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Philanthropy in Africa and the future of EU's development policies: useful synergies?

**Damien Helly** 

# European University Institute **Robert Schuman Centre for Advanced Studies**Global Governance Programme

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## **Abstract**

Three archetypical forms of philanthropy in a rapidly transforming Africa should be distinguished: foreign philanthropies operating in Africa, Africa-born philanthropy on the model of Western organisations and numerous African redistribution practices expressing a variety of societal features of giving. This diversity will most probably play a substantial role in reshaping development policies, debates and concepts on the continent in the years to come.

The question therefore is to what extent will philanthropy be a game changer in European development policies in Africa. In that respect, it could be useful for development-policy makers in the EU to 1) monitor and understand current trends in the philanthropic community in Africa in the view to 2) identifying areas of common interest and action.

# **Keywords**

Philanthropy, Africa, EU, development

Philanthropy is increasingly seen as an alternative source of global development finance, and one of the solutions to the steadily decreasing role of Official Development Aid (ODA). Philanthropy studies and research on social entrepreneurship are developing, and more work is being done to understand their impact.<sup>1</sup>) Aside private foreign direct investment, "innovative finance", and diasporas' remittances, the philanthropy sector – in its diversity – seeks to play a more significant role in Africa's development. In that sense, the first reason why philanthropy is worth being seriously considered by all those interested in developing countries is that it is a substantial provider of development finance. The second reason why we should try to better understand philanthropy is that "Grant makers also give money".<sup>2</sup>

In her 2012 speech to the African grant makers Graca Machel summarised the ongoing debates about the role and the nature of philanthropy in Africa: she emphasised the fact that it is not only about financing and grant making, but also and perhaps above all about the mindset with which money is spent for and with communities. Indeed, philanthropy contributes to development by supporting human rights, governance, and arts and culture initiatives. That, is the second reason why philanthropy deserves more attention from EU development and foreign policy makers.

# What is philanthropy?

According to the online Oxford dictionary referring to a definition dating back from the seventeenth century, everyone is a philanthropist in his or her own right, since philanthropy is "the desire to promote the welfare of others, expressed especially by the generous donation of money to good causes." This definition is not only very broad, but leads to a number of questions to be constantly addressed by those practicing or studying philanthropy. Indeed, such notions as "desire", "welfare", "generosity", "donation", "money" and "good causes" may spread confusion, if not controversy, about the ways they are interpreted.

Other definitions from the last century reflect a rather high degree of professionalisation in philanthropy: in the 1960s American experts used the following criteria for identifying philanthropic foundations: "non governmental, non profit, possessing a principal fund of their own, managed by their own trustees and directors, promote social, educational, charitable, religious or other activities serving the common welfare". Although Weaver's 1967 definition is clearer, the question of what "common welfare" is remains unanswered. It has recently been replaced in latest American publications by the idea of "social purpose", "social justice", or "wellbeing" but also "social investment".

To a larger extent, the usage of the word "philanthropy" as such in Africa has been imported from Europe or the US. However, the variety of its meaning and the ways it is used and practiced in Africa should not be ignored. This diversity will most probably play a substantial role in reshaping development policies, debates and concepts on the continent in the years to come. The question therefore is to what extent will philanthropy be a game changer in European development policies in Africa.

Marina Primorac, Good Works, in Finance and Development, December 2012, p.9. As Dean Karlan concludes in the same issue of F&E, we need to "sort out what is good from what only sounds good" by measuring "whether the social returns exceed the private returns", p.13.

Opening speech of the African grantmakers network conference, December 2012.

Philanthropic Foundations and Development Co-operation. Off-print of the DAC Journal 2003, Volume 4, No. 3, p. 17, using Warren Weaver's 1967 book on US foundations.

<sup>&</sup>lt;sup>4</sup> 'provision of private resources for social purposes' Philanthropy. Current context, op. cit., p. 10.

