

**Title of Paper**

Philanthropy's contributions to the Sustainable Development Goals in emerging countries

**Subtitle**

Lessons learnt and experiences from the SDG Philanthropy Platform

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**Abstract**

Philanthropy's contributions to large development frameworks such as the Sustainable Development Goals (SDGs) have been growing worldwide. Philanthropy is interested in leveraging resources to achieve greater impact, influencing long-term development, as well as creating scalable solutions. However, despite good intent, philanthropy's impact remains limited because of siloed approaches, lack of understanding of broader development eco-systems in countries, and lack of appreciation for collaboration.

This research paper presents winning strategies for foundations which achieve scale through systems design and thinking, supporting local innovations, and collaboration. The paper builds on inputs from a global partnership initiative, SDG Philanthropy Platform, which aims to align philanthropic investments with the SDGs. The paper discusses practical approaches practiced by global foundations such as the Conrad N. Hilton Foundation and the Ford Foundation, as well as national philanthropic associations in 8 countries worldwide.

The research paper zooms in on the prototyping from Kenya, Ghana, Zambia, India, Indonesia and Colombia, and our work with a broad spectrum of local philanthropic players ranging from traditional grant-making foundations to social and impact investors.

**Research questions:**

1. What are the conditions which enable philanthropy's contributions to development scale?

2. What are models of collaboration between governments and other stakeholders which increase development impact?
3. What are the capacities needed among national philanthropic associations in developing countries to pursue such cross sectoral collaboration?
4. What is the role of governments in creating an enabling environment for collaboration which effectively engages philanthropy?

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## 1. Philanthropy is a growing phenomenon worldwide

Greater wealth accumulation across the world has produced expanding levels and types of philanthropy. In recent years, the growth of formal philanthropic activity in developing countries has been significant, marked by home-grown philanthropists, and new institutions and initiatives that are well attuned to local development needs. Some are supported by private international foundations based in developed countries or by an expanding community foundation network, while others are set up by wealthy families, businessmen, or as corporate foundations linked to large local businesses. Limited data on philanthropic activities in countries makes it tough to understand the scope and behaviour of philanthropic entities. In her paper “Philanthropy as an Emerging Contributor to Development Cooperation,” Heather Grady broadly defines the key trends in global philanthropy<sup>1</sup>:

- i. Expansion of philanthropy in the Global South marked by the emergence of a variety of philanthropic expressions ranging from institutional actors such as corporate and community foundations, to High Net Worth Individuals to social investors.
- ii. A shift from funding to financing which encapsulates relying not on the old north-south paradigm of aid, but relying more on impact investing and supporting socially minded organizations that generate their own social and financial revenue. Impact investing and impact economy initiatives are ways for those with investment capital to generate social and environmental impact as well as earning a financial return. While traditional aid is associated with grants, impact investing broadly covers a range of new instruments between subsidized loans to impact bonds. Impact investing is already making contributions to development outcomes, and increasingly more has connected with development processes.<sup>2</sup>
- iii. A growing interest among foundations to engage in development collaborations including in the global development frameworks such as the Sustainable Development Goals (SDGs). This trend is driven by a growing volume of philanthropies interested in contributing to the large and complex social challenges such as poverty, humanitarian crises or climate change which requires systems innovation as opposed to standalone interventions.<sup>3</sup>

For this paper, global philanthropy is defined as trends in philanthropic giving worldwide, including but not exclusively cross border philanthropy.

## 2. Sustainable Development Goals, an inclusive vision for globalization

In September 2015, United Nations General Assembly endorsed the approach for the Sustainable Development Goals (SDGs), setting the agenda for sustainable development through 2030. The 17 Sustainable Development Goals of the 2030 Agenda are a critical roadmap for the future. They represent a comprehensive view of development that connects social, economic and environmental factors, and fully link environmental threats with

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<sup>1</sup> Grady, Heather (2014) Philanthropy as an Emerging Contributor to Development Cooperation, UNDP, [http://www.undp.org/content/dam/undp/documents/partners/civil\\_society/UNDP-CSO-philanthropy.pdf](http://www.undp.org/content/dam/undp/documents/partners/civil_society/UNDP-CSO-philanthropy.pdf)

<sup>2</sup> EVPA: Impact Investing in Emerging Markets-Capital Allocation for Sustainable Development, 26 June 2017, a webinar available on <http://evpa.eu.com/events/event/8684>

<sup>3</sup> Knight, B. (2015) Foundations keen to collaborate on SDGs, Alliance Magazine December 2015

social justice and global prosperity. Unlike the MDGs, the SDGs are universal which make them relevant to the entire global community.

## The 17 Sustainable Development Goals (SDGs)



Figure 1: The Sustainable Development Goals

The SDGs represent a very high level of ambition not only because of the breadth of the issues involved ranging from poverty to inequality to safeguarding the environment but also the extraordinary promise of “leaving no one behind” which implies reaching those traditionally left behind (people marginalized due to factors like gender, place of origin, race, class, ethnicity, disability, or religion). The challenges are massive in scale, with issues such as climate change or global health transcending borders, and are anchored in an increasingly volatile and uncertain global systems.

The SDGs are interconnected and indivisible which means that achieving them must be viewed holistically with an understanding of how investing in one goal affects others. For example, increasing food supply for the projected population growth of 4 billion more people will be a challenge of its own and will also result in an increase in pressure on environmental systems such as higher carbon emissions, and higher water and resource consumption. The Agenda 2030 shifts the focus from quantity of development to quality, for example it is not only about school enrolment but also levels of students’ literacy upon graduation.

The nature of the SDGs represents the size and scope of challenges that our institutions and models are currently not able to tackle effectively. Meeting the SDGs requires addressing their complexity and finding new ways and methods of working that change the behaviour of dominant global systems. There is an evidenced need of new approaches in development which speak to the interconnectivity of the SDGs to multiply positive outcomes and minimize trade-offs.

