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THE AFRICA FUNDING LANDSCAPE

A PROFILE OF FUNDERS FOCUSED ON AFRICA
AND PERSPECTIVES ON THE FIELD





The Africa Grantmakers' Affinity Group (AGAG) will mark its 20th anniversary in 2020. This is an important milestone as we continue the work and expand the legacy of its predecessor, the Southern Africa Grantmakers' Affinity Group. AGAG's formation in 2000 was a broader effort to keep the issues challenging communities across Africa on the radar of private philanthropy. For almost two decades AGAG has convened funders and curated information to help build a global network of informed, engaged, and connected funders.

This survey is one of a series of activities we have embarked on leading up to our 20th Anniversary Conference in Johannesburg, South Africa from May 12-14, 2020. Conducted to gain a better understanding of current funding interests, the survey captures a snapshot of trends in the field. Thank you to those who participated in the survey.

This Executive Summary highlights the key findings. The complete report is available on our website at www.africagrantmakers.org. We welcome your feedback and comments. Please send them to nmutima@agag.org.

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The Africa Funding Landscape: A Profile of Funders Focused on Africa and Perspectives on the Field provides a snapshot of the current interests of Africa funders.

Created by Africa Grantmakers' Affinity Group (AGAG), the report examines Africa funders' grantmaking priorities, how their organizations structure their funding focused on Africa, the role of collaboration in their funding, potential

impediments to achieving their goals, and the overall outlook for funding. Findings are based on the responses to a 2018-2019 survey of Africa funders primarily based in North America, as well as in Africa and other regions.

Funder Priorities and Goals

Human rights and economic development represent top focus areas.

The single largest share of respondents (42 percent) identified human rights as an explicit focus area. These funders were also close to twice as likely to indicate a focus on women and girls compared to respondents that did not indicate a human rights focus but notably less likely to focus on children and youth. Economic development followed closely, with 38 percent of respondents indicating an explicit focus on this priority.

Funders prioritize specific populations.

The overwhelming majority of respondents (85 percent) identified at least one focus population for their funding targeting Africa, and the median number of population groups identified was two.

Funders commit to connecting and strengthening local organizations.

More than four out of five respondents reported providing support for networking and collaboration within and/or among local organizations—from grassroots environmental groups to major universities—or individuals. Just over three-quarters of respondents

indicated that they fund the strengthening of existing organizations.

Few funders face significant obstacles in supporting local organizations.

More than seven out of ten respondents to the AGAG survey—excluding respondents based in Africa—indicated that they faced no significant current challenges in directly funding organizations headquartered on the continent. Among the respondents based outside of Africa that reported facing a significant challenge, the most commonly cited impediment was not having an office(s) in Africa, which made oversight difficult. The other two factors most frequently cited were legal restrictions that prohibited providing funding outside of the funder's home country and simply not having the capacity to make direct grants. A few of these respondents explicitly referenced engaging intermediaries to address these challenges.

Breadth of Africa support may limit opportunities for collaboration with other funders.

Survey respondents were active in 50 of the 54 African countries. The median

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number of countries identified by responding organizations as being a focus of their support was four. The challenge, as suggested by survey responses, comes in identifying peer funders who share a focus on both the same country and grantmaking priorities. In these contexts, there will likely be a greater

imperative to identify funders and NGOs headquartered in Africa who can understand the local context and provide insight, expertise, and partnership. The opportunity presented by this breadth of support is that it can encourage funder collaboration to deepen understanding of local contexts.

Funder Challenges

Respondents identified several challenges or impediments to achieving the desired impact of their funding, which reflect both the context in which grantmaking is taking place and the priorities and approaches of individual funders:

Insufficient Funding.

A majority of the respondents identifying challenges cited inadequate funding in their focus areas as a principal impediment to achieving impact. To address this challenge, a number of respondents highlighted their interest in engaging in collaborative relationships to leverage greater resources for their priorities. Yet, finding collaborative partners may not be a straightforward process as there may be few Africa funders focused on the same issue and/or geographic areas with which to partner. Ensuring ongoing support for established initiatives represented another challenge to achieving impact cited by respondents.

Impediments to Local Knowledge and Engagement.