#### New Africa, new philanthropy?

#### New Africa, new trends in development

The landscape of development aid in Africa has been rapidly changing in the last decade.<sup>5</sup> From a dogma focusing on structural adjustments (leading to rather stable macro-economic indicators and the flourishing of the private sector) Bretton Woods institutions have shifted towards pro-growth and Keynesian strategies, supporting sustainable public structures to ensure resilient economic and financial governance. African markets have opened up to new investors.

Endogenous growth in some parts of Africa, driven by commodity exports and combined with a demographic boom and urbanisation, has changed the image of Africa. From a "hopeless continent", Africa is now – sometimes wrongly forgetting the continent's diversity - depicted as a dramatically growing or a rising area, creating a bourgeoisie and new middle class in a dozen of countries considered as new frontiers. The Arab spring in 2011 has also contributed to reshape internal African dynamics, by breaking old bonds with autocratic regimes and creating new ones between Arab countries and sub-Saharan societies. Colonial ties and cooperation frameworks have been steadily complemented and challenged by renewed relations between African societies and non-colonial powers from Asia and the Middle-East. Globalisation and new technologies have also allowed African diasporas to become more closely connected to their home continent. It is commonly admitted and often repeated that remittances supersede by far official development aid (ODA).

Table 1: Financial flows to developing countries in 2010 (billion USD)

	remittances	ODA	Non OECD-	Philanthropy	Private
		(OECD)	DAC aid		
2010	190*	128*	7,2**	56*	329*
2011	372**				
2014	467**				

<sup>\*</sup> Source: Hudson Institute, The index on Global Philanthropy and Remittances 2012, using a variety of sources, including OECD.

\*\* Source: Rockefeller report on philanthropy, current context, using forecast by World Bank, Migration and Remittances Data.

Against this background, ODA policies as conceived and conducted by OECD members, had to readjust. So had the whole spectrum of the Western-led aid architecture (including European Union policies) which came increasingly under criticism. In the debates on aid, the representatives of the new "growing Africa" have also shown a new self-esteem, stronger self-confidence and demonstrated their ability to advance modernisation and development agendas, independently from the US or Europe. It is very much in this context that discussions on the role of "philanthropy in development" as well as on a new "African philanthropy" started in the last few years.

Most recent reports on philanthropy in Africa acknowledge the lack of precise empirical studies<sup>7</sup> on this sector, which make any investigation about the real weight of philanthropy in Africa still pretty speculative. However, a number of indicators show that it is occupying an increasingly significant space in development finance in Africa and in aid flows in general.

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Draft Concept Note, ECOSOC meeting on The Changing Context of Development: What does it mean for Cooperation and Global Partnership, UN ECOSOC, Office for ECOSOC Support and Coordination Department of Economic and Social Affairs, 24 January 2012.

The author is aware of the flourishing literature on the debate of African economic take-off but unfortunately space does not allow this article to dwell into it.

David Cutler, African Grantmakers Network Assembly, Alliance Magazine, 1 December 2012.

The first indicator is that the share of philanthropy in aid flows is increasing faster than traditional Western development assistance. 2010 figures show that philanthropic flows now amount to almost half of total OECD official development aid (see table 1), and are still growing, while ODA amounts tend to remain nearly stable. Second, philanthropy in Africa is gaining more and more visibility in public debates, the media and development policies: famous philanthropists or campaigners make public speeches on their work on the continent; they partner with the media that write stories about them<sup>8</sup>; they convey gatherings, seminars and conferences to share knowledge and reflect on their role; they are consulted by international and multilateral organisations<sup>9</sup> historically in charge of development assistance and cooperation.

The presence of philanthropy funding, some say, is particularly noticeable in Eastern and Southern Africa. <sup>10</sup> Mo Ibrahim, originally from Sudan, created a foundation monitoring African governance. It offers one of the most generous prizes worldwide to African democracy champions, is originally from Sudan. The prize entails "US\$5 million over ten years, US\$200 000 per year for life thereafter, and US\$200 000 per year available for public interest activities."

