase understanding of how every citizen can take a part in building a better community.

Slovakia is a very centralized country, suffering from high unemployment rates, non-transparent red tape systems, large state administrative machinery, and growing disparities in the economies in individual regions. The peasant and rural nature of Slovakia's population is conservative in its selection of issues and in its political and social attitudes. Public attitudes towards giving have improved, but it is still going to take years to establish the notion of giving as an inherent part of people's mentality. Beyond the economic weaknesses in a large part of the country, it is the public's mindset that represents the real obstacle to giving.

The cultural traditions relevant to a phenomenon of philanthropy in Slovakia draw upon the prevailing Christian catholic inclination, which in the philanthropic context means an inclination to supporting the poor. In general, people in Slovakia associate giving with religious charity, and few understand the difference between this and strategic giving. In an environment with limited resources, there is a great deal of competitiveness in the nonprofit sector, and in particular for corporate giving programs. However, Slovakia is seeing positive trends as well, including the international community of investors, businesses and corporations bringing the concept of corporate social responsibility to Slovakia. The notion of philanthropy has been promoted more intensively and extensively than ever before.

Recent developments in institutional philanthropy in Slovakia over the last five years can be described as a rapid growth of corporate foundations and steady growth of individual philanthropy through public collection projects with significant media coverage that facilitate giving. In corporate giving the major change has been the increased establishment of corporate foundations, which have almost tripled in number since 2002. This has resulted from a change in the law to allow corporations to allocate 2% of corporate income tax for charitable purposes, which many corporations used to establish corporate foundations to further distribute the 2% of the tax for various charitable causes.

The effects of this policy are both positive and negative. While there are more financial resources for non-profits, and while corporations have gained experience running philanthropic institutions, corporations have also learned that “giving” is possible without actually sacrificing anything, due to the 2% allocation. Public collection projects include projects such as An Hour for Children campaign; the League Against Cancer campaign; Good Angel – System of Support, which helps families with members suffering from cancer and other systemic diseases, etc. Although individual philanthropy has grown through public collection projects, overall it has not risen as much as expected, and does not match the development in the Czech Republic or other Western Countries, which have seen the last five years as a golden age of giving. Private individual giving has typically been oriented towards issues such as assistance to the needy and sick, children and youth, church, health protection and support.

Other significant institutional forms of philanthropy in Slovakia are community foundations and independent foundations. These are mostly fundraising foundations that raise support from individuals and corporations and re-grant the funds for various purposes that reflect a combination of needs for both the short and long term. These foundations build on the experience and knowledge brought into Slovakia during the nineties by private philanthropic institutions such as the Mott Foundation and Rockefeller Brothers Fund, and others who supported the growth of indigenous grant-making capacities in the post-communist countries.

Legal and Tax Policy Environment

The legal environment relevant to nonprofit activities does not favor nonprofit organizations. Instead, it often presents these organizations with a variety of issues and obstacles. The Slovak government does not seem to consider non-profit organizations, including the foundations that provide invaluable funding support to Slovak communities, as partners and a needed and welcome part of democratic open society.

Registration of foundations is relatively easy and the only financial requirement is a down-payment of €6,398 into a registered endowment. The minimum contribution of each co-founder is €639. The law binds foundations to invest funds in their registered endowment in a highly conservative investment instrument, so therefore many foundations keep their assets outside of the registered endowment as other assets and invest them in a more flexible investment regime. Annual reports are due to the Ministry of Interior each year.

Foundations are required to act as institutions that operate for public benefit. Any foundation that is registered in Slovakia has the same taxation and legal regime; therefore even corporate foundations are not allowed to act outside of the public benefit framework. This is a loose framework however, as public benefit activity is not clearly defined in the Slovak law.

Foundations are not allowed any involvement in business-making activities, with the exception of leasing out real estate and organizing cultural, educational, social or sporting events, as long as its assets will be used efficiently and such activities are in accordance with the public benefit purpose promoted and pursued by the foundation.

Besides foundations, the legal and policy framework sets rules for public collections as well as for volunteering. Public collections are one of the instruments for giving, especially for individuals; are defined by the law; and are approved upon a request by the relevant regulatory body (state administration). Public collections must meet conditions set by the law regarding the maintenance of records on the collected amounts, reporting on the use of the collected funds, pre-set time frames, etc. Volunteering has not been covered sufficiently by the law, and there are many barriers related to volunteering in Slovakia that are currently being addressed by a consultative process led by the Center for Volunteering.

In order to create a friendlier legal environment, the Government Council of Non-Profits, an advisory board to the Slovak government, needs to address the issues of accessibility of EU funds for regional development and the plans for providing a donor incentive after the planned cancellation of the 2% income tax allocation.

Foundations are not obligated to file an income tax return form to the pertinent Tax Authority in cases where their income is not a subject of income tax. This covers income such as gifts, legacies, 2% income tax allocation, income from the renting of real estate, land, buildings and other properties, and income, which is taxed by a flat rate at the source (such as interest taxes from bank deposits). If a foundation collects income other than those mentioned, it is obligated to file a tax return form. Foundations that receive more than €3,319 from the 2% tax allocation are obligated to submit a detailed summary of the amount and use of these funds for publication in the Official Journal.

Foundations that own real estate are obligated to submit a property tax statement and pay the property tax that is collected by the municipal authorities. Municipal authorities have the power to decrease the tax rate or completely set foundations free from the property tax duty. Foundations are not obligated to pay tax on motor vehicles.

Obstacles and Challenges

Factor	Not Challenging	Modestly Challenging	Moderately Challenging	Extremely Challenging
Legal environment		*		*
Tax environment			*	*
Public attitudes towards philanthropy			*	*
Lack of confidence in public sector		*,*	*	
Negative image & reputations of non-profit sector			*	
Weak economy			*	

Additional obstacles and challenges include:

- Main political forces do not see a potential and a need to develop philanthropic practice as an element of improving peoples' quality of life.
- Majority of population relies more on the state than on self-help and individual responsibility.
- The state and the marketplace tend to dominate the space and narrow a space for private initiative for public good
- Lack of traditions of institutional philanthropy – the traditions are currently being built
- Limited financial independence of the foundation sector (limited endowments of foundations)
- Decrease in income for local governments will most likely negatively affect community foundations, as local governments often provide them with their financial support.
- Fundraising tool of 2% of the income tax application will gradually be cancelled, and the government has not yet, and does not seem willing, to come up with an alternative source or tool for raising charitable funds.
- Due to the financial crisis businesses and corporations, particularly those who have international component, have introduced restrictive measures for philanthropic activities apart from 2% applications. Should the crisis develop further, community foundations will suffer considerably from these measures.
- With the current government in place the tendency to build a strong state administration will continue, further disabling civic society as funding resources coming to the country as EU financial assistance will continue to be unavailable or impossible to use for non-profit organizations.
- High level of corruption and cronyism connected to EU funds' management is a concern in terms of the potential of the funds as well as reputation of the country as a EU member state.
- Lack of familiarity with non-profit practices and poor communication with the public, leads to non-profits often being accused of using raised funds for purposes other than donor intentions, and even of money laundering

Institutional Philanthropy: Models, Assets, and Expenditures[12]

Institutional Models

Type of Institution	Known Number	Principally Grantmaking	Principally Operating	Mixed Grantmaking/ Operating Model	Operating Model is Unknown	Est. in Last Ten Yrs
Independent foundation	(a) 267	(a) 48	(a) 69	(a) 98	(a) 52	(a) 158
Corporate foundation	(a) 101	(a) 48	(a) 7	(a) 20	(a) 26	(a) 84
Community foundation	(a) 14 (b)11	(b)11				(b)1
Host-controlled foundation or fund						
Multi-purpose fundraising foundation/organization						
Government-linked foundation						

Assets and Expenditures

Type of Institution	Total Value of Endowments	Total Value of Assets	Grants Given	Operating Expenditures
Independent foundation	(a) 3 330 884 €	(a) 52 643 047 €	(a) 16 661 540 €	(a) 15 371 968 €
Corporate foundation	(a) 7 415 407 €	(a) 16 613 275 €	(a) 11 598 387 €	(a) 1 620 041 €
Community foundation	(b) ca. 32,600 €	(b) ca. 957,000 €	(b) 671,510 €	(b) 85,156 €
Host-controlled foundation or fund				
Multi-purpose fundraising foundation/organization				
Government-linked foundation				

[12] Letters in the table denote survey respondent answers: (a) Boris Strečanský and (b) Katarina Minarova.

Largest Institutions

Name of Institution	Type of Institution	Estimated Total Value of Assets	Estimated Total Value of Grants
(a) Nadácia INTENDA		17 667 563 €	
(a) Nadácia Slovenskej sporiteľne	corporate foundation	7 634 137 €	
(a) Nadácia otvorenej spoločnosti		3 874 427 €	
(a) MEDICAL - nadácia		2 891 091 €	
(a) Nadácia Ekopolis		2 107 017 €	
(a) Stredoeurópska nadácia		1 736 872 €	
(a) Nadácia pre deti Slovenska		1 602 436 €	
(a) Nadácia Matice slovenskej		1 383 456 €	
(a) Nadácia Jána Cikkera		1 281 418 €	
(a) Nadácia na podporu poprivatizačného podnikania		1 202 450 €	
(a) Nadácia SPP	corporate foundation		5 836 155 €
(a) Nadácia Habitat for Humanity International			4 859 988 €
(a) Nadácia Pázmány Péter Alapítvány			4 417 214 €
(a) Nadácia J & T			836 420 €
(a) Nadácia Pontis			764 190 €
(a) Stredoeurópska nadácia			720 640 €
(a) Nadácia VÚB	corporate foundation		671 314 €
(a) Nadácia otvorenej spoločnosti			603 399 €
(a) Nadácia Penta	corporate foundation		532 265 €
(a) Nadácia Slovenskej sporiteľne	corporate foundation		492 532 €

Largest Fundraising Foundations

Fundraising Foundation	Annual Contributions (five-year average)

Notes on institutional models, assets, and expenditures

Most of the foundations in Slovakia, regardless of type, operate from flow-through funds and not from the income on their assets. This contributes to the "short-termism" in the institutional philanthropy practice in Slovakia today.