Several funders headquartered outside of Africa identified the challenge of engaging with local organizations as an impediment to achieving their desired impact. Some of these respondents framed this challenge in

terms of physical distance. Other respondents highlighted challenges in communications, and in monitoring progress and evaluating impact.

Differing Priorities.

Several survey respondents highlighted the challenge in situations where the priorities of funders and the priorities of beneficiaries do not align. This may reflect limited local knowledge, a challenge in finding local funder partners, and/or funder priorities that have been established independent of direct input from local communities. To address this challenge, respondents suggested seeking out organizations whose interventions align with those of funders and taking a more grantee-centric approach.

Restrictions on Civil Society and Philanthropy.

A few funders identified political forces as potentially limiting the desired impact of their funding. Often referred to under the umbrella term of “closing space for civil society,” this includes challenges faced by local civil society organizations—e.g., local political opposition to rights-based work—as well as challenges to the involvement of the philanthropic sector, especially for funders from outside the region.

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Funder Collaboration

A majority of funders engage in aligned grantmaking and/or participate in funder collaboratives and pooled funds.

Overall, almost two out of three respondents reported engaging in at least one of these types of collaboration. Maximizing impact, leveraging funding, and avoiding duplication

of effort were the three most commonly cited reasons given. While respondents were most likely to be collaborating with a funder(s) headquartered in North America, well over half of these respondents reported collaborating with a funder(s) headquartered in Africa.

Funder Outlook

Survey suggests potential for growth in Africa funding.

Respondents were reasonably optimistic about the interest of other funders in supporting grantmaking priorities focused on Africa that are consistent with their own priorities.

Overall, 27 percent of respondents anticipate support by other funders for shared priorities to increase, and 44 percent expect support to hold steady.

Funders focused on Africa who work together and engage in true partnership with the communities they fund have the potential to make an impact beyond the scale of their investment. In its work to build an informed, engaged, and connected network, AGAG supports funders to think creatively, expansively, and in ever more nuanced ways about how best to leverage philanthropy that is responsive to the needs of communities across Africa.

Essential Questions

Among essential questions for funders to consider and regularly revisit are:

Have our understandings and perceptions of the communities where we are funding and the challenges they face kept pace with the dynamic changes taking place within those communities?

To what extent do our priorities align with the self-identified priorities and needs of the focus communities/populations?

How do we determine where and what to fund?

What will it take to generate more effective funding collaboration?

What would it mean for the philanthropy sector to embody more engaged and active learning about funding targeting Africa?

How can we gain a better understanding of the impact of our philanthropy?

The African Continent Now

The challenge for Africa funders comes when the scale of their resources is considered within the context of the African continent's diverse and geographically expansive population of more than 1.2 billion individuals. Its 54 countries encompass roughly one-quarter of the world's arable land¹. The continent generates significant economic activity, with a nominal GDP of \$2.3 trillion in 2018 and a GDP reflecting purchasing power parity (PPP) totaling \$6.7 trillion². Its population ranks among the youngest compared to other continents. In 2018, Africa had a median age of just under 24 years, versus a median age of 39 years for North America and 42 years for Europe³.

Africa has a rich and diverse cultural landscape with a legacy of the spirit of giving that is embodied in its traditions. The past three decades have witnessed the evolution of formal philanthropy sectors across the continent. The current landscape includes family foundations such as those established by Aliko Dangote of Nigeria in 1994 and Mo Ibrahim in 2006, community foundations such as the Kenya Community Development Foundation, established in 1994, and the African Women's Development Fund, established in 2000. These are just a few examples, among many others, of funding organizations serving their communities and supporting change.

The emergence of philanthropy networks such as the East Africa Philanthropy Network in 1993, the Africa Philanthropy Network in 2009, and most recently the African Venture Philanthropy Alliance in 2018 are all indicative of the dynamic philanthropy landscape that continues to grow across the continent.

¹ See Kuo, Lily, "Africa, home to a quarter of the world's arable land, will soon have to import half of its grains," Yahoo! Finance, Internet accessed 3/26/19; and Ittersum, M.K. et al., "Can sub-Saharan Africa feed itself?," Proceedings of the National Academy of Sciences of the United States of America, Internet accessed 3/26/19.

² See International Monetary Fund, IMF DataMapper, Internet accessed 3/26/19.

³ See Populationof.net, Internet accessed on 3/26/19.