Ultimately governments are responsible for achieving the Agenda 2030; however, it has been recognized that multi-stakeholder approaches and private sector investments are essential. The text of the Agenda 2030 explicitly acknowledges the role of philanthropy in contributing to the SDGs in paragraphs 41 and 45.<sup>4</sup>

The SDGs are expensive; estimates show that annual costs of the SDGs are between 3 to 5 trillion USD with a gap of 2.5 trillion USD expected to be covered by private sector capital.<sup>5</sup> The Addis Ababa Action Agenda, a UN framework which defines a roadmap for financing the SDGs, emphasizes the need to blend different sources and types of finance - private and public, traditional and new as well, to align the capital markets with sustainable development Agenda.<sup>6</sup> The specific reference to the role of philanthropy is mentioned in paragraphs 10 and 42.<sup>7</sup>

Many governments have already started formulating plans of engaging the private sector, foundations, civil society, academia and others in the implementation and the models of collaboration different in countries. The High Level Political Forum is the UN Central platform for follow up and review of the Agenda 2030 implementation, in which efforts towards the Goals are discussed on an annual basis every July. While catering mostly to governments and UN agencies, it also has a track for partnerships to inform and engage the experiences of the private sector, foundations and others.<sup>8</sup>

At a recent conversation launched by the UN on financing the SDGs, speakers from the capital markets and government representatives agreed for the need of more mechanisms, tools and policy actions to realign the “abundant” capital and sustainable development financing and emphasized the importance of collaboration and investing in innovative financial instruments which test and measure capital engagement and is critical for progress.<sup>9</sup>

### 3. SDGs can be a powerful force for philanthropy

Foundations have a huge role to play in achieving the SDGs for two important reasons: they offer financing as well as innovative and complementary approaches to development. Governments and the UN take a government-centric view of how change happens, usually constrained by time-bound political and planning cycles. In contrast, many foundations rely on supporting social change makers in the non-profit sector, and often start with identifying and addressing complex social problems, working backwards from that to create portfolios that incorporate shorter-term outcomes and systems-level changes.<sup>10</sup>

The Foundation Centre estimates that philanthropic contributions towards the Millennium Development Goals, predecessors of the SDGs, totalled USD 31 billion. Cross-border private aid (e.g. foundations, corporations) averages between USD 60 billion and USD 70 billion per year, while national philanthropy is growing fast in developing countries.<sup>11</sup> Brad Smith, President of the Foundation Centre, estimates that philanthropy will contribute

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<sup>4</sup> <http://www.un.org/sustainabledevelopment/sustainable-development-goals/>

<sup>5</sup> UNCTAD (2014) Investing in the SDGs: An Action Plan for promoting private sector contributions, [http://unctad.org/en/PublicationChapters/wir2014ch4\\_en.pdf](http://unctad.org/en/PublicationChapters/wir2014ch4_en.pdf)

<sup>6</sup> Addis Ababa Action Agenda, (AAAA) (2015) <https://sustainabledevelopment.un.org/frameworks/addisababaactionagenda>

<sup>7</sup> Addis Ababa Action Agenda (2015), Outcome document: “(...) welcomes the rapid growth of philanthropic giving and its significant financial and non-financial contribution (...) the AAAA recognizes philanthropy flexibility and their ability to leverage additional funds through multistakeholder partnerships (paragraph 42)

<sup>8</sup> UN High Level Political Forum, <https://sustainabledevelopment.un.org/hlpf>

<sup>9</sup> The UN General Assembly (UNGA) convened a high-level event on financing the Sustainable Development Goals (SDGs), 18 April 2017. <http://sdg.iisd.org/news/unga-launches-global-conversation-on-financing-sdgs/>

<sup>10</sup> Grady, UNDP, 2014

<sup>11</sup> Grady, UNDP, 2014. [Philanthropy as an Emerging Contributor to Development Cooperation.](#)

over 360 billion USD to the SDGs.<sup>12</sup> However, this number is much smaller than the official development aid, which reached 142 billion USD in 2016 alone.<sup>13</sup>

However, philanthropy has other important assets to contribute to development.

First, emerging philanthropy in frontier markets is an important driver of innovation as well as capital; although their spending power is much smaller individually than those of large global foundations, their numbers are growing. Secondly, these local philanthropic organizations are source of significant local influence. Thus, they are important consideration for domestic resource mobilization as well as leadership. Local philanthropy is a source of technical knowledge and expertise; they cultivate a broad range of relations with local players from NGOs, academia, local governments and others. Finally, philanthropy has innovated a new financial class, impact investing, which provides bridge between commercial financing and traditional grants.<sup>14</sup>

Moreover, the unprecedented collaborative process by which the SDGs were negotiated, their comprehensive nature and universal adoption by all 193 countries after an extended political process gives philanthropy inroads. The SDGs drive political decision making, official development assistance as well as increasingly more private sector financing. For example, we observe a growing uptake of the SDGs by the business community and capital markets by monetizing SDG related market opportunities.<sup>15</sup> The SDGs affect the way governments organize and prioritize development plans. Consequently, the SDGs significantly influence the environment in which philanthropy operates.

While the goals respond to the questions of WHAT and as such they offer a compelling vision of inclusive globalization, they don't address HOW to deliver, beyond an obvious call for collaboration. At the same time, philanthropic organizations regularly lack the data, tools, and connections to navigate the complex multi-stakeholder process of large scale social change and to successfully reach those with the power to implement change, i.e. governments. While local foundations may have a deep understanding of their communities, they may have limited funds and often lack access to global networks. International foundations, on the other hand, may have greater resources and a global view, but often lack local contacts and information on the priorities, policies and roles within the development ecosystem of a country. Philanthropy and the private sector innovate better, but it is governments that have the ability and the responsibility to bring effective programs to scale. Multi-stakeholder partnerships have the potential to drive transformative change, although cross sectoral collaboration can be tricky and are typically hard to implement.<sup>16</sup>

Due to their structure, programming under the SDGs favors working on and prioritizing large scale change. As a unifying framework, the SDGs offer a common taxonomy. However, given their complexity, to produce an impact and move a needle implies a shift away from discrete interventions and predictive theory of change towards approaches which build on systems thinking, innovations and collaboration. The SDGs' interrelatedness implies

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<sup>12</sup> Smith, B (2016) Foundations will contribute 364 billion to SDGs, a blog <http://sdgfunders.org/blog/foundations-will-contribute-364-billion-to-sdgs/>

<sup>13</sup> OECD (2017), Official Development Aid 2016. <https://www.oecd.org/dac/financing-sustainable-development/development-finance-data/ODA-2016-detailed-summary.pdf>

<sup>14</sup> Engaging Philanthropy in the Post-2015 Development Agenda: Lessons Learned and Ways Forward, SDGPP, 2015. [http://www.issuelab.org/requester/sdgs/id/22554?\\_ga=2.50704489.1510991342.1497686264-1280865790.1450192178](http://www.issuelab.org/requester/sdgs/id/22554?_ga=2.50704489.1510991342.1497686264-1280865790.1450192178)