The key issues of independent foundations are:

- Managing their inter-dependence: i.e. maintaining their mission while meeting the diverse needs of their donors, which directly or indirectly influence their mission
- Securing meaningful funds for long-term needs and strategic issues (be able to continue to work strategically)
- Developing their endowments over the long term, in order to diversify their income and increase its quality
- Invest and develop new funds and donors to invest into social innovations, advocacy and independent civic initiatives.

The key issues facing corporate foundations in Slovakia are:

- Whether they will be able to replace income from the 2% tax, which is being phased out as of 2010 and currently represents a significant share of their income.

- How to develop programs that go in-depth into issues and beyond the short-term perception of needs.
- Formation of more sophisticated approaches in their giving strategies.
- Integration of philanthropic activities into corporate culture.

The key issues of community foundations are:

- Generational change in leadership from those who have been with foundations since the beginning of their establishment in the late nineties
- Expanding the base of their regular donors (corporate and individual) from the community
- Skillfully managing relationships with national donors and public funds
- Identifying new sources of income in the area of legacies
- Board development and leadership

The financial crisis presents a challenge in how to present community philanthropy, and what arguments should be made in order to convince people that they can afford to donate. In some communities there are signs that community foundations' grantmaking or programmatic activities may shift more towards social issues (as more people now suffer from new poverty) and towards environmental issues which have been neglected, ignored, or regarded as unimportant by the government. Because of limited financial resources, community foundations may need to pay more attention to community work and voluntary activities that do not necessarily involve a large amount of funding. Community foundations will need to operate with smaller budgets, and will focus on retaining their individual donors and corporate donors. With corporate donors, foundations will discuss other community support strategies after the 2% income tax deduction has expired. Also, foundations will want to maintain collaboration with local government, and potentially expand this collaboration to other fields.

In the survey response, the total value of endowments is stated as the volume of foundations' registered endowment recorded in the Register of foundations. Total value of assets indicates the volume of all assets as recorded in the foundations' accounting books.

Slovak community foundations have other programmatic costs which are calculated within the "grants given" category, as pertain to grant programs or represent costs needed for variety of community programs but do not cover the operating expenditure.

Spain

Survey Respondents and Principal Authors

Rosa Gallego, Spanish Association of Foundations
Mercedes Mosquera, Fundación Bertelsmann

Background and Overview

Understanding of Spain's philanthropic institutions is incomplete and fragmented. There are almost 60 different supervising authorities in Spain, and no their data is not unified. The Spanish Association of Foundations has compiled some information, including aggregated economic data for the year 2006, provided by 17 out of the 60 supervising authorities and representing about 40% of the estimated total number of foundations in Spain. The association has also conducted a survey of 250 members regarding their annual accounts for 2007. They are also preparing to begin an important and continuous research project to gather information regarding the foundation sector, including numbers, activities and economic weight.

In Spain only one type of foundation exists in legal terms, defined as an organization under private law which pursues public interest. Within that definition both grant making and operating foundations coexist in Spain, with operating foundations accounting for the majority. In this sense, all six categories referred to in the survey typology exist in Spain, but they all fall under one general category with no legal differences. In this regard, disaggregated data for each typology does not exist, with the exception of some information on community foundations.

Legal and Tax Policy Environment

Spain is divided into 17 autonomous regions. Each region has the authority to rule over its foundations and provide its own set of laws and decrees, with the exception of tax-related regulations, which are mandated by the federal government. However, the majority of regulations have to be in compliance with the national foundation law, particularly in regard to the conditions for setting up a foundation.

There are nearly 60 supervising authorities and registers in charge of the foundations throughout the country. Because there is no single supervising authority, there is no information on the sector as a whole. This situation makes gathering information extremely difficult, and in some cases it is also an obstacle to the activity of foundations, which need to provide compulsory information in different formats and sometimes with different content, depending on the supervising authority to which they report.

Obstacles and Challenges

Factor	Not Challenging	Modestly Challenging	Moderately Challenging	Extremely Challenging
Legal environment			x	
Tax environment		x		
Public attitudes towards philanthropy				x
Lack of confidence in public sector		x		

Institutional Philanthropy: Models, Assets, and Expenditures

Institutional Models

Type of Institution	Known Number	Principally Grantmaking	Principally Operating	Mixed Grantmaking/ Operating Model	Operating Model is Unknown	Est. in Last Ten Yrs
Independent foundation						
Corporate foundation						
Community foundation	3	1	2	3		2
Host-controlled foundation or fund						
Multi-purpose fundraising foundation/organization						
Government-linked foundation						

Assets and Expenditures

Type of Institution	Total Value of Endowments	Total Value of Assets	Grants Given	Operating Expenditures
Independent foundation				
Corporate foundation				
Community foundation	3,842,000€	2,619,254€	1,031,063€	390,936€
Host-controlled foundation or fund				
Multi-purpose fundraising foundation/organization				
Government-linked foundation				

Largest Institutions

Name of Institution	Type of Institution	Estimated Total Value of Assets	Estimated Total Value of Grants
Fundación Mapfre		2.655.035.061,00	
Fundación ONCE		287.048.808,00	
Fundación Pedro Barrié de la Maza		163.765.012,37	
Fundación Universitaria San Pablo CEU		162.691.784,12	
Fundación la Caixa		128.325.000,00	
Fundación Rafael del Pino		120.896.000,00	
Fundación Caja Madrid		118.446.959,00	
Fundación Laboral de la Construcción		113.009.754,50	
Fundación Juan March		99.272.768,00	
Fundación General de la Universidad Complutense de Madrid		86.707.453,00	

Largest Fundraising Foundations

Fundraising Foundation	Annual Contributions (five-year average)

Notes on institutional models, assets, and expenditures

In Spain only one kind of foundation exists in legal terms, and because of this there is no data for the different types of organizations referenced in the survey. The lack of a unique supervising authority also makes it impossible to have concrete figures of the number of registered and active foundations. The Spanish Association of Foundations carried out its own study in 2006 and estimates that the total number of registered foundations is 10,087.

Community foundations are still not well known in Spain. The Fundación Bertelsmann has identified four, although only three of them are officially recognized at this time. Taking into account only those three officially recognized, two of them are operating foundations, and only one is principally grantmaking.

During the years 2000 to 2009, approximately 450 foundations were established in Spain annually. There is no information on the number of foundations that have ceased activity during this time.

In order to obtain economic data on foundations, the Spanish Association of Foundations asked the numerous supervising authorities for information regarding the economic year ending on 31st December 2006. This information was based on the annual accounts foundations must submit to their corresponding supervising authority each year. According to data provided by 17 of the 60 supervising authorities, the assets held by 4,308 foundations at 31st December 2006 was 16.023.463.884,75 €. It is not possible to know the number of foundations or the fraction of the asset base comprising philanthropic institutions.

The information provided on the largest institutions in terms of the total value of assets is based on a 2007 survey of 250 AEF members.

The survey respondent was unable to provide information on the estimated total value of grants given and operating expenses for the different institutional categories; however they were able to provide data on expenditures for the largest foundation members that answered the 2007 survey.

Data on Expenditures for the Largest Foundation Members (2007 AEF Survey)

Name	Expenditure
Fundación la Caixa	256.822.000,00
Fundación Universitaria San Pablo CEU	148.188.026,29
Fundación Santa María	85.636.756,00
Fundación Laboral de la Construcción	74.022.220,96
Fundación ONCE	64.430.155,00
Fundación Caja Madrid	58.687.193,00
Fundación Escuelas Profesionales Sagrada Familia (SAFA)	55.069.279,81
Fundación Gran Teatre del Liceu	54.392.000,00
Fundación Rafael del Pino	53.413.000,00
Fundación Ayuda en Acción	52.892.000,00
Fundación Bancaja	52.605.747,87
Fundación Telefónica	34.889.116,00
Fundación Mapfre	31.574.631,00
Fundación Caixa Galicia	31.454.302,00
Fundación General de la Universidad Complutense de Madrid	30.327.243,00
Fundación Formación y Empleo Miguel Escalera (FOREM)	29.890.262,25

Turkey

Survey Respondents and Principal Authors

Zeynep Meydanoglu, Third Sector Foundation of Turkey (TUSEV)

Background and Overview

The last decade has seen an increasingly supportive environment for philanthropy and civil society in Turkey, and because of this a rise of new philanthropic mechanisms and trends have emerged in the country. Among these are the establishment of Turkey's first community foundation, the institutionalization of diaspora philanthropy amongst Euro-Turks and Turkish-Americans; and increased interest among corporations for corporate philanthropy. However, there is a lack of data regarding philanthropic organizations in Turkey.

Turkey's third sector is a paradox of tradition and modernity. A strong service delivery focus is found in new foundations, a characteristic that has its roots in the 35,000 foundations that were established and operational throughout the Ottoman Era. Studies also reveal that within individual philanthropy, social justice values have no correlation to giving patterns. While 80% of individuals give, only 18% give to civil society organizations.

Legal and Tax Policy Environment

Turkey is rapidly emerging from a generally restrictive era characterized by tense civic/state relations and regressive legal frameworks for civil society organizations (CSOs). In the past years, the Turkish Government has demonstrated a remarkable change in political will and support for civil society and its critical contribution to the democratization and development of Turkish society.

Reform of the legal framework for associations began in 2001, continued with the establishment of a civil department for the regulation of associations in 2003 (previously the responsibility of the police), and culminated with a new law in 2004. The benefits of these reforms have been extensive, bringing the legal framework generally in line with international standards. However, concerns regarding implementation remain, and the full realization of these reforms will require fundamental paradigm shifts in approach and practice. As for foundations, a new law was adopted in February 2008 that brought about an entirely new and more enabling regulatory approach.

There are two major types of foundations in Turkey:

Around 40.000 Old Foundations – meaning those that were inherited from the Ottoman Empire. These foundations are mainly institutions such as hospitals, soups kitchens schools etc and their properties and activities are managed by a central governmental body called the general directorate of foundations. They do not have autonomous governing bodies. (the exceptions are minority foundations and those old foundations whose trustees are still alive)

Around 4500 New Foundations – meaning those that were established according to the Civil Code established after the Republic in 1923. About 3500 of these foundations are private, while 1000 are public foundations with their assets and income coming from the government. Among the 3000 one finds corporate foundations, family foundations, community foundations etc.