Key Terms

This report examines the priorities of grantmakers focused on distinct communities reflecting dozens of nationalities, well over a thousand unique languages, and an even wider array of specific cultural traditions. Throughout the report, the authors have used three key terms—"Africa funders," "African communities," and "local organizations"—to discuss the interests, strategies, and insights of funders targeting Africa. To ensure a shared understanding of how these terms are being used, following are brief definitions:

Africa funders refers to grantmaking institutions headquartered in Africa and outside of the region that provide funding focused on communities in Africa.

African communities refers to any focus area of funders, from residents of a certain neighborhood to farmers in a particular region to human rights activists in a specific country.

Local organizations refers to organizations of all sizes and types headquartered in Africa, from grassroots environmental groups to major universities.

METHODOLOGY

The Africa Funding Landscape offers a snapshot of the current strategies, priorities, and perspectives of selected Africa funders headquartered primarily in the United States and Africa, as well as other regions. Funders were able to participate via an online-only survey open from November 2018 to February 2019. The only requirement for respondents was that their primary role within their organization was as a funder.

Potential respondents included Africa funders that provide support for local organizations in Africa, Africa-focused funders headquartered outside of the region, or both.

A total of 107 funding organizations and donor advisors received the survey, and 62 representatives of 53 of these entities provided usable responses (50 percent response rate). Roughly similar shares of respondents had been in a grantmaking role focused on Africa for five years or less (39 percent) and 11 years or more (37 percent). The balance of respondents (24 percent) have engaged in Africa-focused grantmaking for between six and 10 years.

Responding organizations represented a range of funding institutions. A majority of responding organizations (57 percent) identified as private foundations—either family or independent. Public foundations/grantmaking public charities accounted for the next largest share of responding organizations

(28 percent), followed by donor-advised funds (8 percent).

Responding organizations are also broadly distributed based on grantmaking budget size for all purposes, including Africa-focused support. Funders with total grantmaking budgets of \$100 million USD or more accounted for the largest share of respondents (23 percent), followed closely by those with grantmaking budgets totaling less than \$1 million USD (19 percent).

Survey respondents were given the opportunity to respond on behalf of their entire organization or only the program area in which they work. Most survey respondents answered on behalf of their entire organization. Among the 53 organizations for which AGAG received usable responses, over three-quarters (77 percent) provided responses reflecting all of their organization's funding for Africa in its current fiscal year. Most of the remainder responded on behalf of their own program area or their Africa-based regional office.

The Africa Funding Landscape generally presents analyses based on the number of responding organizations. For these analyses, the author combined responses for the six organizations where more than one individual responded. The analysis also examines patterns based on the number of individual respondents when appropriate.

SURVEY RESPONDENTS

- Arcus Foundation
- Bernard van Leer Foundation
- Bill & Melinda Gates Foundation
- Carnegie Corporation of New York
- Conrad N. Hilton Foundation
- Crown Family Philanthropies
- C.S. Mott Foundation
- Cyril Ramaphosa Trust
- Disability Rights Advocacy Fund
- Echoing Green Foundation
- EMPower- Emerging Markets Foundation
- Firelight Foundation
- Ford Foundation
- Foundation for A Just Society
- Fund for Global Human Rights
- GHR Foundation
- Global Fund for Children
- Global Fund for Women
- Global Philanthropy Alliance
- Grindrod Family Centenary Trust
- Harry Frank Guggenheim Foundation
- Helmsley Charitable Trust
- Humanity United
- IDEO.ORG
- Imago Dei Fund
- International Development Research Center
- Issroff Family Foundation
- J.C. Flowers Foundation
- JRS Biodiversity Foundation
- Kenya Community Development Foundation
- Laura and Rich Riedman Foundation
- McKnight Foundation
- Michael and Susan Dell Foundation
- Moore Philanthropy
- Nduna Foundation
- Novo Foundation
- Oppenheimer Memorial Trust
- Social Change Assistance Trust
- Southern Africa Trust
- SRHR Africa Trust
- Tamalpais Trust
- The Kresge Foundation
- The Other Foundation
- The RAITH Foundation
- The TK Foundation
- The Two Lilies Fund
- Thousand Currents
- Trinity Wall Street
- TrustAfrica
- USA for Africa
- VGIF
- Wallace Global Fund
- William and Flora Hewlett Foundation



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