



**IMPROVING THE ACCOUNTABILITY
OF INTERNATIONAL PHILANTHROPY:
*MOVING FROM PRINCIPLES TO PRACTICE***

Workshop Report:

*WINGS Workshop (Africa and Arab Regions), Crowne
Plaza Rosebank Hotel, Johannesburg, 2 November
2012, 09h00 to 13h30*

Purpose and Agenda

Purpose of Workshop

Based on a review of the *Principles of Accountability for International Philanthropy* and other good practice principles in Africa and the Arab region:

- ***To move from principles to practical tools, strategies and action that can strengthen accountability in international, cross-border philanthropy.***

Agenda

1. Welcome and introductions
2. Recap on the WINGS global consultation process and the Cairo Workshop (Sept 2012)
3. Reflection from Gerry Salole (CEO, European Foundation Centre, and Chair, TrustAfrica)
4. Plenary dialogue
5. A 'visioning process' on accountability in practice
6. Linking to the 'development effectiveness' dialogue and the Busan Partnership (UNDP)
7. Moving to action: Recommendations and next steps
8. Summary and thanks

Participants

NAME	ORGANIZATION
1. Adern Nkandela	African Grantmakers Network – AGN (South Africa)
2. Amy Miller-Taylor	CIVICUS: World Alliance for Citizen Participation (South Africa)
3. Ana Pinho	WINGS
4. Barbara Ibrahim	John D. Gerhart Center for Philanthropy & Civic Engagement (Egypt)
5. Barry Smith	WINGS Consultant / Facilitator
6. Beulah Fredericks	Southern African Community Grantmakers Leadership Forum (South Africa)
7. Bheki Moyo	TrustAfrica (South Africa/Senegal)
8. Carla Ferreira	GivenGain Foundation (South Africa)
9. Colleen du Toit	Charities Aid Foundation - Southern Africa (South Africa)
10. Darin McKeever	Bill & Melinda Gates Foundation (USA)
11. David Bonbright	CIVICUS: World Alliance for Citizen Participation (UK)
12. Elaine Venter	UNDP
13. Eunica I. Z. Adriano	Foundation for Community Development (Mozambique)
14. Gerry Salole	EFC (Belgium)
15. Halima Mahomed	TrustAfrica (South Africa)
16. Helena Monteiro	WINGS
17. Hisham El-Rouby	ETIJAH (Egypt)
18. Inviolatta Moyo	Southern African Community Grantmakers Leadership Forum (Zimbabwe)
19. Jenny Hodgson	Global Fund for Community Foundations

Participants

NAME	ORGANIZATION
20. Johanna Hendricks	Southern African Community Grantmakers Leadership Forum (South Africa)
21. John Ulanga	Foundation for Civil Society/AGN/ WINGS Board (Tanzania)
22. Kai Hopkins	Keystone Accountability (UK)
23. Kathrin Kure	Ethekwini Community Foundation (South Africa)
24. Melanie Jackson	Breadline Africa (South Africa)
25. Neville Gabriel	Southern Africa Trust (South Africa)
26. Niamani Mutima	AGAG (USA)
27. Nicanor Sabula	East African Association of Grantmakers (Kenya)
28. Sandile Sithole	Community Law and Rural Development Centre (South Africa)
29. Shannon Lawder	Mott Foundation (UK)
30. Sheena Hart	Washington Diplomat
31. Sherine El Taraboulsi	John D. Gerhart Center for Philanthropy and Civic Engagement (Egypt)
32. Stewart Mantula	Southern African Community Grantmakers Leadership Forum (Zimbabwe)
33. Tina Thiart	Southern African Community Grantmakers Leadership Forum (South Africa)
34. Tom Were	African Grantmakers Network/KCDF (Kenya)
35. Vuyiswa Sidzumo	CS Mott Foundation (South Africa)
36. Yinebon Iniya	Foundation Center (USA)

Welcome and Introductions

Helena Monteiro (WINGS Executive Director) and Barbara Ibrahim (WINGS Board member and Director of the John D. Gerhart Center for Philanthropy and Civic Engagement in Cairo) welcomed participants from the WINGS network in the Arab and Africa regions, as well as other international partner organizations. They also thanked the African Grantmakers Network for including the WINGS Workshop as a satellite event of the extraordinarily successful 2012 AGN Assembly in Johannesburg

Participants were asked to introduce themselves and their organization. Each participants was also asked to give one word or phrase that comes to mind when they think about the theme of the workshop, 'accountability in international philanthropy.'