<sup>15</sup> Business Commission for Sustainable Development, (2016), Better Business Better World, <http://report.businesscommission.org/>

<sup>16</sup> Engaging Philanthropy in the Post 2015 Development Agenda, Lessons Learnt and Ways Forward, SDG Philanthropy Platform, (2015) [http://www.issuelab.org/requester/sdgs/id/22554?\\_ga=2.196895724.1140445782.1497529034-1280865790.1450192178](http://www.issuelab.org/requester/sdgs/id/22554?_ga=2.196895724.1140445782.1497529034-1280865790.1450192178)

that even small changes can scale rapidly if the right pressure points are found, while high effort changes often stay neutral.<sup>17</sup> For example, foundations which aim to reduce violence against children or improve quality of education find that strategies which rely on linear and deterministic approaches fail. Therefore, philanthropy that wants to influence large scale and lasting change towards sustainable development should use the SDGs as pathways to achieve their aims.

## 4. About the SDG Philanthropy Platform

The SDG Philanthropy Platform (SDGPP or the Platform) was launched to support engaging philanthropy in the SDGs. The Conrad N. Hilton Foundation, Ford Foundation and The MasterCard Foundation, the initial funders, recognized the need to advocate and engage foundations worldwide in the implementation of the SDGs.

For foundations and philanthropists who are looking to support sustainable development initiatives, the SDG Philanthropy Platform is a global facilitator that helps optimize their resources by enabling effective collaboration with the broader development ecosystem. The Platform is unique in combining a deep understanding of both government and philanthropy, access to rich data, and use of robust networks to provide the tools, partnerships, and guidance needed to co-create and scale promising solutions. The Platform is driven by a common vision of strong partnerships between philanthropic organizations, governments, the United Nations and other development partners, civil society, and business - including social enterprises - in achieving the SDGs. The implementing partners responsible for achieving the vision are the United Nations Development Program (UNDP), Rockefeller Philanthropy Advisors (RPA) and Foundation Center (FC).

*Figure 2: SDG Philanthropy Platform definition*

The Platform operates at the global level as well as in focus countries: Kenya, Colombia, Indonesia, Ghana, the United States, Zambia, India, and Brazil.

The Platform's operating model in focus countries relies on a presence of staff who work at the local UN or UNDP office and are responsible for engaging local and global foundations in SDG-specific development collaborations. A small team in UNDP in Istanbul and Rockefeller Philanthropy Advisors in San Francisco support exchange of knowledge, connecting with global partners and connecting global with local approaches. The Foundation Centre located in New York is predominantly responsible for building capacity on data and managing the website, [sdgfunders.org](http://sdgfunders.org). In all the countries, the SDGPP forges strong relations with local philanthropic associations as a key partner and emphasizes working and tapping to other relevant networks in the countries.

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<sup>17</sup> UNDP, (2016), UNDP support to the implementation of the 2030 Agenda for Sustainable Development, <http://www.undp.org/content/undp/en/home/librarypage/sustainable-development-goals/undp-support-to-the-implementation-of-the-2030-agenda/>



# Country structure: how SDGPP operates

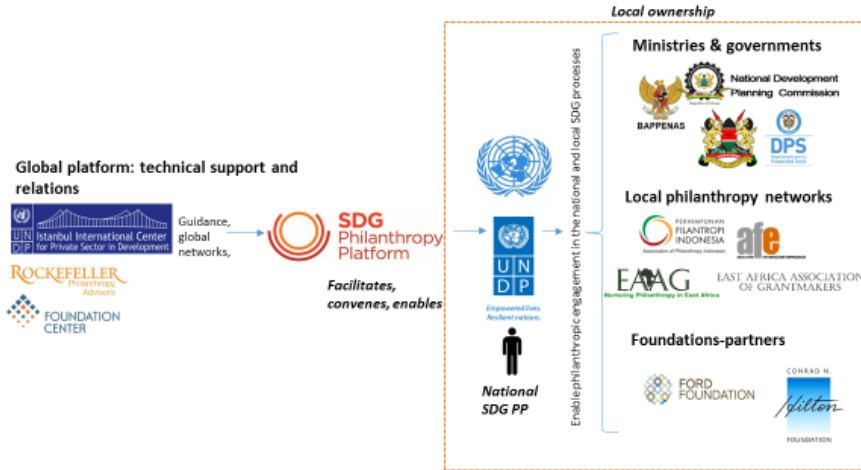


Figure 3: The Platform's operating model in a country

## 4.1 Key achievements

The Platform has brought together over a thousand foundations and philanthropists across many countries to create new partnerships so that together, funding and programs have a greater and more sustainable impact on people's lives. Many of which are from outside the US and Europe, with strong ties to several African philanthropy networks (e.g., Southern Africa Trust, East African Association of Grantmakers, Kenya Philanthropy Platform). The Platform fosters collaboration between philanthropy and relevant UN and government agencies, and brokers the entry points to multi-level, cross-cutting institutions focused on SDG implementation in specific countries. It brings philanthropy's collective voice to policymaking both in specific countries and globally, and demonstrates to governments and the UN system the power of philanthropy and its important role in Agenda 2030. The Platform's growing number of partnerships, and countries in which it operates, illustrate the dedication of foundations from the global North and South, as well as the interest of governments, to join forces to achieve the SDGs.

The Platform has enabled philanthropy institutions and grantees to collaborate with national governments. Key areas include addressing the complexities of combining private and public data, creating an enabling legal environment for philanthropic investments, and incubating institutions which allow philanthropy to formally collaborate on SDG implementation. The established portal *sdgfunders.org* is a novel and a unique place which tracks philanthropy's contributions to the SDGs, and a more interactive linked website is underway.

The SDGPP applied developmental mindset in the process. The theory of change was finalized in January 2017, over two years after its launch, recognizing a need to have a common understanding of the impact pathway amongst the growing number of partners. Before January 2017, due to the unknown theory of change of the SDGs in countries, the donors and the implementing partners recognized the difficulty to construct a predictive and

multiyear model for change. Instead, the project staff was given space to identify and amplify positive outcomes, following the vision of strong collaboration between philanthropy, the UN and governments in implementing the SDGs. The staff was forced to be continuously adaptive to the changing circumstances and reality on the ground, and revise their course of action based on learnings. Such approach, as defined by McGill University management professor, Henry Mintzberg as an “emergent strategy”, captures the dynamics of evolving strategies as witnessed through intended strategies bumping up against complex realities.<sup>18</sup>

The Platform’s “impact pathway” illustrated in Figure 4 responds to the three core principles of the emergent strategy in so far as it was co-created with local partners closest to the ground. It integrates the mechanism for continuous learning and adapting, and builds on systems thinking where behavior of one organization affects many other variables.