The Turkish tax system is considered burdensome to CSOs. Tax exemptions or preferences are available only for CSOs eligible for public benefit status. These CSOs are exempt from corporate tax but are liable for other taxes including value added tax (VAT). There are additional benefits for CSOs and their donors that have obtained public benefit status; however obtaining this status is tremendously political and complicated.

"Public benefit activity" is defined very broadly for associations and very narrowly for foundations, causing unjust conditions in tax considerations and making both types liable to drastically different regulations regarding their status. Foundations are asset-based entities, established with a minimum of one person (individual or legal entity), with an endowment, and a purpose to advance the common or public good (health, education, environment, etc). The main organ of a foundation is an executive board and a board of trustees (generally the founding individuals/ organizations). There are no members in foundations, though there can be several founding trustees- the average today being around 35. A majority of foundations *use their own funds* or *raise funds* to allocate for specific purposes (operating) rather than *providing funds* to other organizations (grantmaking).

Another major obstacle for both associations and foundations is that the final decision maker on status is the Council of Ministers, which not only makes decisions under the influence of political tendencies, but also lengthens the process significantly and sometimes unfairly. Due to these and other procedural difficulties, to date only 474 associations (approximately 1%) and 222 foundations (approximately 7%) have been able to obtain public benefit status.

Once they have obtained public benefit status, all foundations and associations enjoy the same privileges and face the same restrictions with regard to tax legislation. Tax deductions or credits, and other tax benefits to encourage individual and corporate giving are available on a limited basis, to a limited number of CSOs. Up to 5% of annual income can be donated with a tax deduction; however, the critical issue is that only CSOs with public benefit status can offer their donors a deduction for their donations. As long as the public benefit system remains complicated and constraining, only a small number of CSOs will continue to be able to benefit.

Obstacles and Challenges

Factor	Not Challenging	Modestly Challenging	Moderately Challenging	Extremely Challenging
Legal environment		*		
Tax environment			*	
Public attitudes towards philanthropy		*		
Lack of confidence in public sector			*	
Other				

Institutional Philanthropy: Models, Assets, and Expenditures

Institutional Models

Type of Institution	Known Number	Principally Grantmaking	Principally Operating	Mixed Grantmaking/ Operating Model	Operating Model is Unknown	Est. in Last Ten Yrs
Independent foundation	~ 3,500					
Corporate foundation						
Community foundation	1					1
Host-controlled foundation or fund						
Multi-purpose fundraising foundation/organization	Almost all					
Government-linked foundation	~1,000					
Old Foundations	~35,000					

Assets and Expenditures

Type of Institution	Total Value of Endowments	Total Value of Assets	Grants Given	Operating Expenditures
Independent foundation				
Corporate foundation				
Community foundation				
Host-controlled foundation or fund				
Multi-purpose fundraising foundation/organization				
Government-linked foundation				

Largest Institutions

Name of Institution	Type of Institution	Estimated Total Value of Assets	Estimated Total Value of Grants
Vehbi Koc Foundation	Independent Foundation	924.166.890 Turkish Liras (2006)	
Sabanci Foundation	Independent Foundation	381.969.131 Turkish Liras (2008)	1.000.000 TL (2009)
Turkish Education Foundation	Independent Foundation	190.650.661 Turkish Liras (2008)	
Elginkan Foundation	Independent Foundation	112.684.067 Turkish Liras (2006)	
ENKA Sports, Education and Social Assistance Foundation	Independent Foundation	106.992.331 Turkish Liras (2008)	

Largest Fundraising Foundations

Fundraising Foundation	Annual Contributions (five-year average)

Notes on institutional models, assets, and expenditures

Little to no data is available on the assets and expenditures of philanthropic institutions in Turkey.

There are almost no grantmaking foundations in Turkey. All are mostly operating foundations and fit into the multipurpose fundraising foundation category. Rather than channeling funds, these foundations design and implement their own programs. Some rely solely on revenue of their assets while others have a mixture of revenue from assets and donations/grants. The total numbers for these foundations are unknown.

Government linked foundations, the majority of public foundations of which there are over 900, are called social assistance and solidarity foundations. They are set up regionally (on a provincial or town basis) to supply the poorest of the poor with coal, clothes, food, etc. The governor and high level bureaucrats of the region, joined by community leaders, make up the boards of these foundations.

Data on the largest institutions in terms of the total value of their assets was taken from TUSEV Member Profiles. There is no data available that covers all philanthropic organizations.

Ukraine

Survey Respondents and Principal Authors

Anna Gulevska-Chernysh, Ukrainian Philanthropists Forum

Background and Overview

Charity is part of the mindset of the Ukrainian people, formed over the course of many centuries. During the post-revolutionary and Soviet period, philanthropy and social work were unilaterally interpreted as negative phenomena, inherent to the bourgeois culture and foreign to the socialist culture. Soviet powers did not recognize the division of society into rich and poor, benefactors and beneficiaries. The work of charity organizations was deemed unnecessary and was replaced by the state system for health and social security. The revival of philanthropic activity began in the early 1990s after the declaration of Ukrainian independence and a legal regime gradually emerged.

Legal and Tax Policy Environment

The legal principles of the activities of philanthropic organizations are determined in Article 36 of the Constitution of Ukraine, which gives the citizens of Ukraine the right to freely join together in public organizations. The Parliament of Ukraine approved the resolution "On Philanthropic Foundations" and the Law "On Philanthropy and Philanthropic Organizations." The President of Ukraine issued a Decree "On the Promotion of Philanthropic Activity in Ukraine," and the Cabinet of Ministers approved a resolution on the state registration of philanthropic organizations.

According to Ukrainian law, a non-state organization, whose main purpose is to conduct charity work in the interests of society or individual categories of people, is considered to be a philanthropic organization. Such organizations are divided into membership philanthropic organizations, foundations, philanthropic institutions, missions, leagues, etc. according to their type of formation.

Despite the existence of regulations that legally regulate charitable activities in Ukraine, the country's current law only partially meets the European Union (EU) legal requirements and best international practices; it does not contribute much to the development of charitable activities.

The main challenges in the legal regulation of charitable activities in Ukraine are a lack of unified state policy in support of charitable activities, the absence of legal regulation of certain types and forms of philanthropy, and the inconsistency of the laws' provisions on charitable institutions and foundations.

Current Ukrainian law on taxation of charitable activity generally corresponds to EU law and exempts from income tax revenues of charitable organizations that are received as donations or charitable contribution, government subsidies, and passive income. Tax law partially corresponds to EU law, but does not support the development of philanthropy in the areas of exemption from income tax on charitable organizations from economic activities, and providing tax benefits to corporate donors. The Ukrainian tax law does not match any EU legislation or international best practices in the field when it comes to charitable value-added tax, providing tax benefits to individual donors, and exemption from taxation of income beneficiaries-individuals.

Obstacles and Challenges

Factor	Not Challenging	Modestly Challenging	Moderately Challenging	Extremely Challenging
Legal environment			5	
Tax environment				5
Public attitudes towards philanthropy			4	
Lack of confidence in public sector			4	

Additional serious obstacles and challenges include:

- Lack of standards for the execution of charity activity.
- Lack of economic stimulation for the encouragement of philanthropy is a serious challenge.

Additional modest and moderate obstacles and challenges include:

- Weak cooperation between philanthropic institutions.
- Low level of informational resources on activities of foundations and other philanthropic institutions in Ukraine.

For the sake of continued efficiency, responsibility, and transparency in the activity of Ukrainian philanthropic foundations and organizations, as well as for support and growth of the sector, future priorities include:

- Improvement of the national legal base in the area of philanthropy.

- Implementation of standards for philanthropic activity and control of compliance (e.g., mandatory submission of annual reports and independent audits).

- Formation of state policy regarding the popularization and support of the development of philanthropy. A clear state strategy needs to be defined and a state program must be developed that encourages domestic benefactors, donors and patrons; promotes the activity of different forms of charity institutions; trains specialists in the field of philanthropy; supports social innovations introduced by charity institutions; shares best practices for the introduction of charity initiatives; and ensures pluralism regarding the free selection of priorities and organizational forms of philanthropic activity.

- Strengthening cooperation between different charity institutions, state executive and local authority bodies, business and the mass media.

- Increasing the level of community trust regarding philanthropy. This will involve the popularization of the culture of philanthropy in Ukrainian society

- Professionalization of the activity of charity institutions. An immediate need is emerging for the preparation of professional personnel to work in the area of philanthropy.

- Strengthening of the philanthropic data base on the development of corporate and private philanthropy; the development and introduction of charity initiatives, projects and programs; the use of various technologies for the attraction of charity resources; conducting of informational charity events; and the organizational development of charity foundations and organizations.

- The translation to Ukrainian of relevant international publications, reports, manuals, and other resource materials as the staff of Ukrainian foundations often don't understand English or other languages.

Institutional Models

Type of Institution	Known Number	Principally Grantmaking	Principally Operating	Mixed Grantmaking/ Operating Model	Operating Model is Unknown	Est. in Last Ten Yrs
Independent foundation	10	1	8	1		9
Corporate foundation	9	3	6			7
Community foundation	12			12		9
Host-controlled foundation or fund						
Multi-purpose fundraising foundation/organization	1,100	2	1,097			1,000
Government-linked foundation						
Operational foundation	1,100		1,100			1,000
Religious foundation	10		10			10

Assets and Expenditures

Type of Institution	Total Value of Endowments	Total Value of Assets	Grants Given	Operating Expenditures
Independent foundation				
Corporate foundation				
Community foundation				
Host-controlled foundation Or fund				
Multi-purpose fundraising foundation/organization				
Government-linked foundation				

Largest Institutions

Name of Institution	Type of Institution	Estimated Total Value of Assets	Estimated Total Value of Grants
Rinat Akhmetov Foundation "Development of Ukraine"	Independent		
Viktor Pinchul Foundation	Independent		
Olena Franchul Foundation "Anti AIDs"	Independent		
International Renaissances Foundation	Independent (network of Soros foundations)		
Katerina Yuschenko Foundation "Ukraine 3000"	Multi-purpose Fundraising Foundation		x
East Europe Foundation	Multi-purpose Fundraising Foundation		x

Largest Fundraising Foundations

Fundraising Foundation	Annual Contributions (five-year average)
East Europe Foundation	
Ukraine 3000	

Notes on institutional models, assets, and expenditures

At present all charity foundations in Ukraine are registered by the Ministry of Justice. As there is not any official legislative division by type of foundation, all registered foundations are placed in one register. Today there are 2,251 registered foundations on local, regional, and national levels in Ukraine. Around 50 of them are publicly known as corporate, religious, community and private foundations, and the rest can be classified as either multi-purpose fundraising or operational foundations. For the purpose of this survey, the respondent divided the remainder evenly between these two categories. Due to weak legislation many NGOs are registered as foundations, so the existing official number doesn't reflect the real number of foundations.