Opposite are some of the words and phrases mentioned.

- *'Downward'*
- *'Lacking'*
- *'Governance'*
- *'Confused'*
- *'Passion'*
- *'Ethical'*
- *'Responsibility'*
- *'Myself'*
- *'Effectiveness'*
- *'Transparency'*
- *'Integrity'*
- *'Transparency'*
- *'Report'*
- *'Efficiency'*
- *'Honesty'*
- *'Empty rhetoric'*
- *'To whom?'*
- *'Essential'*
- *'Necessary'*

Review of Cairo Workshop

Barry Smith, WINGS Facilitator, gave a brief recap of the WINGS global consultation process around accountability in international philanthropy as well as the Workshop held in Cairo in September 2012.

- The Cairo Workshop kicked off a global consultation process to gather global feedback on the *Principles of Accountability for International Philanthropy* document as well as WINGS' work in promoting accountability more widely in the philanthropic sector. The *Principles of Accountability* developed by EFC and CoF were the product of a comprehensive consultation process (including in Africa) in which funders and grant recipients were both consulted.
- The Cairo Workshop reviewed the Principles document and recommended that the further consultation process focus on putting principles of accountability in action in Africa and the Arab regions.
- The Johannesburg Workshop reviewed the main outcomes and recommendations of the Cairo Workshop (see the Cairo Workshop Report) and agreed to engage in a visioning process in which participants draw on their experience to picture what a truly accountable philanthropy organization would look like – i.e. what real-life approaches, tools and implementation strategies contribute to success in accountability?

Keynote Reflection

Gerry Salole, CEO of the European Foundation Centre, gave a brief keynote reflection on lessons from the EFC/CoF ‘Principles of Accountability for International Philanthropy’ process as well as more general issues for accountability in the sector.

- The *Principles of Accountability* developed by EFC and CoF were the product of a comprehensive consultation process (including in Africa) in which funders and grant recipients were both consulted. The intention now is not to edit the document, but to see what appetite and ideas are emerging from philanthropy networks in South to move from principles to practice.
- The main accountability problem with foundations internationally is their continued ability to act with an enormous degree of impunity. It is common for international foundations them to stop funding projects or to change direction and priorities with little or no explanation to grantees or the public.
- Foundations resist self-regulation. Associations of foundations are pushing for stronger self-regulation but this is a challenging undertaking. EFC has a code of practice, which sets the bar relatively low. Attempts to strengthen this code have perhaps push too far, too fast, establishing unrealistic criteria and goals. It is a matter of finding the right balance

Keynote Reflection

- In EFC's membership, appropriate codes and standards for self-regulation are the subject of ongoing consultations. However, the aim must continue to be the establishment of clear rules and standards for accountability to stakeholders, reversing the 'culture of impunity' and requiring foundations to give a public, transparent accounting for their decisions and practices.
- If foundations do not move on self-regulation, others will do it for them. This is already happening as governments in various countries are introducing stronger regulatory frameworks for the work of foundations. So it is urgent for us take the WINGS global consultation process seriously and start putting in place a set of manageable accountability standards that are clear, simple and straightforward to implement. The rule of thumb should be: 'comply or explain.'
- Local organizations and foundations in Africa, the Arab region and other regions in the global South must take a lead in defining what kind of standards are required for international philanthropy. Concerns have been raised about whether international foundations sufficiently gauge the needs and views of their constituencies and beneficiaries. There is a need for closer scrutiny of the work of international foundations and whether their 'social engineering' efforts are in tune with the agendas and priorities of Southern constituencies. This presents foundations with a two-fold challenge: how to engage more effectively with these constituencies and how to re-organize their work to mainstream accountability.

Plenary Discussion

- How do corporate foundations fit in the accountability discussions? Impunity is an issue particularly challenging in the field of corporate philanthropy (participants cited examples of distortions arising from the ‘Broad Based Black Economic Empowerment’ regime in South Africa).
- A complicating factor for self-regulation is the lack of a critical analysis of philanthropy from independent actors. Academics, for instance, are often too dependent of philanthropic funding to fulfill this role.
- There should be a space, potentially web-based, for external, independent review and monitoring that can help to drive effective more effective self-regulation.
- ***Alliance Magazine*** could make a useful contribution to such accountability review and debate (given its independent but highly respected position in the field).
- An analysis of the philanthropy sector’s institutional capacity for accountability and self-regulation is also needed.

