

# AFRICAN PHILANTHROPY HAS STEPPED UP TO RESPOND IN THE COVID CRISIS – FILLING THE GAPS LEFT BY TRADITIONAL DONOR MODELS AND THE PUBLIC SECTOR

### PHILANTHROPISTS ARE INCREASING THE QUANTUM OF GIVING...



- Half (51%) of philanthropists in Africa have decided to increase giving as a share of their endowments in 2020, another fifth (20%) are considering doing so
- Philanthropists will direct 34% of their 2020 budget to COVID-19 response. 44% of philanthropists will allot more than a third of their spending to COVID-19, and a fifth (22%) of philanthropists will allot more than 50%

#### ...AND DIRECTING IT TO AREAS OF URGENT NEED



- On health: Stepping up in areas beyond government capacity to provide PPE and testing
- Addressing the economic crisis: Supporting SMEs with working capital and funding needs, as well as new market channels
- On food security: Providing short term food relief this was the most common near-term priority by respondents (identified by 32%)

"It's understandable that people started with the health response... We now realize that this is beyond health. Now, we need to think about how people get the basic necessities of life, such as food and water. This is a major issue & and a challenge that philanthropy can begin with - people need these things to survive."

Dalberg gathered input from 80+ respondents via survey and deep dive interviews to understand the unique role philanthropy is playing now; and how this crisis will change the sector in the long term

# AFRICAN PHILANTHROPY HAS TAKEN A PROMINENT ROLE IN RESPONDING TO THIS CRISIS, BECAUSE OF LOCAL RELEVANCE, SPEED TO ACTION AND INNOVATION

### LOCAL RELATIONSHIPS AND INSIGHTS HAVE BEEN KEY



- The capacity of international actors and donors has become short-circuited because of travel bans and the global nature of the pandemic
- Local actors have the best understanding of what is on the ground, and COVID impacts have to be understood at a local/national level, not regional. Outbreaks have been hyper-local; and there has been wide variation in lockdown requirements between sub-regions

#### PHILANTHROPY CAN MOVE FAST & BE DYNAMIC



- Pre-existing relationships were key to move quickly and act in the best interests of beneficiaries
- Private philanthropy can go swiftly to where the need is greatest

#### THERE IS A WILLINGNESS TO TAKE RISKS AND INNOVATE



 Governments as a conduit have reached the limits of their capacity; philanthropy is stepping in to test new approaches

### **QUOTES FROM PHILANTHROPISTS**

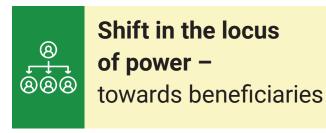
"Private philanthropy can be speedy, can take risks... It can be pilot different modes of working... It can be reaching out the most remote places."

"Philanthropy can consider **less restrictive criteria / mechanisms**, than
those that have been put in place by
states or banks."

"We've seen innovation in Senegal that is being sensitive to the **economic hardships on the continent** – for example, an organization called

DiaTropix is looking at how to produce kits that are as low as a dollar."

# WE SEE FIVE SYSTEMIC SHIFTS IN HOW PHILANTHROPY AS A WHOLE WILL NEED TO EVOLVE OVER THE NEXT YEAR AND BEYOND





Shift towards digital-first planning and programming



Embed **resilience** throughout



Strategic flexibility as a core capability



An end to transactional partners

#### THESE SHIFTS SHOW A NEED FOR PLATFORMS TO BE BUILT CLOSE TO BENEFICIARIES

Build capability close to the community

• Leverage existing structures – there are often capable organisations, but in adjacent sectors

This 'dynamic localism' will require agility and investment in new tools, and new, more collaborative ways of working with other partners

# SHIFT #1: THE GEOGRAPHIC LOCUS OF POWER WILL (AND MUST) SHIFT FROM THE LOCATION OF FUNDS, TO THE SITE OF BENEFICIARIES



 The greatest credibility is from local voices. Shifting the focus to these inputs gives greater agency to direct efforts to where it is most needed



 There is greater awareness of systemic inequalities than ever before.
 'Black Lives Matter' has exposed injustices across many sectors, including how aid is distributed and administered



 There is an acute need to properly understand local contexts.
 A homogenous approach across a country or continent will no longer be good enough

### **QUOTES FROM PHILANTHROPISTS**

"We need to really consider our priorities from what communities want. A top down approach does not work"

"Grantees can have liberty to decide which activities they will do, based on what they can do."

"The pandemic has **magnified extreme** inequalities in access to public health."

"One month ago, every street in the world was empty. 3 weeks ago, BLM dominated the streets of the world. **We could not have predicted this.**"

"Focus on clarity of messages; and what is realistic. For example, how can you calibrate a message to people, that they can go to the market, but they are not to go to the mosque!?"

#### **CASE STUDY**

The Sarah Adebisi Sosan **Foundation** focuses on supporting women and youth to gain financial independence, in Nigeria. They've adopted a hyper-local approach to considering the greatest needs of their community. Their assessment survey revealed that to support people's livelihoods, only small amounts were required (25,000 Naira/ \$65) if carefully targeted. They disbursed six month zero-interest loans to local businesses, alongside sanitary pads and upskilling support for women.