Nearly all foundations are involved in the development of social partnerships in their local communities. Quite often they become the uniting link between local authorities, initiative groups and business structures. Foundations conduct training for initiative groups, local authority bodies, and individual foundations; establish resource and information centers aimed at directly activating local communities, and organize information campaigns and prepare and publish philanthropic periodicals for the popularization of charity work.

In Ukraine independent foundations are known as private foundations. Private foundations are the smallest yet richest group of all charity foundations operating in the country. There are approximately 10 private foundations actively operating in Ukraine at this time, both on national, international, and regional levels. The mission of just about all private foundations is increasing the world's understanding of Ukraine.

Private foundations implement their own projects and programs in the areas of health, education, culture and sports, give grants to other organizations, and provide direct benefits. Popular trends in the last year have included implementing projects in the areas of state management, support of economic education projects, and the development of diplomacy.

Ukrainian private foundations do not conduct grant programs, except on some very specific occasions when a foundation might grant funding to a chosen NGO for a concrete project.

Most Ukrainian corporate foundations in existence were registered between 2004 and 2007. Only two have been operating for more than ten years. A detailed study (http://www.ufb.org.ua/library/0/284.html?p=2) of corporate foundation programs has shown that social protection, health, education, culture, human rights and socially vulnerable sections of the population are generally the top priorities.

Three basic models of corporate philanthropy can be identified as:

1. The use of "traditional" tools such as grantmaking;
2. Development of a clearly defined approach in accordance with the corporate business strategies or operational programs (often these programs have a national scope and focus on a specific problem, for example, equipping the local hospitals across the country with a special type of equipment);
3. Support for a wide spectrum of local initiatives aimed to improve the quality of community life where a corporate works.

Ukrainian community foundations run various grant programs with very limited resources, and also implement their own social projects. This can be considered a national feature of community foundations in Ukraine since as a rule, in international practice, they execute the role of an intermediary in the process of the collection and effective allocation and use of funds. In addition to social projects, community foundations conduct various charity events for fundraising and in support of various purpose-oriented groups.

Operating foundations and religious foundations represent additional models of institutional philanthropy in the Ukraine. Operating charity foundations have been recognized as full-fledged representatives of the "third sector". Ever more often, they play the role of leading partner of state authority bodies and local authorities in the resolution of various urgent social problems.

By implementing innovative social initiatives, in the initial stages, operational foundations become the competitors of individual central state bodies, as their services sometimes significantly exceeded the quality of the operation of state institutions, so this stimulates the development of the domestic social service system;

An important achievement of operating foundations is the training of professionals in the social sphere. With an interest in the qualitative implementation of their programs, much attention goes to the training of specialists enlisted for the implementation of a wide spectrum of social innovations. Operating foundations create a significant amount of jobs in the non-state sector for specialists in the social sphere as well as jobs for vulnerable groups of the population.

Endowment of charity foundations is not defined in Ukrainian legislation, so therefore no Ukrainian foundation has its own endowment.

Foundation budgets are created annually and are reliant on fundraising efforts of staff at community, operating, and multi-purpose foundations, annual income of the company at corporate foundations, and at the personal wish of the founder at independent foundations.

The transparency of Ukrainian foundations, especially independent and corporate, is very, very weak. Public reporting is not obligatory and foundations, except for a few, do not report the amount of their giving.

United Kingdom

Survey Respondents and Principal Authors

Fran Walker, Community Foundation Network
Clare Brooks, Community Foundation Network

Background and Overview

The UK has a long tradition of philanthropic funding for basic services such as education, health, and housing, and for driving key reforms such as prison reform and the abolition of slavery. After the Second World War many of these services became government-funded responsibilities, but charities still continue to flourish. There are currently more than 160,000 registered charities in England and Wales and 600,000 to 800,000 smaller unregistered charities operating "below the radar". Philanthropic giving remains a defining characteristic of the charitable sector. In 2006/07 grants, donations, and legacies were worth £13.6 billion, equivalent to 41% of total income *of the charitable sector.* The largest share, £9.9 billion, was given by individuals while institutional giving accounted for approximately £3.6 billion.

The most significant philanthropic change the UK has seen in giving over the past few years has been the emergence of a growing group of high net worth individuals, who are serious about the impact of their philanthropy, and want to see their earned wealth given away in their lifetime. This increased interest is reflected in giving statistics that show a small number of donors generating a large proportion of the total amount donated.
In 2008/09, 2 million people, or 7% of donors, gave more than £100 per month, but these donors generated almost half (49%) of the total amount given to charity. Giving is done through private foundations and through direct individual giving.

Parallel to the increased interest in philanthropy of high net worth individuals is the growth in interest on the part of the wealth management industry. Lawyers, accountants, bankers and investment managers are increasingly interested in philanthropy as part of their wealth management offering to clients; however, their practices in this area are still considered weak.

Even with increased interest, UK giving levels do not match those of the US. Even though personal incomes have risen by more than 25%, personal wealth has more than doubled, the government has introduced tax benefits to stimulate giving, and the charitable sector has become more professional in their fundraising efforts, there has still been a 25% reduction since 1992 in charitable giving as a percentage of GDP.

To help support increased philanthropic giving, the UK government recently set up a £50 million challenge fund established to promote local charitable giving, enabling philanthropists to more than triple the value of their donations. In the past, similar fund development challenges have often been a catalyst for increased growth for community foundations, which are managing over 90% of these local funds. Recent press/media attention on philanthropy is also increasing as the market for philanthropy advice starts to develop.

Legal and Tax Policy Environment

The Charities Act of 2006 provides the legislative framework for charities in the UK and builds on legislation dating back to the early 17th century. The Charity Commission for England and Wales is established by law as the regulator and registrar of charities in England and Wales. A similar role is carried out in Scotland by OSCR (Office of the Scottish Charity Regulator) and in Northern Ireland, where registration is not compulsory, by The Department for Social Development. An essential requirement of all charities is that they operate for the public benefit and independently of government or commercial interests. The Charity Commission ensures this by: securing compliance with charity law, and dealing with abuse and poor practice; enabling charities to work better within an effective legal, accounting and governance framework, keeping pace with developments in society, the economy and the law; and promoting sound governance and accountability.

Community foundations (*of which there are 57 in the UK),* through Community Foundation Network, have developed quality standards that are endorsed by the Charity Commission and assessed by an independent assessor. The quality standards define what community foundations are and what they do, protect their brand, and build confidence in funders to secure more funds for local grantmaking.

Tax incentives for giving include payroll giving, introduced in 1986, and Gift Aid, introduced in 1990. Both incentives were extended in 2000. Through payroll giving donations are deducted from an employee's payroll before tax is applied, whereas gift aid allows charities to reclaim the basic rate income tax paid by donors on the income they donate. Perhaps because these tax incentives are not widely known throughout the UK, the number of people taking up these incentives has not been high. No key incentives exist specifically for the very wealthy.

Obstacles and Challenges

Factor	Not Challenging	Modestly Challenging	Moderately Challenging	Extremely Challenging
Legal environment	*			
Tax environment		*		
Public attitudes towards philanthropy			*	
Lack of confidence in public sector		*		

The legal and tax environment are not major challenges in the UK because of the government's support of the nonprofit sector and the general consensus that tax incentives are satisfactory. Public confidence is good though there is an increasing focus on the need for charities to demonstrate their impact.

The other major challenge facing institutional philanthropy in the UK is the current recession. Frontline charities, especially those dealing with debt counseling, family breakdown, domestic violence and unemployment, are under pressure as their income declines and demand for services rises. The effects of the recession have also been evident in the fact that some corporations have reduced their charitable giving. The number of individual donors has not decreased, although most have either reduced or maintained their giving.

Institutional Philanthropy: Models, Assets, and Expenditures

Institutional Models

Type of Institution	Known Number	Principally Grantmaking	Principally Operating	Mixed Grantmaking/ Operating Model	Operating Model is Unknown	Est. in Last Ten Yrs
Independent foundation	2600+					
Corporate foundation						
Community foundation	57	57				20
Host-controlled foundation or fund						
Multi-purpose fundraising foundation/organization						
Government-linked foundation						

Assets and Expenditures

Type of Institution	Total Value of Endowments	Total Value of Assets	Grants Given	Operating Expenditures
Independent foundation		£33.2 billion held by largest 300 foundations	£3.2 billion for the top 300 in 2007/08	
Corporate foundation				
Community foundation	£151 million at March 2009		£56 million in 2008-09	
Host-controlled foundation or fund				
Multi-purpose fundraising foundation/organization				
Government-linked foundation				

Largest Institutions

Name of Institution	Type of Institution	Estimated Total Value of Assets	Estimated Total Value of Grants
Wellcome Trust	Independent foundation	£12,031.7 m	£525.3million
Garfield Weston Foundation	Independent foundation	£3,720.6m	£51.5m
Leverhulme Trust	Independent foundation	£1256.1m	£45.085m
Childrens Investment Fund Foundation	Independent foundation	£801.7m	
Bridge House Trust	Independent foundation	£797.9m	
Henry Smith Charity	Independent foundation	£772.5m	
Esmee Fairbairn Foundation	Independent foundation	£724.5m	
Wolfson Foundation	Independent foundation	£638.5m	£33.32m
Paul Hamlyn Foundation	Independent foundation	£513.5m	
Gatsby Charitable foundation	Independent foundation	£464.7m	£30.819m
Big Lottery Fund *			£1090.353 million
UK Comm. Foundations aggregated	Community foundations		£67 million
The Royal Society	Independent foundation		£47.823m
Comic Relief	Independent foundation		£47.461m
Rufford Maurice Laing Foundation	Independent foundation		£31.46m

*The Big Lottery Fund sits astride public and independent grant makers. It reports to a government department and grantmaking is subject to government policy, but it is publicly funded through the general public's purchase of lottery tickets where part of the price is dedicated to philanthropic causes.