In Southern Africa, former politicians like Nelson Mandela, Graca Machel, Joachim Chissano and prominent figures like Archbishop Desmond Tutu or former UN Secretary General Kofi Annan, have become philanthropy pioneers and champions with their own foundations, advocacy coalitions, or groups of the wise. In other areas like health, sanitation, education and civil society capacity-building, famous Western foundations have also become very prominent in Africa: the Bill and Melinda Gates Foundation, Rockefeller, Soros (Open Society Foundations) and the Ford foundation, to name but a few.<sup>12</sup>

Thirdly, philanthropic actions have their own ways of using donations, often supporting cuttingedge and innovative work, and thus sometimes taking significant risks.

In other words, the transformation of development in Africa implies a redefinition of African philanthropy along the three trends mentioned above: a heavier financial weight, increased visibility and specific approach to risk taking.

## Elements for a typology and definitions of philanthropy in Africa

The concept of philanthropy is a European and American one. It is historically embedded in capitalism and rooted in religious practice. Over time, the concept has been reviewed, transformed, adopted, to such an extent that it is now hard to establish a universally agreed definition of it. Current debates about the role of philanthropy in Africa cannot avoid the imperative of clarifying terms. Identifying key variables used for a definition of philanthropy allows propositions for a typology of philanthropy in Africa.

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In 2012, Forbes magazine wrote a number of stories online about African billionaires and philanthropists, the Gates foundation supports the Guardian development network.

http://www.forbes.com/sites/mfonobongnsehe/2013/01/20/the-most-generous-philanthropists-in-africa-in-2012/the-most-generous-philanthropists-in-africa-in-2012/the-most-generous-philanthropists-in-africa-in-2012/the-most-generous-philanthropists-in-africa-in-2012/the-most-generous-philanthropists-in-africa-in-2012/the-most-generous-philanthropists-in-africa-in-2012/the-most-generous-philanthropists-in-africa-in-2012/the-most-generous-philanthropists-in-africa-in-2012/the-most-generous-philanthropists-in-africa-in-2012/the-most-generous-philanthropists-in-africa-in-2012/the-most-generous-philanthropists-in-africa-in-2012/the-most-generous-philanthropists-in-africa-in-2012/the-most-generous-philanthropists-in-africa-in-2012/the-most-generous-philanthropists-in-africa-in-2012/the-most-generous-philanthropists-in-africa-in-2012/the-most-generous-philanthropists-in-africa-in-2012/the-most-generous-philanthropists-in-africa-in-2012/the-most-generous-philanthropists-in-africa-in

Private philanthropic organizations in international development cooperation: new opportunities and specific challenges, Special Policy Dialogue for the 2012 DCF, Organized by the United Nations Department of Economic and Social Affairs (UN DESA), 27 February 2012.

Erik Lundsgaarde, Global Philanthropists and European Development Cooperation, DIE, EDC 2020 Policy Brief, February 2011.

http://www.moibrahimfoundation.org/ibrahim-prize/

All these foundations have very developed websites on which more information can be found on their activities. More examples of philanthropy in Africa can be found in Bhekinkosi Moyo's Transformation Innovative Innovations in African Philanthropy available at http://www.bellagioinitiative.org/wp-content/uploads/2011/10/Bellagio-Moyo.pdf or on the web-based platforms on philanthropy in Africa: www.africangrantmakersnetwork.org, or The index on Global Philanthropy and Remittances, available at http://gpr.hudson.org/.

#### Methodology for a typology: key variables

Philanthropy in Africa is a very diverse world that should be looked at through a number of key variables that are the determinants of a tentative typology of philanthropic organisations or initiatives:

- 1. The level of budget or turn-over or cash flow. Some Western foundations have funded multibillion programmes in Africa, while other initiatives rely on narrow resources provided to the very poor on an individual basis.
- 2. The governance structure (horizontal or vertical). The Western model of philanthropy, historically based upon a vertical relationship between a giver and a recipient, is used in Africa. However, there are other models of horizontal relationship whereby the recipient can also be a giver and where philanthropy happens among the poor and at the level of communities (Philanthropy of Community- PoC). <sup>13</sup>
- 3. The religious identity. Religious institutions and churches (in the broad sense) but also organisations affiliated to a religion and acting on behalf of a religion are also providers of "welfare".
- 4. The type of legal registration. Actions can be taken within a formal legal framework (when it exists) according to state laws or in a more informal manner without any type of registration or compliance to the law of the countries where philanthropy is done.
- 5. The corporate nature. The providing structure may be related to business activities which are at the origin of the resources available, and its governance controlled by people also managing business interests. Otherwise, the structure may not be related to any type of corporate identity, interest or investment. The corporate nature will have some influence on the destination of philanthropic investments, usually linked to the firm's investment strategy.<sup>14</sup>
- 6. The North-South or South-South orientation. Resources and structures may come from developed countries (based on existing definitions used by international organisations) or from middle-income or developing countries, including Africa itself.
- 7. The level of their action (domestic, foreign, global, local). Many actions will be multi-level in nature, but the local, national or global focus may vary.
- 8. The extent of its partnerships and network connections. Working with others or in isolation may be part of specific strategies and will have an impact on the action itself.

#### Broad and narrow definitions of philanthropy in Africa

On the basis of the variables presented above, one may choose to use at least three generic and archetypical definitions of philanthropy as a player in Africa's development. Yet, there are no clear boundaries between these definitions: an African philanthropist for instance, may be a business leader inspired by the models of Western foundations, corporate methods as much as by traditional horizontal African community-based actions.

1. Foreign "mega" or "global" philanthropy in Africa applies to non-African private givers conducting philanthropic activities on the continent and applying their own working model. For instance, large U.S. (or other foreign) philanthropic foundations headed by prominent leaders ("philanthrocapitalists" Gates, Soros, Ford Foundation) with or without the participation of

Erik Lundsgaarde, Global Philanthropists and European Development Cooperation, DIE, EDC 2020 Policy Brief, February 2011.

Susan Wilkinson-Maposa, (et al.), The poor philanthropist - How and why the poor help each other, Cape Town: Southern Africa-United States Center for Leadership and Public Values, 2009, Volumes I-IV.

African stars (former politicians or artists like Nelson Mandela, Kofi Annan, Desmond Tutu ) fall into this category. In that case, African grantmakers depend on external resources.<sup>15</sup>

- 2. African philanthropy on the model of Western organisations. African leaders (The Elders, Chissano foundation), business people (Allan Gray, François van Niekerk, Dr Ramphele, Elumelu, Dangote, Mo Ibrahim,) or famous personalities (Graca Machel, Yossou N'Dour, Dikembe Mutorubo) who have set up or joined philanthropic structures (like Open Society foundations in Africa) inspired – although not exclusively - by Western foundations, with or without the participation of foreigners. Sometimes these leaders come from the African diaspora in developed countries.
- 3. Numerous African redistribution practices that could be qualified as African philanthropy (or sometimes "local philanthropy" 16 by foreign foundations) and not necessarily based on the American or European models. (Maadi Community Foundation, numerous examples of how the notions of "Ubuntu", "waqf" or "help" are put into practice: ). 17 Whether this overlaps with webbased voluntary citizens philanthropy is also an option.

#### New trends and new philanthropy in Africa

The diversity of African philanthropy makes debates on it more sophisticated, but also more complex. One of the consequences of the diversity of definitions for philanthropy in Africa, as underlined by latest reports, is the difficulty to find a common legal framework that would match all types of philanthropic activities. Four main transforming trends of philanthropy in Africa seem to be at work, reflecting its hybrid nature. These trends will very likely reshape the aid landscape as well as the perceptions of development assistance on the continent.

- 1. A closer connection between philanthropy and a vision of African inclusive growth, where philanthropy is pictured as a building block of Africa's economic take-off. This trend can be seen in the search for a new policy mix between business and non-profit activities and the use of concepts such as "impact investment", "social investment", "venture philanthropy". This marketoriented logic aims at empowering the poor to become part a consuming middle class generating financial returns. Expanding the consuming side thanks to philanthropy (and corporate philanthropy in particular), in that sense, is in the interests of private investors in Africa.
- 2. The inclusion of technological innovations into philanthropic practices (communications, health, textile, food and agriculture but also internet-based fundraising) will have strong impact on the way the added value of philanthropy will be promoted.
- 3. Intensified efforts for the integration of African philanthropic organisations into regional, continental and global networks (for instance the Africa Philanthropy Forum, TrustAfrica, the African grantmakers network and the 2011 Bellagio initiative)<sup>19</sup>;
- 4. Serious internal debates about the nature of philanthropy in Africa, and the likely emergence of a number of different wings and schools following different priorities, references and models. In that

Graca Machel, speech at the African grant makers network, Johannesburg, 2 November 2012.