# SHIFT #2: DIGITIZATION NEEDS TO BE AT THE CORE, ACROSS SECTORS (IN EDUCATION, ECONOMIC RESILIENCE, AND COMMERCE)

#### **EDUCATION WILL BE BLENDED ONLINE/OFFLINE**



"Digital training and interaction, will be a huge part of our work going forward. In Education we are totally rethinking our strategy. We have changed to focus on digital learning."

### **DIGITAL MARKETS WILL CONTINUE TO GROW FOR SMES**



"How to support the move to e-commerce is becoming very important for us, as many jobs that could not "go online" have been significantly impacted. Supporting e-finance particularly for the most marginalized has become much more relevant."

### PLANNING & PROGRAMME DELIVERY WILL HAVE TO EVOLVE



"We will be changing our strategy, because most of our programmes were physically based... we will have to change."

#### **CASE STUDY**

**Graca Machel Trust** focus on women economic advancement and children's support. They have launched the "Ilizwi initiative", a platform to shape policy discourse in the COVID-19 pandemic. This can be used by those who are hardest hit by the pandemic to share the issues they are facing and perspectives on responses the government should prioritize. This work has also included virtual platforms to support women in need during this pandemic.

Sawaris Foundation for Social Development aims to create sustainable job opportunities for citizens in Egypt. They observed that the most marginalized in society weren't able to go digital during the crisis – given the lack of equipment and resources. To allow local artisans to get access to online markets during the pandemic, they brokered a deal with a major online sales platform. They were able to provide capacity building to the businesses, financing, and also aggregate product. This scale allowed them to negotiate a better deal with the online platform. This has given access to a new online channel for local SMEs.

# SHIFT #3: THERE WILL BE A THEMATIC SHIFT INTO SUPPORTING RESILIENCE OF SYSTEMS (ECONOMIC SYSTEMS, HEALTH SYSTEMS, EDUCATIONAL SYSTEMS)

#### PHILANTHROPISTS ARE INVESTING NOW FOR FUTURE CRISES



"We aren't going to change our existing strategy. However there will be greater provision for risk management and resilience in our new programmes."

"A lot of countries will come out making investments in healthcare systems... these systems were not strong to start with."

#### CREATE / BUILD NEW INSTITUTIONS TO BUILD RESILIENCE



"The pandemic has highlighted the need for more resilient and efficient food distribution systems."

#### CONSIDER NEW PARTNERSHIPS OUTSIDE THE NORM



 The platform an organisation needs to deploy may already exist – just not yet on the radar. Broaden the set of organisations your organisation could partner with; to leverage new ideas, ways of working and local capacity

#### **CASE STUDY**

Safe Hands Kenya is a mission-driven alliance of Kenyan organisations deploying free soap, hand-washing stations and masks to Kenyans, and disinfecting public spaces, as a first line of defence against COVID-19. This private-sector led partnership has brought together a broad range of skills, reach and capital to vulnerable Kenyans, with an initial focus on informal settlements. By bringing together private sector actors already embedded in communities, it leverages existing networks and relationships.

# SHIFT #4: THERE IS A PRESSING NEED FOR GREATER FLEXIBILITY IN HOW PHILANTHROPY OPERATES



NEED FOR 'STRATEGIC PIVOTS' AS A CORE CAPABILITY



SHIFT FROM SHORT TERM KPIS TO BIGGER PICTURE AIMS



BUDGET MULTI-YEAR; TO CATER FOR URGENT SPIKES OF SPENDING

# **QUOTES FROM PHILANTHROPISTS**

"We needed **to shift our strategy, even if it impacts our KPIs**... to get comfortable with uncertainty.. and continue to be agile."

"We are giving **flexibility to grantees on how they do their reports**, with reduced reporting."

"We are working with our existing partners to repurpose grants."

"In 2018 we went through a crisis response review, to consider how we proactively deal with crises... to avoid the funding 'boom and bust'."

"We needed to keep an eye on our mission vs our KPIs... to <u>step back</u> and remember we are here to support civil society and marginalized communities."

# SHIFT #5: GRANTEES CANNOT BE 'TRANSACTIONS'; THEY SHOULD BE LONG TERM PARTNERS

# AS TRUSTED PARTNERS, GRANTEES CAN INFORM THE AGENDA ON HOW RESOURCES ARE USED



"We have tried to stay focused on our strategy.. but our partners have guided our support. We let our grantees do whatever they thought was most needed."

# FOR LONG-TERM PARTNERS, BUILD CAPACITY IN YOUR GRANTEES



"We realized we were very well prepared to work from home... But our grantees across the country, were totally 'offine'. They didn't have internet, were not even tech literate, were not able to work, and we weren't able to reach them effectively."

# WITH LONG-TERM PARTNERSHIPS, MUCH MORE CAN BE DONE



"We need to move beyond targeted initiatives to more creative partnerships that can create more lasting impact."

### **CASE STUDY**

Elma Philanthropies made a proactive donation to every community-based organization within their community grants program. This was across Southern and East Africa and didn't require them to apply for grants. These organizations are on the frontline in supporting the continent's most vulnerable children and communities and Elma Philanthropies knew that they would be the first ones to respond to the needs of vulnerable children and their families.

For more details on the Africa
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