Largest Fundraising Foundations

Fundraising Foundation	Annual Contributions (five-year average)

Notes on institutional models, assets, and expenditures

For many questions the survey response is limited to information relating to community foundations, not in relation to the broader philanthropy infrastructure in the UK.

There are probably more than 2,600 grantmaking foundations, but the UK's main reference sources concentrate on these. They also do not distinguish between independent and corporate foundations.

The United Kingdom has several philanthropic intermediaries including Charities Aid Foundation, New Philanthropy Capital, and UK Philanthropy as well as Community Foundation Network.

Latin America and the Caribbean

Brazil

Survey Respondents and Principal Authors

Andre Degenszajn, Group of Institutes Foundations and Enterprises (GIFE)
Marcia Woods, Institute for the Development of Social Investment (IDIS)

Background and Overview

Over the past twenty years Brazil has grown significantly, its economy has achieved global recognition, and today it is a wealthy, middle-income country with enormous natural, human and technological resources. The involvement of the private sector and civil society around social issues gained energy especially after the period of military rule which lasted from 1964 to 1984. The end of dictatorship launched a process of democratization in the country, and in the 1990s the Brazilian government initiated a rigorous process of administrative and fiscal reform aimed at reducing public spending and improving government efficiency. At the same time there was an increased understanding of the concepts of sustainability and corporate social responsibility. Not only the government, but also business and civil society itself became involved in the discourse of social responsibility, recognizing its potential to contribute to the development of the country. The Brazilian government cannot meet the needs of all its citizens, especially the basic needs of education, health, housing, and security; thus the essential role of civil society.

In Brazil, there is a recognized distinction between traditional philanthropy and strategic social investment. Traditional philanthropy or charity is based on meeting an immediate need with a paternalist approach; social investment addresses the need to prepare and enable people to deal with their own problems now and in the future, promoting social changes. In the last decade Brazil has seen a quantitative and qualitative growth in social investors. Companies, families, and individuals have gradually come to understand social investing, but the amount invested and the approaches chosen have not yet matched the potential of Brazil's collective resources. Traditional philanthropy still lingers in the donor culture.

Philanthropy in Brazil exists mainly in the area of corporate giving, largely due to tax benefits for businesses and to the development of Brazilian capitalism. This trend has evolved in the last twenty years with the creation of strong intermediary organizations to support corporate philanthropy and social responsibility, including GIFE (1995), Ethos (1998), and IDIS (1999). Corporate philanthropy is beginning to become more strategic and focused, aligning itself with key public policies in education, culture, and youth.

With regards to community philanthropy, Brazil benefits from a local culture of mutual aid and solidarity. A survey conducted by IDIS on individual giving in Brazil[13] has found that individual contributions are constant and frequent. Nevertheless, even within this favourable context, Brazil is still struggling to find effective mechanisms for communities, individuals and local businesses to carry out strategic philanthropy. There are scattered experiences in various regions of the country, but there has been very little information produced.

Private wealth has grown in the past years[14], Brazil has the 12th largest population of millionaires in the world, but private philanthropy hasn't evolved at the same pace. There is a capacity and commitment to philanthropy similar to counterparts in the USA and Europe, but Brazilians have not yet benefited from the same level of favorable legislation, taxation and opportunities for donor education and support.
At the same time, Brazil is listed among one of the most unequal countries in the world[15], so there is an

[13] Kisil, M.; Schlithler, C. and Correia, T..(2007). Local Social Investors: disclosing the profiles and characteristics. IDIS.
[14] According to the World Wealth Report, there are 131 thousands of millionaires in Brazil
[15] 56.7 in the GINI Index from 2005.

opportunity for philanthropy to play a role in order to close this gap.

In 2010 GIFE will launch a ten-year vision for the sector proposing diversification of Brazilian philanthropy, with an emphasis on family and community foundations. This will help increase the emergence of other kinds of philanthropic organizations and strategies, including initiatives funded by individuals as well as models that "pool" the social investments of like-minded businesses.

Legal and Tax Policy Environment

Brazil is a politically stable country with regular and fair elections. The economy is stable and stands out among developing countries. Since 1994, with a program of economic stabilization (Plano Real), Brazil ended its hyperinflation and secured the cornerstone for a more sustained economic growth.

Brazil has a strong civil society, which has mostly emerged since the democratic transition. Although the legislation is fairly generous regarding freedom of association, it falls short in ensuring a favorable environment for philanthropy in terms of tax deduction and legal incentives (if compared, for example, to the U.S.). Brazil has over 330,000 NGOs (associations and foundations), a number that has grown over 200% from 1996 to 2005.

In Brazil, nonprofits are designated as either associations or private foundations. They are often called by other names such as: institutes, non-governmental organizations (NGOs), civil society organizations, nonprofit organizations, philanthropic entities, civil society organizations of public interest (OSCIP), entities of public utility, social organizations, but it is important to clarify that such designations are not legal names. Board members (without executive functions) can be non-residents of Brazil. Any individual with power to represent the entity and engage it in obligations must reside in the country, but Brazilian nationality is not required.

An association is a private law entity created to bring people together around a common goal. A foundation is a private law entity, created through public deed or will, to serve a specific purpose in the public interest. Each entity is governed by specific national law.

Obstacles and Challenges

Factor	Not Challenging	Modestly Challenging	Moderately Challenging	Extremely Challenging
Legal environment				*
Tax environment		*		
Public attitudes towards philanthropy		*		
Lack of confidence in public sector			*	

Additional obstacles and challenges include:

- Prevalence of a charitable, as opposed to social investment, strategically philanthropic culture
- Confusion regarding the concepts and practice of sustainability, social responsibility, and private investment
- Majority of investments are made to the most well known organizations
- A large number of social investors are mostly driven by strengthening their image and "brand" through their social actions, while placing less importance on promoting effective social change
- Lack of professionalization in social investment in most companies; fragile governance models
- Difficulty in distinguishing between family and corporate philanthropy in situations where businesses are privately held. A legal and public confusion between family and corporate philanthropy
- A populist government, which seeks stronger control of civil society organizations – both through legal and institutional mechanisms and funding. NGOs tend to operate as service providers to the government.

- Weak regulatory framework, public administration, and government corruption
- Lack of culture and knowledge of private social investment
- Lack of credibility in the sector (parliamentary committee investigating NGOs)
- Disagreement regarding the roles between business, civil society and government
- Society still does not demand quality in public service

Institutional Philanthropy: Models, Assets, and Expenditures

Institutional Models

Type of Institution	Known Number	Principally Grantmaking	Principally Operating	Mixed Grantmaking/ Operating Model	Operating Model is Unknown	Est. in Last Ten Yrs
Independent foundation						
Corporate foundation						
Community foundation	4					
Host-controlled foundation or fund						
Multi-purpose fundraising foundation/organization						
Government-linked foundation						
Family foundation	6					

Assets and Expenditures

Type of Institution	Total Value of Endowments	Total Value of Assets	Grants Given	Operating Expenditures
Independent foundation				
Corporate foundation				
Community foundation				
Host-controlled foundation or fund				
Multi-purpose fundraising foundation/organization				
Government-linked foundation				

Largest Institutions*

Name of Institution	Type of Institution	Estimated Total Value of Assets	Estimated Total Value of Grants
Bradesco Foundation	Corporate Foundation	R$ 12.490.384.000,00	R$ 200.982.000,00
Fundação Banco do Brasil	Corporate Foundation	R$ 371.297.000,00	R$ 102.000.000,00
Fundação Maria Cecília Souto Vidigal	Family Foundation	R$2 60.565.806	
Abrinq Foundation	Corporate Foundation	R$ 21.416.213,00	
Ronald McDonald Institute	Corporate Institute	R$ 13.397.697,42	
Fundo Cristão para Crianças	Association	R$ 7.475.911,00	
Iochpe Foundation	Corporate Foundation	R$ 3.334.505,00	
Avon Institute	Corporate Institute	R$ 6.031.546,00*	
Holcim Institute	Corporate Institute	R$ 796.146,00	
Petrobrás	Company		R$ 380.300.000,00
Instituto Gerdau	Corporate Institute		R$ 72.700.000,00
Banco Bradesco S/A	Private Bank		R$ 69.110.672,00
Instituto Telemar (OiFuturo)	Corporate Institute		R$ 57.288.000,00
Grupo Votorantim	Company		R$ 44.800.000,00
Cemig GT	Company		R$ 44.000.000,00
Banco Real	Private Bank		R$ 42.393.000,00
Light S/A	Company		R$ 36.406.900,00

* Survey respondents were unable to disclose individual information – only aggregated values – collected by CENSO GIFE.

Largest Fundraising Foundations

Fundraising Foundation	Annual Contributions (five-year average)
Fundo Cristão para Crianças	R$ 35.094.780[1]
Ayrton Senna Institute	R$ 17.250.000[2]
Abrinq Foundation	R$ 13.827.145[3]
ACES – Ação Comunitário do Espírito Santo	R$ 1.699.259[4]
ICE – Instituto de Cidadania Empresarial	R$ 1.316.482[5]
Projeto Pescar Foundation	R$ 1.021.525[1]
United Way Brasil	R$ 813.753[1]
Semear Foundation	R$ 893.446[3]

Notes on institutional models, assets, and expenditures

There is no available data on the distribution of independent and corporate foundations across Brazil. GIFE did provide a breakdown of their 124 associates by type of foundation:

Type of Institution	Number
Independent foundations	10
Corporate foundations/institutions	70
Family foundations/institutions	8
Community foundations	4
Companies	32

There are many wealthy families in Brazil that could contribute strategically to the social development of the country. Currently, many families practice traditional charity rather than strategic social investing.

Corporations are gradually adopting a strategy of social investment in their giving. They are beginning to consider evaluation processes and monitoring outcomes and impacts. The amounts invested by corporate foundations are still far from the potential they have to give.