The World of Philanthropy - Present and Future, Resource Alliance, 4 September 2012.

<sup>17 &</sup>quot;the African Grantmakers Network's vision of promoting many different forms of African philanthropy by rich and poor people alike." http://www.awdf.org/browse/2601. See also Bhekinkosi Moyo, Summary of expressions of philanthropy in Africa, Bellagio initiative report, Table 1, 2011.

Impact investing is putting money into a fund which aims at generating returns for the investors while investing into business ventures with a positive social impact (for instance seeds or water irrigation technology for small scale farming). Impact investment instruments have potential for good returns and assets have been estimated to be worth \$400 billion and more. Philanthropy. Current context. Op. cit. p. 8.

<sup>&</sup>quot;We're hoping that a common vision for the future of philanthropy globally will start to emerge", Resource alliance, 4 September 2012. http://philanthropyforum.org/apf-2014/

sense, philanthropy will be influenced by political debates on how to shape a "post-postcolonial"<sup>20</sup> continent, giving more power and sovereignty to African professionals and practitioners.

The ongoing transformations of the philanthropy sector in Africa are fast and produce effects that are still not enough monitored and analysed. More knowledge on the actual added value of philanthropy, its weaknesses, its diversity and its potential, and the ways it could be combined with other development-friendly actions, would allow the EU to incorporate these new realities in the design of its policies.

# Philanthropy in Africa and EU development policies: new opportunities, old challenges?

In a fast changing African environment where the definition and action of philanthropy in Africa is quickly transforming, what strategies should European development policy makers follow? Despite the economic meltdown, the EU and its Member States will still have some resources at their disposal in the next decade to promote development. Beyond the radical rejection of old-style European ODA but taking into account that aid is under criticism, how should Europeans address the new realities of philanthropy in Africa? The policy framework is actually already largely in place, with the Busan partnership and the "Agenda for change" document.

Philanthropy (in its variety) in Africa could be seen by OECD aid providers as a "new donor" to which more space and power should be given. It could be seen as an alternative source of development finance and "a powerful force to alleviate poverty that can be tapped into". <sup>22</sup> While OECD donors are still working on their *aggiornamento*, they could deepen their dialogue with Western foundations which are confronted with the same challenge of adjusting to global power shifts and to the rebalance in North-South relations. <sup>23</sup>

Learning more about the diversity of philanthropy, its areas as well as modalities of operation could help traditional donors to to increase donor's coordination: it could also allow DAC members to think of long-term exit or step-back strategies from some sectors in a number of developing countries and of ways of reshaping their role in development.

Debates among philanthropy professionals can also contribute to the rethinking of development, along the lines of Busan, without necessarily reinventing the wheel: some conceptual convergence will have to be looked for between post-2015 development frameworks, the Human Development Index, the "better life" index and the new mantras of "wellbeing" and "social justice".

Special emphasis on the role of philanthropy in fragile situations – where the EU and OECD-DAC have tried, albeit with limited success as acknowledged by OECD reports, to bring added value in the last decade – would be very valuable to look for effective synergies and mutual learning. Engaging philanthropy in a dialogue about the New Deal for fragile states could be an initiative to think about yes!