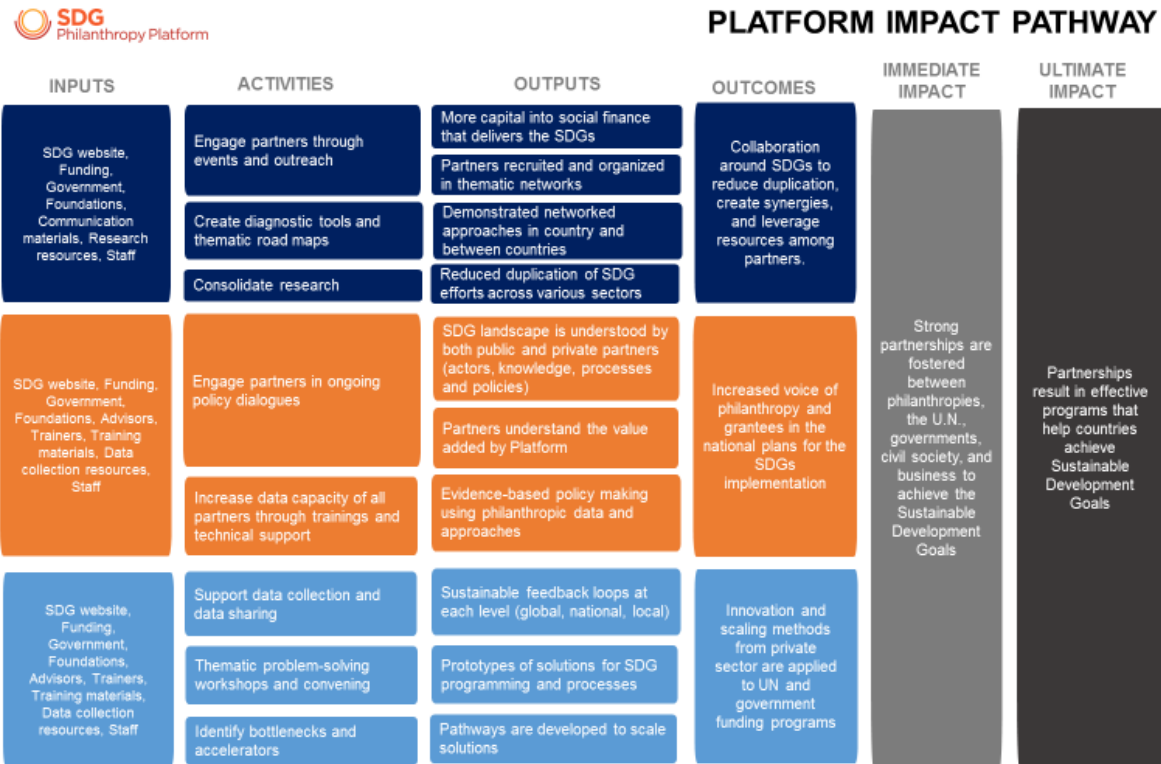


Figure 4: Impact pathway for the SDG Philanthropy Platform

## 5. Winning Strategies for Impact and Scale

The Platform’s accumulated experiences offer pathways of how foundations can engage in the SDG processes in countries which benefits their strategies and impact. While the SDG processes appear complex and diverse depending on a country context, foundations should pay attention to follow six rules in all aspects of their work. We borrow the term of “simple rules” from a concept by the Boston Consulting Group of managing complexities in business organizations. The rules streamline the process while also fostering cooperation and developing solutions.<sup>19</sup>

<sup>18</sup> Mintzberg, H; Quinn, J. B.; Ghoshal, S *The Strategy Process*, Prentice Hall, 1998  
<sup>19</sup> Morieux, Y. (2011) Smart Rules: Six Ways to Get People to Solve Problems Without You, BCG blog.

### 5.1 Become aware of the trends and interconnections, build on the existing trends.

As a first step, foundations should orient themselves within the ecosystem of 17 goals and 169 targets. The SDG Wizard is a simple and yet powerful tool that allows foundations to link their activities against the goals and targets relevant for their work.<sup>20</sup>

Secondly, philanthropic organizations should become aware of their surroundings: who is around and working on similar issues, what are the power dynamics between organizations and how resources affect the issue at hand. They need to know how their issues are connected (or not) with the work of others and able to spot potential synergies and opportunities as well as bottlenecks. Adapting this rule in practice means using mapping and landscaping tools. It also means that foundations should cultivate relations with others working in this space, not only peer foundations and grantees, but also the private sector, media, and governments. As such, the foundations should manage themselves much more than just grantmakers but also collaborators in a larger scale SDG-driven intervention.

The mapping of the SDG ecosystem in Kenya for philanthropic organizations and social investors identified the key government agencies involved in the SDGs, and what are the coordination methods, key relevant policies and examples of organizations which are already working as part of large scale change collaborative. It helps funders and social investors to navigate the complex and emerging SDGs system in countries and identify what are relevant entry points for their engagement and what benefits they can expect.<sup>21</sup>