Interest in the community foundation concept has been growing for some time in Brazil. The first community foundation was established in Brazil in 1995, and currently there are at least four separate organizations and/or initiatives underway to promote community philanthropy.

The data included family foundations as a distinct model, not a sub-category of independent foundations. While the total number of family foundations is unknown, family foundations account for 6 of GIFE's associates.

It is difficult to estimate the numbers of institutions by each grantmaking/operating model for all of Brazil. The data provided was based on all 124 of GIFE's associates, in order to demonstrate the distribution of resources. GIFE associates include corporate foundations and institutes, family foundations and enterprises that make social investment in Brazil.

Distribution of the resources by type of expense				
		Foundations / Associations	**Company**	**Total**
Grant-making	Until 5%	31	5	36
	From 6% to 25%	7	5	12
	From 26% to 50%	7	6	13
	From 51% to 90%	13	1	14
	More than 91%	3	2	5
Own programs	Until 5%	10	2	12
	From 6% to 25%	13	2	15
	From 26% to 50%	3	4	7
	From 51% to 90%	28	7	35
	More than 91%	7	4	11
Administration, evaluation and communication	Until 5%	11	11	22
	From 6% to 25%	35	5	40
	From 26% to 50%	12	3	15
	From 51% to 90%	1	0	1
	More than 91%	2	0	2
Others	Until 5%	55	17	72
	From 6% to 25%	5	2	7
	From 26% to 50%	0	0	0
	From 51% to 90%	0	0	0
	More than 91%	1	0	1

(Source: Censo GIFE 2007/2008)

Just grant- making	Mixed grant- making/ operating model	Just own projects
20%	41,25%	38,75%

(Source: Censo GIFE 2007/2008)

There is no data on the number of each type of institution established in the last ten years. The only available data is for the total number of associations and foundations established between 2001 and 2005, which is equal to 89,166. Between 1991 and 2000, 140,260 associations and foundations where established in Brazil.

Colombia

Survey Respondents and Principal Authors

Pilar Hernandez, Association of Oil Foundations

Background and Overview

Philanthropy is a well established practice in Colombia with deep historical roots in religion, culture, and business. The country has a strong Catholic faith tradition, and many human services are provided through church charity. Family-based businesses have led to the establishment of many independent foundations. Beginning in the mid 20th century, the Colombian government exhibited increased interest in philanthropy and introduced legislation to promote and regulate the sector. Modern philanthropic organizations often incorporate business practices and receive government support. The main long-term priorities of institutional philanthropy in Colombia, are health and hospital care, education, and training for employment.

Legal and Tax Policy Environment

In Colombia it is fairly quick and relatively inexpensive to establish a philanthropic institution. Recent studies in Bogotá (2006) show that there are more than 36,000 non-profit organizations in the city, 20% of which operate effectively and report to the government. Lack of data make it impossible to accurately estimate how many of these would be considered philanthropic institutions within the WINGS taxonomy.

While national legislation is straightforward, local and municipal laws sometimes impose additional taxation and reporting restrictions on philanthropic . And, although there is specific legislation regulating non-profit organizations, there are grey areas and legislative omissions that may impose restrictions to NGO operations and growth.

To a large extent, there is a common taxation framework for all non-profit organizations, including philanthropic institutions. However, tax laws and applicable exceptions have been changing recently, with more differentiation between types of non-profit institutions. Independent and corporate foundations are increasingly subject to different tax requirements, as are other non-profit institutions such as universities and social clubs. The current trend is toward an increase in government oversight of all NGO activity -- including philanthropic institutions -- and a corresponding increase in regulatory effort.

Obstacles and Challenges

Factor	Not Challenging	Modestly Challenging	Moderately Challenging	Extremely Challenging
Legal environment		2		
Tax environment			3	
Public attitudes towards philanthropy			3	
Lack of confidence in public sector			3	

Additional obstacles and challenges include:

- Political risk
- Third party financial requirements
- Restricted access to international cooperation
- Weak government presence in selected areas
- Weak social capital

Institutional Philanthropy: Models, Assets, and Expenditures

Institutional Models

Type of Institution	Known Number	Principally Grantmaking	Principally Operating	Mixed Grantmaking/ Operating Model	Operating Model is Unknown	Est. in Last Ten Yrs
Independent foundation				x		
Corporate foundation			x			
Community foundation						
Host-controlled foundation or fund						
Multi-purpose fundraising foundation/organization				x		
Government-linked foundation						

Assets and Expenditures

Type of Institution	Total Value of Endowments	Total Value of Assets	Grants Given	Operating Expenditures
Independent foundation				
Corporate foundation				
Community foundation				
Host-controlled foundation or fund				
Multi-purpose fundraising foundation/organization				
Government-linked foundation				

Largest Institutions

Name of Institution	Type of Institution	Estimated Total Value of Assets	Estimated Total Value of Grants

Largest Fundraising Foundations

Fundraising Foundation	Annual Contributions (five-year average)

Notes on institutional models, assets, and expenditures

Colombia does not have records on the number of philanthropic organizations in the country, nor does it classify them according to type of institution.

There are no community foundations operating in the Colombia.

The National Confederation of NGOs organized national and regional meetings/workshops of in 2009. Fifty-five national-scope NGOs attended, including 7 corporate foundations, 3 independent foundations, 13 multi-purpose foundations, and 22 other NGOs.

In the Antioqua region, there are 4 corporate foundations and 32 multi-purpose fundraising foundations.

Mexico

Survey Respondents and Principal Authors

Lourdes Sanz, Centro Mexicano para la Filantropia (CEMEFI)

Background and Overview

Institutional philanthropy in Mexico is a work in progress. As part of the historic heritage, in Mexico, taking action or solving problems in the social field has been considered a government function, therefore people expect the authorities to assume responsibility or at least take the lead. The notion of more active participation has grown during the last three decades. Solidarity is a shared value among Mexicans and as such it is present in every level. There is a strong sense of giving, but organized philanthropy as well as professional efforts leading to strategic social investment are still few.

There are presently around 20,000 civil society organizations (CSOs) nationwide, but less than 6,000 are tax exempt and have been given government authorization to provide donors with deductible receipts.

There are fewer than 250 grantmaking foundations in Mexico. However, corporate social responsibility initiatives are growing rapidly, as businesses of every size are becoming interested in creating or strengthening their CSR programs. In addition, education in Mexico is recognizing the importance of the civil society sector, offering more civic studies programs that emphasize the role of the individual and the private sector in building the public good.

Legal and Tax Policy Environment

The legal and fiscal frameworks in Mexico are not ideally suited to promote philanthropy.

Mexican legislation does not consider grantmaking foundations to be a specific form of CSOs. Mexican law allows for different forms of associations, depending on the purpose of the legal entity to be constituted. For nonprofits, there are two different forms of associations: Asociación Civil (AC) and Institución de Asistencia Privada (IAP). Both ACs and IAPs have to comply with specific social purposes and state that profits, if earned will be reinvested in the social purpose. Also they have to state that if dissolved, their assets will be donated to another IAP or AC with tax exempt authorization from the government. IAPs are similar to trust funds, and have more legal restrictions. They can be operational or grantmakers (although they can only make grants to other IAPs). IAPs IAPs are required, by law, to join in the "Junta de Asistencia Privada" which is a kind of association that depends on the state government, whose Board includes the participation of government officers but also of civil society members. IAPs budgets, activities and strategic and operational plans have to be authorized by the Junta de Asistencia Privada, and IAPs have to report annually to it, as well.

Many government programs have a budget to support eligible registered nonprofits. This sometimes works as inter-sectoral alliances for specific projects and other times as grants to the CSO.

Tax exemption is granted to organizations that meet specific requirements as "authorized donees." Not every social cause is eligible for this status. These organizations are exempt from paying some taxes, and also allowed to extend deductibility receipts to donors. Authorized donees annually must have an external audit, file a fiscal report with authorities, and renew their status. Corporations are allowed to deduct donations for up to 7% of their profits.

Obstacles and Challenges

Factor	Not Challenging	Modestly Challenging	Moderately Challenging	Extremely Challenging
Legal environment			*	
Tax environment			*	
Public attitudes towards philanthropy			*	
Lack of confidence in public sector			*	

Additional obstacles and challenges include:

- Credibility and trust building are a work in progress. This is a challenge more than an obstacle.
- The perception of some government officials, especially in Congress, that philanthropy is a form of tax evasion or even money laundering.
- Difficulties in building public-private alliances and collaboration (made more difficult by above)
- Lack of transparency increases lack of confidence. While CSOs generally keep their donors informed, there is less information available to the general public. Because achievements are not always visible to the public, some people question whether they are achieving important results. Many foundations and nonprofit organizations do not practice or lack methods for assessing impact, and they do not always report their annual results publicly.
- For religious and traditional reasons, many donors prefer to remain anonymous, which makes it difficult to create and point to philanthropic role models.

Institutional Philanthropy: Models, Assets, and Expenditures

Institutional Models

Type of Institution	Known Number	Principally Grantmaking	Principally Operating	Mixed Grantmaking/ Operating Model	Operating Model is Unknown	Est. in Last Ten Yrs
Independent foundation	23			23		12
Corporate foundation	47			47		27
Community foundation	20			16		10
Host-controlled foundation or fund						
Multi-purpose fundraising foundation/organization	16			16		4
Government-linked foundation						
Operating foundations	22			22		2
Family foundations	16			16		3

Assets and Expenditures

Type of Institution	Total Value of Endowments	Total Value of Assets	Grants Given	Operating Expenditures
Independent foundation			$1,061,934,946	
Corporate foundation			$525,928,257	
Community foundation			$165,038,468	
Host-controlled foundation or fund				
Multi-purpose fundraising foundation/organization			$35,608,673	
Government-linked foundation				
Operating foundations			$223,199,822	
Family foundations			$12,531,000	

Largest Institutions

Name of Institution	Type of Institution	Estimated Total Value of Assets	Estimated Total Value of Grants
Fundación Gonzalo Río Arronte	Independent		$50 million
Nacional Monte de Piedad	Independent		$30 million
Fondo Mexicano para la Conservación de la Naturaleza	Independent		$28 million
Fundación Walmart	Corporate		$20 million (mostly in kind)
Fundación Produce Chiapas	Independent		$18 million
Televisa	Corporate		$16 million
BBVA Bancomer	Corporate		$14 million
Fundación del Empresariado Chihuahuense	Primarily community/business pass-thru)		$12 million
UNETE	Operative		$10 million
Fondo para Niños de México	Operative		$5 million

Largest Fundraising Foundations

Fundraising Foundation	Annual Contributions (five-year average)

Notes on institutional models, assets, and expenditures

Neither hard data nor official information on the numbers of grantmaking entities or the level of grantmaking in Mexico exists. The numbers reported in the survey response are from CEMEFI's Grantmakers Directory of 170 foundations and corporate giving programs in Mexico.