Stephen Ellis, Ton Dietz, Kjell Havnevik, Mayke Kaag (eds.), African engagements: Africa negotiating an emerging multipolar world, Brill, 2011, 389p., p. 374. "Africa has entered a new historical age, one that as yet has no name, since we cannot call it post-postcolonial"

<sup>&</sup>quot;At the heart of both these major problems lies the 'technocratic' character of the current development approach – in which solutions to development 'problems' are considered to lie in the hands of the development 'expert'. This was seen as contributing to mistrust in major development agencies and as fuelling the perceived remoteness and irrelevance of many development organisations." Bellagio initiative report, 2011, p. 11. http://www.bellagioinitiative.org/wp-content/uploads/2012/09/BELLAGIO\_WELLBEING\_SPREADS.pdf

http://www.resource-alliance.org/blog.php/27/the-world-of-philanthropy-present-and-future

Philanthropy. Current context, op. cit., p. 9. Existing power imbalances between (often) foreign players and local players can be addressed by consulting local advisory boards, setting up completely independent boards in a particular country or having local players sitting on the foundation board. Key is to 'change the conversation at board level'."

Similarly, the EU and its member states could try, at global but also at local level, thanks to EU delegations in third countries, to forge stronger alliances with philanthropic organisations on state-capacitation-related agendas. This could include capacity-building in economic and financial governance, state taxation (including tax evasion by multinational and local companies) and social protection systems. Joint efforts on state and civil society capacity building would increase chances to promote the redistribution of wealth called for by many in Africa.<sup>24</sup> Partnering with philanthropy in Africa could also consist of contributing to experience sharing, for instance on the variety of European legal frameworks ruling what would be the equivalent of African philanthropy I think you need to clarify this sentence.

One of the ways to harmonise<sup>25</sup> European ODA with philanthropy funding could perhaps to use existing blending mechanisms which have been put in place by the EU in the last few years.<sup>26</sup> Perhaps more dialogue should be conducted between EU institutions, Member States and philanthropic actors in Africa about the potential of the new EU blending policies.

More generally, the challenge for the EU and its member states will be to find partners eager to work towards a common agenda, while being aware of the risks of being associated to EU bureaucratic procedures and with donors sometimes enjoying a declining reputation. Some African philanthropists like Tony Elumelu have already made it very clear that they favour African private sector solutions to lead development initiatives.<sup>27</sup> There is of course no one-size-fits-all answer to the question of primacy between private and public-funded solutions, but there should probably be more space opened by EU institutions and member states for dialogue with the world of philanthropy in Africa.

This would be particularly useful, as the EU donors and philanthropy organisations actually struggle with the same challenges, dilemma and hurdles: how to ensure sustainable capacities to plan the end of the donor-recipient relation; how to foster leadership and participation among the communities or the institutions that are your counterparts unfinished sentence?; how to respect the sovereignty of the partners who are supported while respecting efficiency standards; how to avoid duplication and maximise good funds management; how to identify reliable partners....

Other common challenges relate to the monitoring and evaluation of action programs/initiatives? the acceptable timeframe to be balanced with a degree of impatience from fast credit-seeking philanthropists.<sup>28</sup> Interestingly, Western philanthropy seems to be trying to catch up with some challenges addressed by OECD donors and NGOs more than a decade ago in their quest for more effectiveness: collaborative approach, inclusion of stakeholders and civil societies, field-based action, the value of political advocacy.<sup>29</sup>

Quote by Andrew Kingman, 'It's our turn to eat': reflections from the AGN, Alliance Magazine, 1 December 2012.

<sup>&</sup>quot;There is a case, then, for harmonising official development assistance with giving from foundations." Philanthropic foundations bring new challenges to aid debate, The Guardian, Wednesday 9 November 2011.

http://ec.europa.eu/europeaid/news/2012-12-12-platform-blending-funds\_en.htm . See also San Bilal, Florian Kratke, Blending loans and grants. To blend or not to blend, ECDPM, May 2013.

http://www.forbes.com/sites/mfonobongnsehe/2012/04/20/only-africans-can-develop-africa-says-nigerian-philanthropist-tony-elumelu/

Philanthropy. Current context. op. cit. p. 8. "The key problem seems to be that while a philanthropist's horizon and funding 'milestone' is usually two to three years a non-profit organisation often can give only 'piecemeal' impact demonstrations within those first years."

Philanthropy. Current context. Op. cit. p. 9.