Plenary Discussion

- Any regulatory environment must have realistic parameters that match grantmakers' and foundations' ability to respond. Over-regulation may be self-defeating. It is not about setting the bar to low, but how to balance foundations' intentions and capacity with achievable accountability standards.
- The public environment for accountability is changing, especially with the proliferation of social media tools. The tendency is that institutions will have little choice but to be more accountable, as the public increasingly demands legitimacy and transparency.
- We should build an argument for accountability that is grounded in sustainability, making a strong case for accountability (i.e. we can no longer afford to be unaccountable)
- We must counter growing perceptions that our accountability principles have no connection with reality, that these principles are only presenting ideals divorced from practice. The missing piece is: 'Accountability to whom?' We cannot only be accountable to each other within the sector. We need to build real accountability to citizens.

Plenary Discussion

- How do we conduct our business? There is a persistent lack of accountability in the way some philanthropy organizations are run, as evidenced for example in lack of response and communications to grantees or poor turnaround times on approvals and disbursement of funds (funders often do not even acknowledge the receipt of proposals they receive).
- There is a more complex level of issues for foundations around 'unintentional' arrogance or lack of self-awareness in our practice.
- Why should we ask foundations to be accountable when others (governments, NGOs, etc.) are not? Some documents on accountability assume there is a stable or conducive environment. In fact, we often operate in a larger context of weak accountability. What is to be done in such unfriendly or unstable environments?
- We should begin with tackling accountability within the philanthropy sector and to our constituencies, before tackling the broader accountability deficits in our the environment.

Plenary Discussion

- The playing field is not level. Philanthropy players have diverging sets of resources to act on accountability.
- We should be cautious about what we ask for in terms of changes to the wider regulatory environment. There are different scenarios when it comes to public regulation, not all positive. Some governments are already regulating the sector mainly negative terms. Effective self-regulation could help to provide some collective immunity against unfriendly governments.
- Governance
 - We should hold each other accountable, setting and sharing examples of good practice
 - We should note that with a growing professionalization of governing boards, as well as demands to increase efficiency, some board members may expect remuneration. This poses some challenges for us in balancing our principles and practice.

A 'Visioning Process' on Accountability in Practice

Acting on a recommendation made during the Cairo meeting, participants engaged in a visioning process of what accountability should look like in practice.

Participants were divided into small groups (reflecting the perspectives of different kinds of actors in international philanthropy) to identify characteristics and approaches of accountable organizations as well as practical tools and strategies needed to put accountability in action.

Following is a summary of feedback from the small groups on the characteristics and approaches that would describe what a truly accountable philanthropy organization would look like.

Characteristics and Approaches of Accountable Organizations

Corporate/Business Philanthropy:

- Representative board governance (representative of all stakeholders and their issues).
- Knowledge, interest and competence of/in programmatic issues.

International/Cross-Border Giving:

- Be responsible, flexible and willing to change. Be accountable at a level playing field.
- Have a long term vision.
- Be accountable to local aspirations and agendas.
- Implement feedback mechanisms: participatory reviews; how to encourage honest feedback?
- Bottom up approach: understand contextual issues by working in local communities; introduce a participatory approach - grantees and funders should work together.
- Avoid the “corporatization” of the sector.
- Be aware of your own limitations/characteristics - you are a ‘guest’ in a foreign country.
- Be accountable to the goal of a more just society.
- Acknowledge there is already a power imbalance in your relationship with grantees.
- Show humility.

Characteristics and Approaches of Accountable Organizations

Community Foundations and Small Organizations:

- Accountability is central to the DNA and culture of community foundations (CF's). As local grantmakers, any misconduct may irredeemably tarnish the organization.
- Feedback and transparency, including publishing reports and feedback from grantees. Get feedback on public reports before launching them (for example by presenting drafts to grantees).
- Collaboration and mutual accountability - identifying common issues in the community and stepping stones for community development ('Accountable organizations don't lead with money.')

National Grantmakers and Family Foundations:

- Focus on community engagement and outreach.
- Explicit approach: clear guidelines about sustainability, succession, and exit strategies.
- Ensure the spirit of founders' intent is preserved.
- Engagement informs strategy/practice.
- Structure reinforces governance, philosophy and policies.
- Proposal guidelines are clear.
- Funds are leveraged.
- Decision-making involves broad participation of stakeholders.
- Results are published and shared with sources (appropriately).
- Have a conflict of interest policy.
- Explain and assist grantees with changes to strategy.