As noted above, in Mexico there is no legal difference between "grantmaking" organizations and those that work directly with population on the social issues. It is important to underscore that authorities have a register of organizations that have received the tax exempt authorization, that have stated among their activities grantmaking, ("give" to other tax exempt organizations), therefore, they are registered as "grant makers" (although not with that specific name). But this does not mean that those organizations are grant makers or will make grants, it only means that they are allowed to do so.

The survey response included operating foundations and family foundations as distinct models, not sub-categories of independent foundations.

Corporate foundations in Mexico have a tendency to turn into "grant seekers." Corporations will provide salaries and some administrative costs, but do not always provide their foundations with the funds to carry out their programs. Corporations also tend to give grants through the company name rather than the foundation name, creating confusion among organizations and the general public about whether it is a corporate social program or a foundation program.

Community foundations in Mexico do not strictly follow the traditional grantmaking model; most represent a mixed operating model. Community foundations in Mexico are still mainly focused on fundraising for their own administrative expenses, sustainability, as well as for funding their programs and grants. The main focus of Mexican community foundations is community needs, as opposed to the philanthropic interests of the donors. Most operate mainly on pass through funds, and operate their own social programs as a main function, as opposed to giving grants to other operating nonprofits.

North America

Canada

Survey Respondents and Principal Authors

Monica Patten, Community Foundations of Canada
Hilary Pearson, Philanthropic Foundations Canada

Background and Overview

Canada has a well developed philanthropic infrastructure. There is a relatively hospitable regulatory and social environment for philanthropy that is for the most part encouraging of broad giving, volunteering, and community economic development.

Culturally, Canadians are similar to Americans in their acceptance of non-government foundations as vehicles for philanthropy. There are approximately the same number of registered foundations in Canada (over 9,000) relative to the number of charities overall as there are in the United States. This indicates a significant interest in the creation of foundations.

Canada has a history of encouraging community/social participation and community activity. A strong cooperative movement in the west laid the groundwork for strong community philanthropy. In the east, where business was centered, more formal philanthropy emerged. Today, community and independent foundations thrive across the country.

Some areas, such as Quebec, have been shaped by other historical features as well. The strong role and influence of the Roman Catholic Church until about 50 years ago meant giving was directed to and through the Church, and strong family ties meant more internally focused giving as well. Canada's large aboriginal community has strong traditions of giving within their own communities. While Aboriginal Canadians experience significant poverty, there is a growing interest in building on historical and cultural traditions and giving and sharing among community members.

Non-government funders in Canada are responding to the economic downturn by looking for ways to use their philanthropic assets more effectively, including more collaborative grantmaking and mission-related investing. Community Foundations of Canada and Philanthropic Foundations Canada are working actively to educate their members in these areas, and are collaborating themselves on educational materials and information pertaining to mission-related investing.. They are, partnering with others who are not specifically in the foundation world but have expertise in the area of socially responsible/mission-based investing.

Relatively speaking, private funding through donors and foundations is dwarfed by government spending on social issues and priorities. The government spends tens of billions on health, education and social services, the top three areas of philanthropic focus in Canada. Public and private foundations give a total of about $3.5 billion per year, according to the Canada Revenue Agency. Corporations give about $1 billion annually. Unlike in the US, there are virtually no very large (assets more than $1 billion) foundations in Canada.

Legal and Tax Policy Environment

Canada has a clearly defined and relatively easy process for registering a foundation. For the most part Canada's federal regulator, the Canada Revenue Agency, is very willing to work with the sector. The biggest issue regarding registration is the length of time it takes; once an application is made to the CRA, registration is usually completed within three to four months.

Foundations are clearly defined in the Income Tax Act, legislation regulated by the Department of Finance. Working with the Department of Finance is more difficult and time consuming than with the CRA. At the present time some issues relating to the complex disbursement formula for grants are under discussion. An informal group of philanthropic leaders meets monthly, and the coordinated effort around tax issues is very effective.

Foundations are restricted to granting only to other registered charities. The definition of a registered charity in Canada has not been modernized in several centuries, which means that there are many nonprofits to which foundations cannot give support, and many organizations that do not qualify for tax receipted giving. There has not been much momentum among legislators for any change to the definition or regulation of charities outside of government, and there is no autonomous charity commission.

Foundations file an annual reporting form with the CRA, but overall relatively little information is required by the regulator from Canadian foundations in terms of accountability. Many foundations (all those that are incorporated) must have an annual independent audit. All registered foundations must file financial statements with the CRA.

Whether public or private, foundations must meet an annual disbursement quota amount equal to 3.5% of the value of their invested assets. In other words, there is a minimum amount that must be disbursed by foundations to charities every year. 80% of any funds that are not provided by donors as ten-year gifts (to be held in endowment for a minimum ten years) must be disbursed on charities in the year after the funds are received. These rules are designed to ensure that tax-receipted charitable gifts are applied for the benefit of charities and not simply held in investment accounts. Both private and public foundations are permitted to disburse funds on their own charitable activities as well as grantmaking (public foundations up to 50% of income, private foundations up to 100% of income).

Private foundations are more heavily regulated, particularly to safeguard against any possible self-dealing behavior. For example, private foundations cannot own businesses.

It is quite difficult for Canadian foundations to give overseas. International giving requires going through a Canadian registered charity, or setting up an elaborate agency agreement which most foundations do not wish to do. On the other hand, on the efficiency side, Canadian charities can register with the US Internal Revenue Service so that they can receipt US donors.

The federal government instituted a system of generous tax incentives for individual donors to charities some decades ago; about $10 billion in tax-incented giving by individuals occurred in 2007. Donors receive the same tax benefits, regardless of whether they donate to a public or private foundation. On the donor side, tax credits take effect, according to a formula, after a donor has given a relatively small amount. For foundations, there are interesting tax incentives for larger gifts, especially gifts of appreciated securities.

Obstacles and Challenges

Factor	Not Challenging	Modestly Challenging	Moderately Challenging	Extremely Challenging
Legal environment		**		
Tax environment		**		
Public attitudes towards philanthropy	*	*		
Lack of confidence in public sector	*		*	

The challenges that are present in Canada have more to do with regulatory restrictions on the scope of activity than with public attitude. The general public is supportive and trusts the work of Canadian charities, including foundations.

The relatively small size and scale of Canadian foundations means that the foundation sector is still at an early stage in its professional development and use of more sophisticated grantmaking approaches, with some notable exceptions.

Institutional Philanthropy: Models, Assets, and Expenditures

Institutional Models

Type of Institution	Known Number	Principally Grantmaking	Principally Operating	Mixed Grantmaking/ Operating Model	Operating Model is Unknown	Est. in Last Ten Yrs
Independent foundation	4,500 (defined as private)	The majority	unknown	unknown		At least 50%
Corporate foundation	50 to 60	50-60	0	0		
Community foundation	173 200+	X				60% plus
Host-controlled foundation or fund	<50		0	0		Almost 100%
Multi-purpose fundraising foundation/organization		X	500	X		
Government-linked foundation	25-35		10-15	X		25%?
United Way	120					
Hospital foundations	Many					
University foundations	Many					

Assets and Expenditures

Type of Institution	Total Value of Endowments	Total Value of Assets	Grants Given	Operating Expenditures
Independent (private) foundation	$17 billion			
Corporate foundation				
Community foundation		$2.8 billion	$170 million at end of 2008	
Host-controlled foundation or fund				
Multi-purpose public fundraising foundation/organization	$16 billion (could include CFs)			
Government-linked foundation				

Largest Institutions

Name of Institution	Type of Institution	Estimated Total Value of Assets (08)	Estimated Total Value of Grants (and charitable expenditures)
Mastercard Foundation	Private Foundation	$1,810,919,245	$10,030,726
Lucie et Andre Chagnon Foundation	Private Foundation	$1,115,822,000	$69,190,000 (est)
Vancouver Foundation	Community Foundation	$784,506,000	$39,470,410
Sick Kids Foundation	Fundraising Foundation	$507,201 678	$65,464 837
J.W.McConnell Family Foundation	Private Foundation	$428,033,314	$15,242,865
Winnipeg Foundation	Community Foundation	$419,167,800	
Li Ka Shing Foundation	Private Foundation	$368,155 310	$17,494,016
Calgary Foundation	Community Foundation	$311,033,800	$31,405,270
Jewish Community Foundation of Montreal	Fundraising Foundation	$282,505 220	$17,827,991
Jean et Marcelle Coutu Foundation	Private Foundation	$272,606, 589	$9,611,176
Canadian Council for the Arts	Government		$164,632,000
Ontario Trillium Foundation	Government		$95,762,400
Alberta Heritage Foundation for Medical research	Government		$62,359,000
RBC Foundation	Corporate Foundation		$38,627,960
Law Foundation of British Columbia	Independent Foundation		$31,785,510
Alberta Foundation for the Arts	Government		$28,306,680

Largest Fundraising Foundations

Fundraising Foundation	Annual Contributions (five-year average)
Vancouver Foundation	
Sick Kids Foundation	
Calgary Foundation	
Jewish Community Foundation of Montreal	
Edmonton Community Foundation	
Toronto Community Foundation	
Victoria Community Foundation	
Hamilton Community Foundation	
Community Foundation of Ottawa	
Basilian Fathers	

Notes on institutional models, assets, and expenditures

Data on foundations is extremely limited in Canada. The only comprehensive data set is from the Canada Revenue Agency. Data from CRA cannot be consistently compared year over year.

There are between 4500 and 5000 public foundations in Canada, including community foundations, and institutional fundraising foundations.