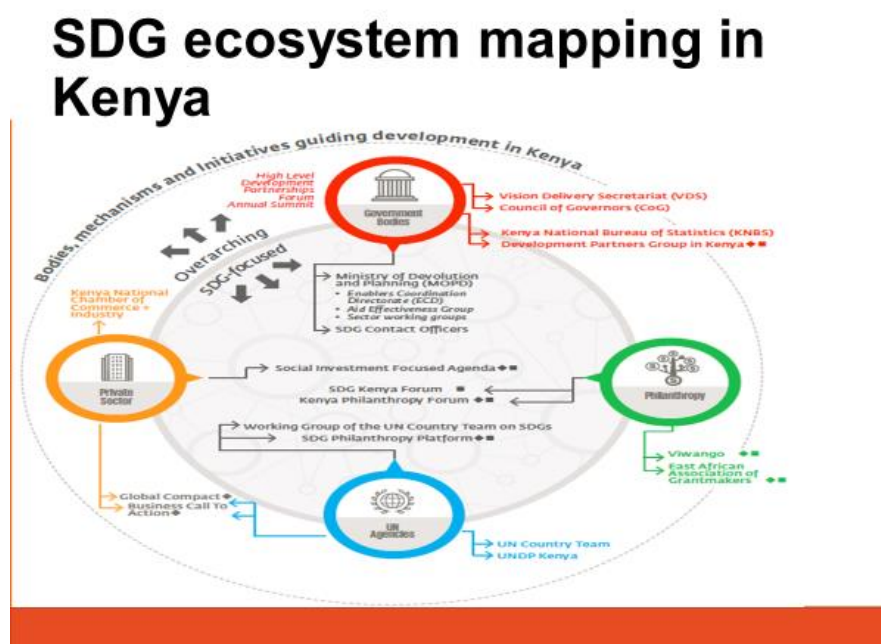


Figure 5: Mapping of the SDG ecosystem in a country

[https://www.bcgperspectives.com/content/articles/organization\\_design\\_engagement\\_culture\\_hbr\\_smart\\_rules\\_six\\_ways\\_get\\_people\\_solve\\_problems\\_without\\_you/](https://www.bcgperspectives.com/content/articles/organization_design_engagement_culture_hbr_smart_rules_six_ways_get_people_solve_problems_without_you/)

<sup>20</sup> <http://sdgfunders.org/wizard/>

<sup>21</sup> SDG Philanthropy Platform (2016) Investing in the Sustainable Development Goals in Kenya, <http://www.issuelab.org/requester/sdgs/id/25616>

### *5.2 Tap networks to extend the influence*

Engaging in networks to connect with organizations with similar objectives and to coalesce around common challenges and find synergies is an important tactic in expanding influence and subsequently impact. By joining hands, foundations drive leadership and effectively advocate for specific social issues. The networks create alignment around common challenges, garner commitments, reduce duplication of efforts and increase impact. Complex environments reward participation in flexible and responsive networks.<sup>22</sup>

While philanthropic networks in rich countries are popular, the level of association in emerging countries is relatively low. In Kenya, the SDGPP has partnered with locally based philanthropic institutions, Kenya Community Development Foundation (KCDF), East African Association of Grantmakers (EAAG), and the Aga Khan Foundation (AKF) to create the first national voice for organized philanthropy in Kenya - the Kenya Philanthropy Forum (KPF), which represents a collective voice of local philanthropy in issues such as engaging philanthropy in the SDGs. KPF successfully represented a collective voice for over 80 local foundations and trusts, to amend the draft legislation in discussions with the government regarding amending the Public Benefit Organizations Act. KPF also provides technical support of growth of local foundations to transform local giving to become more strategic and less fragmented philanthropy in the country, including involving them in the national development plans inspired by the SDGs. In May 2016, with support from SDGPP, KPF convened a policy discussion between the Ministry of Education and foundations working in this space regarding proposed changes to the National Sectoral Education Plan. An important element raised during the dialogue was how foundations can contribute and help the government in improving quality education in rural Kenya. The Ministry endorsed recommendations to create a Joint Working Group and a Memorandum of Understanding, as well as multiple sub-thematic roundtables to create institutional entry points for philanthropic organizations to engage systematically with the Ministry and relevant stakeholders on education.<sup>23</sup>

Ghana philanthropy is following Kenya's example and plans to establish a local philanthropic network. With participation of key local stakeholders from the government (Ministries of Finance, Water Resources, Education, and Local Government), the UN, private sector and NGOs, the SDGPP convenes a conversation about how to improve local enabling environments for philanthropic giving and establish a Ghana Philanthropy Network, which will provide space for collective action of local philanthropies, including private and corporate foundations, High Net Worth Individuals and faith based organizations. It also aims to advocate how philanthropy can become part of the national development planning processes, prioritization and implementation of the SDGs.

### *5.3 Understand what strategy of data sharing and collecting helps foundations collaborate and become more effective*

Sharing philanthropic data should be an intrinsic value for philanthropy. It is not only an antidote against suspicions towards philanthropy but also a useful tool to find collaborators and encourage collaboration. The data needs for the SDGs are immense. To track the 169 targets of the SDGs, many of which don't yet have data sources, creative

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<sup>22</sup> Bertelsmann Stiftung 2015, A culture of successful leaders, [https://www.bertelsmann-stiftung.de/fileadmin/files/Projekte/84\\_Salzbunger\\_Triolog/Analyse\\_Salzbunger\\_Triolog\\_A\\_Culture\\_of\\_Successful\\_Leaders\\_20150806.pdf](https://www.bertelsmann-stiftung.de/fileadmin/files/Projekte/84_Salzbunger_Triolog/Analyse_Salzbunger_Triolog_A_Culture_of_Successful_Leaders_20150806.pdf)

<sup>23</sup> SDG Philanthropy Platform (2016), Strengthening Philanthropy in the Education Sector: Inaugural Meeting Between Kenya Philanthropy Forum and The Ministry of Education, [http://www.issuelab.org/requester/sdgs/id/25319?\\_ga=2.247241156.1510991342.1497686264-1280865790.1450192178](http://www.issuelab.org/requester/sdgs/id/25319?_ga=2.247241156.1510991342.1497686264-1280865790.1450192178)

approaches of combining private and public data sources is essential. Sharing philanthropic data is also central to sound reporting and foundations' compact with government.

The SDGPP initial experience with [sdgfunders.org](http://sdgfunders.org) demonstrates that foundations outside of the US are reluctant to share data for many reasons such as a lack of understanding of the power of data and its impact, and cultural and political factors where local organizations prefer not to disclose information in fear of political repercussions. Therefore, currently the significant part of the data comes from the US based foundations which are obligated by 501(c)3 rules.

It is therefore critical to build local capacities and leadership for data sharing, collecting and responding to local context and needs. Kenya philanthropy has recently undertaken efforts to develop a framework for collecting reliable and comparable data on philanthropy in the country. To begin systematically addressing these recommendations, Foundation Center, via the SDGPP, teamed up with the Kenya Philanthropy Forum and the East African Association of Grantmakers to host workshops for local foundations to develop a common strategy and tools for philanthropy to share data using the SDG taxonomy. These efforts are linked with the government initiative of Kenya Data Forum that is mandated to find ways for more data sources which track progress towards the SDGs.