Last but not least, synergies could be found on the political side of development policies carried out by the EU and philanthropy actors. Governance and leadership are indeed absolutely essential to any kind of harmonious, inclusive and long-term development.<sup>30</sup>

In other words, "development is political" and political lobbying and dialogue for change is at the heart of any development policy effort. This focus on governance and civil society is and will remain a strong commonality between philanthropy and the EU (with its Agenda for change) and could guide both towards long-term partnerships.

#### A lot to share

The practice of giving, granting or lending is entrenched in many African societies and has taken a variety of shapes that modern discourses try today to encapsulate in the notion of African philanthropy, while this very word does not even exist in many African languages. African philanthropy is not just the result of a supposed "Africa's rise". However, as a consequence of sustained growth and the enrichment of a new African bourgeoisie as well as a new middle classes, new forms of philanthropy are developing in Africa, far beyond generous initiatives of former African political leaders attracting resources from familiar Western elites. Three archetypical forms of philanthropy in Africa should thus be distinguished: foreign philanthropies operating in Africa, Africaborn philanthropy on the model of Western organisations and numerous African redistribution practices expressing a variety of societal features of giving, helping, in reciprocity and mutuality.

When engaging with the philanthropic sector, European policy-makers ought to be very aware of the financial, social and political ramifications of their interlocutors, to understand what, in each case, philanthropy would encompass. Joint reflections with African professionals on possible legal frameworks – when appropriate - could help both Europeans and Africans to clarify the terms of their dialogue on philanthropy and its contribution to development.

Both EU institutions and philanthropy professionals also have a lot to share and are faced with the same challenges in Africa: the encouragement of efficient and credible governance and leadership, long-term change, the use of technological innovations for development purposes, the difficulty to monitor efficiency and to be accountable, to name but a few.<sup>33</sup> In many ways, they also can complement each other very well. Although philanthropy will certainly not bring all answers to the European aid credibility crisis, it could contribute to rejuvenate some of its thinking and practices.<sup>34</sup> In that respect, deeper dialogue and experience sharing with the philanthropic sector in Africa could help the EU aid system to modernize,<sup>35</sup> by reflecting and experimenting on innovative financing, impact

<sup>&</sup>quot;Therefore the work is to build a continent-wide culture of African cooperative philanthropy, where local individuals and institutions invest in African causes. These were some of the messages coming out of the AGN Assembly. (...) Building the power of civil society across the continent should be the single most important contribution of African philanthropy." Colleen Du Toit, African Grantmakers Network Assembly: What's new? Now? Different?, 1 December 2012.

Bellagio initiative report, 2011 and Colleen Du Toit, op. cit., quoting Dr Ramphele: '... without good governance no amount of good grantmaking will make a difference – social justice issues arise because citizens don't count in post-colonial Africa.'

<sup>&</sup>lt;sup>32</sup> Rick Rowden, The Myth of Africa's rise, Foreign policy, January 2013.

This echoes what J. Gregory Dees calls for by suggesting "development players" to "promote smart social innovation", "support resourceful approaches" and "enhance local adaptive capacity", in Finance and Development, December 2012, p.17.

This paper was shared late February 2013 with a number of officials in the European Commission as a basis for dialogue or interview on the interactions between EU policies and philanthropy in Africa, but at the time of publishing, unfortunately no reply was received by the author. Turn this into a finding on the lack of interst from EU officials at HQ to engage with you in this conversation.

Homi Karas, Raj M. Desai, The New Philanthropy and Development Aid, policy pointers, Opinion, 24 April 2008.

investment, the use of new technology and new economic methodologies (like those of the MIT Abdul Lateef Jamel Poverty Action Lab), state and civil society-capacitation methods, work in fragile contexts, taking risks, and blending frameworks. This dialogue should perhaps take place in Brussels, but also and probably, above all, at country level where EU delegations and Member States are operating.

In that respect, it could be useful for development-policy makers in the EU to 1) monitor and understand current trends in the philanthropic community in Africa in the view to 2) identifying areas of common interest and action so as to coordinate and maximise the impact of available funds in a progressively scarcer environment for aid..