There are 10-15 government-linked foundations in the provinces, and 15-20 at the federal level.

Private foundations run by families are by far the most dominant type of foundation in Canada, but most are run by volunteers and have extremely small endowments -- between $1 million and $5 million. Nevertheless, it is a well-accepted model and popular with wealthy families.

Donor-advised funds have become much more popular in the last five years. Many financial institutions now offer these types of funds.

Few corporate foundations exist in Canada. This is not a popular vehicle for the business sector, which generally prefers to maintain corporate giving programs within their companies.

According to the CRA, total estimated assets for all public foundations (defined as community, fundraising and host-controlled) is about $16.6 billion (2008).

The top community foundations in terms of the total value of grants given are Vancouver, Calgary, Winnipeg, Edmonton, Ottawa, Toronto, Hamilton, Kitchener-Waterloo, London, Montreal, and Oakville. The combined estimated value of grants would be approximately $145 million annually.

United States

Survey Respondents and Principal Authors

Principal Author: Rob Buchanan, Council on Foundations
Quantitative Data: Steven Lawrence, The Foundation Center
Additional Information: Jane Wales, Global Philanthropy Forum

Background and Overview

The general environment for philanthropy in the United States is quite positive due to a combination of historic, cultural, and economic factors. The idea of limited government complemented by a high degree of citizen engagement in solving problems and meeting community needs has been a part of the American ideal from the beginning. As a result, Americans at all economic levels have felt an obligation to give for the benefit of those less fortunate than themselves. Initially this charitable giving was done primarily through religious institutions but it gradually grew to encompass a variety of non-denominational social welfare and civil society organizations established with a charitable purpose.

With the enactment of the federal income tax early in the 20th century, largely in response to the new industrialists' mega-wealth, government policy encouraged private wealth to be used for the public good. The legal framework for private foundations and charitable giving was established at that time, including tax benefits for creating private charitable organizations as well as incentives for individuals to donate to public charities. After a period of extensive scrutiny of the charitable sector during the 1960s, which highlighted the poorly regulated nature of private charitable operations, Congress enacted the current legal framework for charities as part of the Tax Reform Act of 1969.

Today a high percentage of U.S. citizens and corporations donate to charities, and studies have indicated that individuals of modest means typically give a higher percentage of their income to charities than the wealthy. Charitable activities and trends are regularly covered and promoted in the media, and promoted in schools and workplaces as well. More than 70,000 grantmaking foundations of varying types – independent, corporate, community, operating, and public charities – exist in the U.S. The Foundation Center estimates that total charitable assets are roughly $1 trillion with total annual charitable giving by private foundations and public charities of nearly $100 billion per year. Giving USA estimates that total charitable giving in the U.S., including individual giving, is currently about $300 billion per year.

Legal and Tax Policy Environment

Philanthropic institutions enjoy a favorable legal and policy environment in the United States. Incorporation and registration occur at the state level where state laws offer protections to citizens against fraudulent charitable activities. Some states have been quite aggressive in investigating and prosecuting fraudulent charitable activities. Charities that raise funds nationally must go through the cumbersome process of registering in all fifty states.

Federal policy is concerned mainly with determining whether a philanthropic institution qualifies for tax-exempt status based on its purpose, organization, governance and planned activities. The process for attaining tax-exempt status usually requires an attorney and can be expensive and lengthy. Currently, an estimated 1.8 million organizations have gained federal tax-exempt status. In return, they must abide by federal charitable laws and restrictions. They must also abide by rules and procedures set by the Internal Revenue Service (IRS) and must report annually to the IRS on their activities and expenses. These reports constitute public information and are easily accessible to the public through various non-profit charity watchdog groups.

Beyond conferring tax-exempt status, the federal government has an interest in ensuring that charitable organizations operate legally and fulfill the mission for which the tax exemption was approved. While the IRS has limited capacity to monitor the activities of so many individual charitable organizations, charities must keep meticulous records in the event they are audited by the IRS. In cases where the IRS determines that a charity has abused its tax-exempt status by engaging in illegal or fraudulent activities, it may withdraw the organization's tax exemption. Moreover, charities identified as supporting terrorism may be shut down immediately and have their assets frozen by the U.S. Treasury Department. However, this has occurred in only eight cases since 2001.

In general, the scope for charitable activities is a broad one under federal law, and tax-exempt nonprofit organizations have wide latitude to pursue their missions of serving the public good. While opinion leaders in the media and Congress may occasionally question a charity for specific actions or bemoan the revenue lost to the government from the charitable tax exemption, public support for the nonprofit sector remains strong. In the wake of major crises like the 9/11 terrorist attacks, Hurricane Katrina and the current economic recession, most Americans have come to appreciate that the charitable sector mobilized quickly with urgently needed assistance even as government agencies were slow to respond.

The tax environment in the US is favorable to giving, although the U.S. tax code is long and extremely complex. It includes 31 different categories of tax-exempt organizations, but the broadest is the 501(c)(3) category for organizations engaged in charitable, religious, scientific, educational, and other activities. Other categories include tax exemptions for certain business, labor, social and professional organizations that are not engaged in charitable activities but nevertheless provide a public benefit. In order for an organization to achieve 501(c)(3) status it must have an exempt purpose, be organized exclusively for an exempt purpose, and operated primarily for that purpose. In addition, the organization must not provide any improper benefit to individuals in control of the organization or who are capable of exerting substantial influence over it. It cannot support or oppose candidates for public office, and it must not engage in substantial lobbying activity. One of the principal benefits of 501(c)(3) tax-exempt status is that individuals donating to the organization can receive a tax deduction for their gift.

The U.S. tax code divides the charitable sector into two broad categories: private foundations and public charities. Private foundations derive their income from a single source such as an individual, a corporation, or an endowment and may be governed by a board composed of family members or corporate officials respectively. Public charities, on the other hand, raise funds from multiple sources, including individuals, foundations, corporations and governments. Because public charities are governed by broadly based boards and are accountable to a wider range of donors than private foundations, they are thought to operate in a more public space and therefore require less oversight from government regulators. Because they can operate out of public view, private foundations are subject to stricter rules and greater oversight. For instance, private foundations must follow stricter IRS procedures for making grants to organizations outside the U.S. In 2006 these private foundation rules were extended to cross-border grants made from donor advised funds at public charities. Many public charities follow the private foundation rules as a matter of good practice, even though they are not required to do so.

Obstacles and Challenges

Factor	Not Challenging	Modestly Challenging	Moderately Challenging	Extremely Challenging
Legal environment	(b)		(a) 3	
Tax environment	(b)		(a) 3	
Public attitudes towards philanthropy	(b)	(a) 2		
Lack of confidence in public sector		(a)2, (b)		

Additional obstacles and challenges include:

- The current economic recession has reduced philanthropic giving across the board and currently ranks as a significant challenge for the sector.
- Measuring philanthropic impact and effectiveness is a major concern. Many in the sector are struggling with how to demonstrate the philanthropic sector's effectiveness in a compelling way to public officials and the media.
- Philanthropic organizations are trying to determine how they can collaborate effectively to achieve greater impact and synergies in addressing huge social, economic and environmental issues.
- The distribution of philanthropic resources has a tendency to focus on urban communities. Therefore smaller, rural communities struggle to access resources or develop significant local resources, thus creating challenges in resource-poor parts of the country.

Institutional Philanthropy: Models, Assets, and Expenditures

Institutional Models

Type of Institution	Known Number	Principally Grantmaking	Principally Operating	Mixed Grantmaking/ Operating Model	Operating Model is Unknown	Est. in Last Ten Yrs
Independent foundation	73,658					21,787
Corporate foundation	2,588					564
Community foundation	728					39
Host-controlled foundation or fund						
Multi-purpose fundraising foundation/organization						
Government-linked foundation						
Operating foundations	7,799	2,751	3,494	1,554	0	2,568
Public foundations/ grantmaking public charities	9,145	2,050	3,244	3,608	243	752
Corporate giving programs	1,296					1

Assets and Expenditures

Type of Institution	Total Value of Endowments	Total Value of Assets	Grants Given	Operating Expenditures
Independent foundation		$526,897,066,963	$32,984,592,012	$7,315,213,503
Corporate foundation		21,466,876,272	4,495,534,373	316,311,280
Community foundation		56,567,090,072	4,495,354,112	999,161,781
Host-controlled foundation or fund				
Multi-purpose fundraising foundation/organization				
Government-linked foundation				
Operating foundations		52,223,966,189	3,751,594,454	3,518,398,770
Public foundations/ grantmaking public charities		399,091,821,076	50,281,888,530	164,454,395,741
Corporate giving programs			3,904,255,417	

Largest Institutions

Name of Institution	Type of Institution	Estimated Total Value of Assets	Estimated Total Value of Grants
Bill & Melinda Gates Foundation	Independent Foundation	$38,921,022,000	$2,011,675,000
The Ford Foundation	Independent Foundation	11,184,655,197	526,464,000
J. Paul Getty Trust	Independent Foundation	10,837,340,620	18,759,273
The Robert Wood Johnson Foundation	Independent Foundation	10,730,549,952	329,322,323
W. K. Kellogg Foundation	Independent Foundation	8,058,127,639	272,511,561
The Andrew W. Mellon Foundation	Independent Foundation	6,539,865,392	300,198,561
Gordon and Betty Moore Foundation	Independent Foundation	6,409,252,816	290,694,047
The William and Flora Hewlett Foundation	Independent Foundation	6,289,035,000	379,400,000
Lilly Endowment Inc.	Independent Foundation	5,718,809,817	336,551,359
John D. and Catherine T. MacArthur Foundation	Independent Foundation	5,297,857,351	252,254,918

Largest Fundraising Foundations

Fundraising Foundation	Annual Contributions (five-year average)
Battelle	$3,272,337,285
Fidelity Charitable Gift Fund	1,594,934,259
Food for the Poor, Inc	1,513,923,690
World Vision International	1,495,933,031
Feed the Children, Inc	1,178,127,048
World Vision, Inc	1,113,918,057
American Cancer Society, Inc Group Return	1,011,430,115
AmeriCares	1,011,003,360
Schwab Charitable Fund	886,791,404
The Nature Conservancy	868,882,731