Characteristics and Approaches of Accountable Organizations

Venture Philanthropy Organizations:

- Keep values in mind, see beyond financial sustainability.
- Be cautious about interfering on the program management. The grantmaker should not be part of the management and board, or dictate how the grantee works.
- Respect and acknowledge the past, the intentions of the program's founders
- See the grantee as a partner and be mindful of ownership and power dynamics.

Faith-Based Organizations:

- 'Practice what you preach.'
- Sustainable projects: long-term, measurable, and with deliverables.
- Be accountable: practice what you preach.
- Have transparency and feedback mechanisms.
- Custodians of resources (two-way process).
- Beneficiary focused.
- Servant leadership.

Tools and Strategies for Accountability

Following is a summary of small group feedback on practical tools and strategies needed to put accountability into action. This provides ideas to WINGS on a possible tool kit for members.

- Online survey tool for collecting feedback.
- Online library of policies and model reports (i.e. conflict of interest, 'whistle blowing,' transparency, financial reports).
- Set of reflection questions that grantmakers need to ask themselves on accountability.
- Analysis of power and accountability.
- Standardized toolkits, templates, how-to guides for independent feedback.
- Sharing best practices on what accountability looks like in practice.
- Offer a summary of laws and regulations in countries of members organizations (with ICNL).
- Advocate and develop participatory grantmaking strategies for inclusive decision-making.
- Accountability frameworks: impact-assessment tools should be jointly designed and flexible.
- Relationship building to ensure trust, mutual respect and information sharing (develop good case stories).

Tools and Strategies for Accountability

Tools and strategies (cont.):

- Recruitment process that prioritizes hiring of relevant and qualified staff.
- Monitoring and evaluation tools that demonstrate relevance (or irrelevance) of philanthropic decisions (evaluate social development impact).
- Mechanism for multi-stakeholder election of governance representatives.
- Work on orientation processes, peer learning, joint convening, sharing and reporting on how we work.

Issues raised by the participants on implementation of tools and strategies:

- Is there a way to create incentives for people to use accountability tools (toolkits, templates, etc.)? If organizations have to give feedback and realize they're being heard they will be drawn naturally to tools to improve this feedback and their work in general.
- There is an dichotomy between practical implementation of tools and strategies and the environment (which is unstable and fast-changing). For instance, when should we address power imbalances? Are there situations in which we should ignore it to be productive?

Accountability and Development Effectiveness

Elaine Venter from the UNDP gave a brief overview of the links between the discussion on accountability in philanthropy and the Busan Partnership process around ‘development effectiveness.’

- Accountability is an issue not only in philanthropy. It is also key to the wider ‘development effectiveness’ debate. Globally, development donors do not yet feel sufficiently responsible for being accountable to recipients. This undermines mutual accountability processes.
- We need to locate the discussion on accountability in the wider context of other development effective principles promoted by the Busan Partnership.
- Monitoring and evaluating effectiveness is a challenging task. We cannot think of accountability in isolation, but need to consider it in the context of wider development processes and local environments. Most importantly, we need to base our efforts on respect for the Southern ‘ownership’ – i.e. ownership by aid recipients and philanthropy’s development partners of their own development processes.
- WINGS can facilitate the engagement of its members in the wider discussion of ‘development effectiveness’ and assist in the formation of practical global action plans. The global debate has moved from the ‘what’ and ‘why’ to a focus on how we can implement stronger accountability.
- UNDP and the Busan Partnership would like to partner with WINGS and reach out to its membership to engage them in the ‘development effectiveness’ and accountability dialogue.

Moving to Action: Recommendations and Next Steps

The Workshop closed with a brief summary of next steps for WINGS and its networks.

- WINGS will use the recommendations and feedback from the Workshop to shape its further global consultation process and design practical tools and resources for its membership and network in 2013.
- Participants resolved to continue the discussion on how to move to action in Africa and the Arab region and how to assess progress.
- It was recommended that WINGS should consider including grantee partners and community stakeholders (i.e. non-grantmakers) in the global consultation process.
- We should establish some benchmarks and targets for progress on accountability in international philanthropy i.e. where do we want to be in two years' time?
- WINGS will animate the further discussion and dialogue through webinars, by sharing information, etc., but the process has to be demand-driven. Network members must take a leading role and partner with WINGS in practical action.