The result of these meetings was the creation of an Action Plan that identifies critical areas of work that need to be undertaken by the KPF over the next year to build a sustainable data collection system and a community of practice committed to its achievement. The elements of which are evidenced from page 6 in this report, which outlines the Action Plan and an MOU with the Kenya National Bureau of Statistics.<sup>24</sup>

#### *5.4 Collaborate with Governments*

Governments recognize that investments need to be channeled towards national development plans aligned with the SDGs. Furthermore, many governments want to reduce their dependency on aid and become self-reliant in financing the Agenda 2030. An interesting example comes from Rwanda Vision 2020 which explicitly refers to philanthropy as a source of funding using instruments such as traditional grants and new financial instruments such as impact bonds and venture capital, as well as home grown initiatives such as *ubudehe*, *Girinka Munyarwanda*, *umuganda*, among others.<sup>25</sup>

The collaboration between philanthropy and governments is an important building block in making philanthropic contributions to development impactful. Ultimately, the governments have the power to scale innovative and successful solutions via policies and programmes. Therefore, the collaboration should be much more than just consultations; it should address the issues of joint implementation, monitoring and evaluating progress and coordination.<sup>26</sup>

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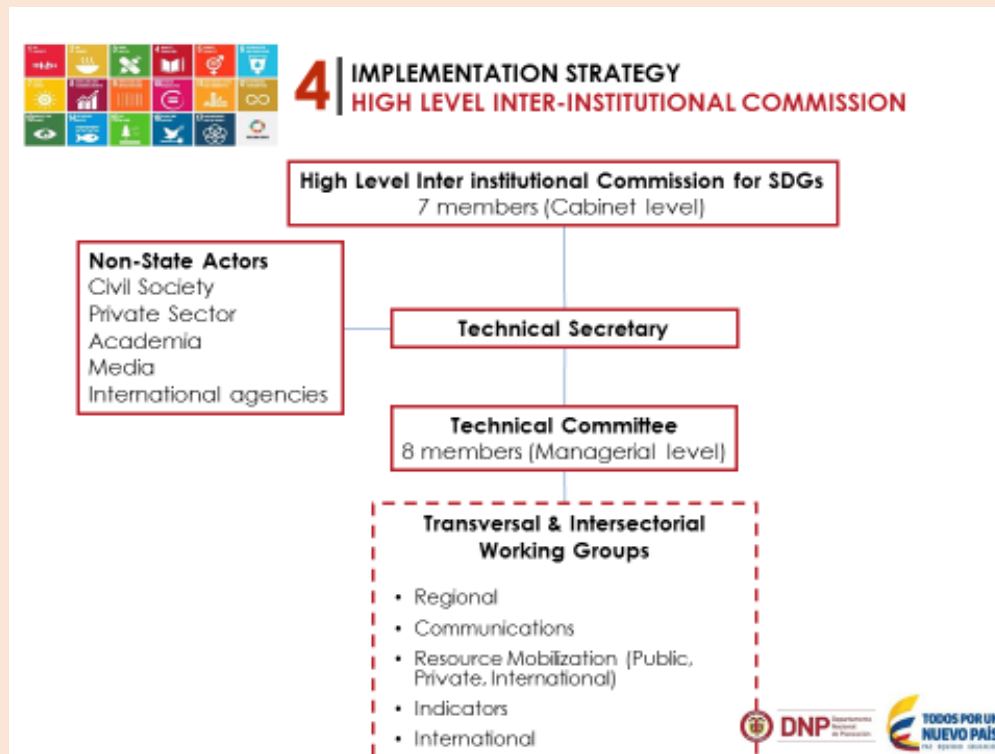
<sup>24</sup> SDG Philanthropy Platform, Kenya, Data Strategy and Capacity Building, (2016), [http://www.issuelab.org/requester/sdgs/id/25712?\\_ga=2.197034732.1140445782.1497529034-1280865790.1450192178](http://www.issuelab.org/requester/sdgs/id/25712?_ga=2.197034732.1140445782.1497529034-1280865790.1450192178)

<sup>25</sup> Republic of Rwanda, (2000) Rwanda Vision 2020 <https://repositories.lib.utexas.edu/bitstream/handle/2152/5071/4164.pdf?sequence=1>

<sup>26</sup> SDG Philanthropy Platform (2016). Converging Interests: How governments and the philanthropy sectors are collaborating to achieve the Sustainable Development Goals., <http://www.issuelab.org/requester/sdgs/id/25213>

## Case Study: Philanthropy and the SDGs in Colombia

The SDGs High Level Inter-Governmental Commission for the implementation of the SDGs in Colombia was established by Presidential Decree (#280/2015) in 2015. From the outset, the Commission invited stakeholders including philanthropy, civil society, and business to participate in a technical-academic committee led by The Department of National Planning to work out mechanisms for stakeholders' participatory mechanisms, data sharing, public private partnerships including at the sub national level, and reporting and communication among others.



The relationship between the government and philanthropy in Colombia is characterized by trust and a long history of collaboration. SDGPP partners in Colombia, the Association of Foundations (AFE) established a geospatial visualization where over 1300 projects by AFE foundations members are currently filtered against the SDGs, <http://mapa.afecolombia.org/>. In addition, at the request of the government and in collaboration with DANE, or the national statistical office, AFE produced a novel report analyzing the concept of 'leaving no one behind' for the Colombian context, with recommendations for actions for Colombian foundations.<sup>1</sup> AFE has also embarked on an innovative demo project and convenes twelve local foundations in the region of Antioquia, who jointly with the local government developed a strategic investment plan inspired by the SDGs. The plan was put in to effect with a diagnostic discussion on where and how philanthropic investment would be most impactful.<sup>1</sup>

Figure 6: Case study, Philanthropy and the SDGs in Colombia

**Clear and institutionalized rules for engagement** often encourage greater participation from philanthropy. For example, the final implementation of the Public Benefit Organizations (PBO) Act signed in 2013 in Kenya, while averting proposed amendments to the original act, is considered crucial in that it would facilitate a qualitative leap in collaboration between philanthropy and the Kenyan government, and improve the enabling environment for philanthropic actors in the country. In Ghana, a reform process is under way in which the government is playing a crucial role in making space for the philanthropy sector. The government is registering foundations as legal entities and defining them separately to CSOs and private sector actors.<sup>27</sup>

Another critical element is **trust between philanthropy and government**. Trust is built when parties know each other. Trust thrives when the collaboration is well organized.<sup>28</sup> Therefore, issues of transparency and data sharing as well as finding common frameworks to collaborate are critical. The below case of philanthropy in Colombia demonstrates how trust can enable the collaboration between philanthropy and government on potentially sensitive areas such as data and foster long term collaboration on “localizing the SDGs”. Colombian foundations are on systemic basis invited to relevant policy discussions and hearings by the government and Parliament.

**Leadership is required from both governments and philanthropy** to create pathways for collaboration and deeper philanthropic commitment to the SDGs at all levels, national and local. Related to this, institutionalized avenues are needed, in which various players would be required to pursue innovative and collaborative actions. For example, in Indonesia, *Filantropi Indonesia*, an association for foundations convened with other business networks such as the Global Compact chapter in Indonesia, the Indonesian Business Council for Sustainable Business and the Indonesian Chamber of Commerce initiated the *Forum Filantropi dan Bisnis* (SDGs for a better Indonesia).

The Forum proactively initiated discussions with the Ministry of National Development Planning/BAPPENAS to involve stakeholders in the SDGs implementation addressing the issues of representation, accountability and reporting. Currently the Forum has 11 associations representing over 800 of the largest Indonesian companies and foundations. The Forum meets on a regular basis to exchange lessons learned and pursue collaboration on specific themes.

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<sup>27</sup> Ibid, 2016

<sup>28</sup> Charities Aid Foundation (2014) *Future World Giving, Building Trust in Charitable Giving*, <https://www.cafonline.org/docs/default-source/about-us-publications/future-world-giving1.pdf>



Figure 7: Forum Filantropi dan Bisnis

### 5.5 Develop pathways to scale solutions

The methodology of “Collaborative Pathways for SDGs” builds on cross sectoral collaboration and causal loop mapping -- identifying forces and dynamics of the system following by leveraging opportunities through structured collaboration. The methodology was developed and tested on pre-defined *catalytic* entry points, or themes of interest to the main funders of the Platform. It offers a new method of collaboration which assumes that the SDGs are a system with feedback loops and enable causes for behaviour change. It drives innovation by bringing diverse stakeholders with various perspectives and engaging them into a structured conversation about root cause analysis of various phenomena and co-creating solutions and joint interventions. It builds on a concept of “accelerators” or pressure points which drive tectonic changes through relatively small but intelligent actions and investments. The approach was first applied and tested in Kenya and Zambia with Banny Banerjee, a founder of ChangeLabs and a Professor from Stanford University, and in Ghana with Jo Addy, a founder of Continuum Advantage.<sup>29</sup> Subsequently, the methodology was refined to facilitate cross sectoral collaboration on the SDGs in the emerging countries contexts. The core elements of the collaborative pathways approach include:

- i. Drive innovation by facilitating cross sectoral collaboration and co-creating solutions to development outcomes.
- ii. Emphasize eradicating root causes of the problems and strengthening of systems, with an ecosystem of local collaborators.

<sup>29</sup>Prof. Banny Banerjee applied an approach of “System Acupuncture” <https://changelabs.stanford.edu/people/banny-banerjee> while Jo Addy worked on Human Centre Design approach, <https://continuum.live/author/joaddy/>



- iii. Propose systems approach at two levels: how different elements of an issue system (e.g. access to water) are interrelated, and dynamics that drive it are analyzed against a much bigger SDG ecosystem with 17 goals, 169 indicators, etc. to explain how SDGs are interconnected with stakeholders working on various elements of the ecosystem.
- iv. Continuous monitoring of the evolving system, adopting and influencing it to shift towards desired outcomes.

The process which is depicted in Figure 8 below is involved an exercise of mapping and understanding the thematic landscape: who is who, who is doing what, what policies drive the field and what resources are invested. The desk research was then tested in validation workshops which helped to build trust among stakeholders and gain additional perspectives, before gathering for a workshop to collective define the pathways.

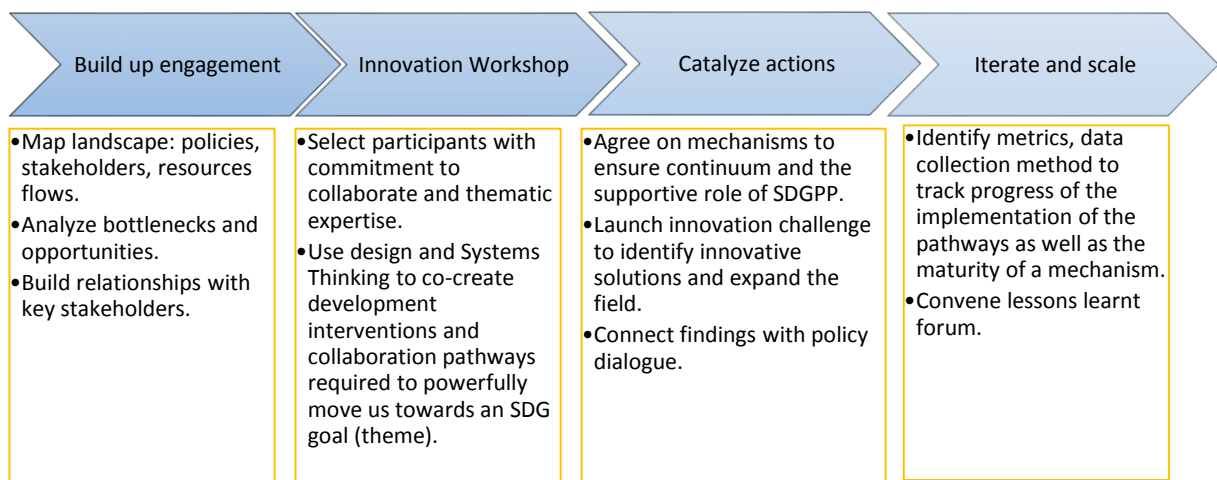


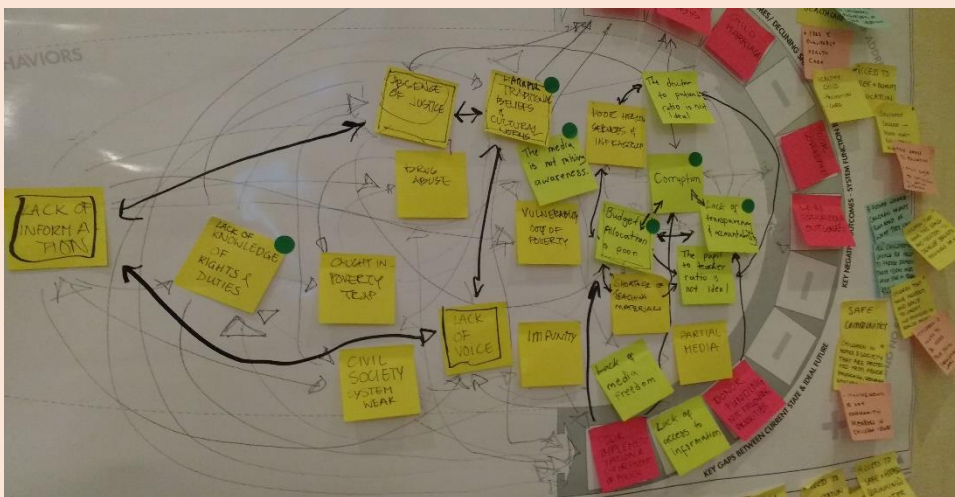
Figure 8: Diagrammatic representation of the Collaborative Process

## Case Study, collaborative workshop in Zambia

The collaboration pathways in Zambia address the well-being of children, which has been the priority theme for the Conrad N Hilton Foundation. The intent of the foundation has been to foster more collaboration and innovative partnerships which accelerate progress for issues of children's well-being. The Foundation has had a funding strategy to support a wide range of organizations which can positively affect the desired outcomes in an ecosystem. With an introduction of the SDGs, the foundation has supported an approach which tests new approaches that respond to interconnections of the issues, drive innovations and extend the field of potential collaborators with new players such as social entrepreneurs.

The SDGPP team in Zambia conducted an in-depth mapping of stakeholders, policies, resources and interventions on the topic of the well-being of children. The research was then validated in a series of meetings with the stakeholders to gain additional perspectives especially on the current situation of the flows and main bottlenecks of resources.

During a one day workshop, participants conducted an in-depth root causes analysis and causal loop mapping. The participants gravitated towards social protection for adolescent girls against child marriage and pregnancy as those investment areas which can create transformative changes in the country. The strategic interventions selected including changing social norms through working with parents and social leaders, testing innovative models for health and education services provision at community level, investing in livelihoods and jobs especially for women and young mothers, and securing governance and social accountability from both a top down and bottom up approach.



Causal loop analysis

Figure 9: Case Study, collaborative workshop in Zambia

## 5.6 Drive innovations

There is a current recognition among the development community, as well as governments, that with the current levels of development methods, we will not reach the SDGs, even if all people in the world work on the goals every day. Innovation is an important promise and we need radically new solutions in technology, in social processes of how we work and how we are organized as well as in business models. Sourcing innovations can be a challenge of its own, because the social disruptors are often not associated in any networks or innovations can be suitable in narrow local contexts and accelerate the progress.

### SDG PP INNOVATION CHALLENGES

#### GHANA

1. A challenge to find demand-driven business models for accountably-managed systems to deliver affordable, safe water, effectively challenging community perceptions of free water services.
2. A challenge to create an adaptable participatory model to standardize water system quality control in rural, peri-urban and small towns in Ghana.
3. A challenge to identify schemes to provide reliable safe water access to the most vulnerable households in every community.

#### KENYA

1. A challenge to adapt ECD knowledge and identify channels to ensure parents, guardians, and caregivers understand the benefits of positive parenting and importance of cognitive stimulation, nutrition and other elements of integrated ECD on child development
2. A challenge to find alternative models for ECD delivery to reach the most vulnerable children in Kenya.
3. A challenge to find demand-driven business models through fostering private sector contribution to integrated ECD services, value chains.

#### ZAMBIA

1. A challenge to find a solution to change attitudes of traditional leaders and parents to prevent child marriages and child pregnancies in Zambia.
2. A challenge to find innovative solutions to support young mothers to meet their economic needs, have skills and knowledge for better capital management, which translates into investment in children.
3. A challenge to find a solution capable of tracking child services at community level in Zambia.
4. A challenge to find a solution to community based service delivery models to improve the well-being of children, including those with special needs.

Figure 10: SDG Philanthropy Platform innovation challenges

The Platform launched an open innovation challenge and invited social innovators to find solutions that can potentially be a powerful additional approach which enables foundations to get new ideas, gain traction with a new target audience, social innovators. Thanks to recent rapid developments in information technology, the costs of

launching open challenges have dramatically decreased and have become an attractive solution to many grant-making organizations, who would like to expand the networks of local grantees.

SDGPP's intent with the innovation challenge was to expand the field with new players and new solutions in implementing the collaborative pathways. The innovation challenge was opened to social innovators on water in Ghana, early childhood education in Kenya and the well-being of children in Zambia. The challenge offered a financial prize for ideas which traditional solicitation process could not be found. The challenge was open to businesses, NGOs, academia, federations, individuals and associations. SDGPP carried out an intensive local communication campaign in the three countries, focusing on local printed media and radio. The seed funding awarded was up to USD 40,000 per recipient. When we wrote this paper, the winners had not yet been announced publicly. However, SDGPP has received queries from other philanthropic organizations interested in further supporting outcomes of the innovation challenge. Ultimately, the Platform aims that the successful solutions will be picked up by businesses, mainstream investors, governments and scaled through policies and or through the markets.

## 6. Conclusions

The application of systems thinking and collaboration is not relevant to all foundations. Certainly, for those working on small scale projects, such as improving libraries or city parks, this approach will not bring benefits and would be a waste.

However, for thousands of foundations working to positively affect large scale social change in addressing large challenges of humanity, collaboration is the bedrock of strategy. While there is a recognition that partnerships are tough and time consuming, they create opportunities for leveraging resources, increasing impact and driving innovations.

The SDGs, as a unifying global development framework with a common taxonomy of goals and targets, can offer a platform for collaboration. While domesticating the SDGs in countries involves complex political and organizational processes, following the six rules can significantly simplify potential engagement for philanthropic organizations.

Although the current paper offers important insights into how foundations can alter their strategies to become more effective and impactful, there are many more areas for more research and further analysis:

1. Developing a measurement framework which enables foundations and social entrepreneurs to measure progress *vis-a-vis* the SDGs. Such exercise would enable foundations and social investors to better articulate progress, whereas for social investors it is critical to understand potential returns from investments and inform decision making. Such framework would be key for the governments to understand successful models of collaborations and supporting with the right policy making.
2. Conducting research on possible models of collaboration between philanthropy and other stakeholders which enable more financing for the SDGs, rather than funding. It should respond to questions of what are the critical needs in terms of financing SDGs solutions in countries and what are the public policy gaps which could drive more catalytic as well as mainstream capital towards funding the goals.

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