



Event Outcome Report

Excellence in Philanthropy

Frameworks for Sustainability

Event Date: 25 February 2018

Event Location: Dubai, UAE

Executive Summary

The roundtable created a much needed platform for all players in the Philanthropic and Non-Profit Sector including representatives from family, corporate, private and government foundations, CSR divisions and non-profit organisations to openly discuss the challenges and successes of the sector in the Gulf Region. Although giving is deeply rooted in the region's culture and religion, philanthropy is often confused with generosity and not understood as a tool to create long-lasting impact. Hence, the focus of the discussions was on the need to shift from traditional giving to more strategic philanthropy.



The Philanthropic and Non-Profit Sector is growing in the region; however, its organisational capacity is not as strong as it should be. Foundations find themselves caught in executing their own programmes because they lack trust in non-profit organisations. Implementing strong governance practices can go a long way in enhancing the effectiveness of organisations and hence attract more funding from institutional and individual donors alike.

Corporate initiatives executed by CSR departments are not always driven by the cause, but often used as a marketing tool. This is an issue faced across the Gulf Region's Private Sector. If viewed as a solution to social problems, CSR initiatives can have a real impact in creating sustainable long-lasting impact.

Ultimately, philanthropy is a high risk capital that has the potential to create solutions to some of society's most challenging problems. Strong governance practices, if adopted by both the donors and implementers can help reduce the risks associated with philanthropy. As highlighted by many experts in the roundtable, collaboration alone can create and attract funding for organisations, reduce risks and create scalable impact.

Keynote Speech: **H.R.H. Princess Banderi A.R. AlFaisal**, CEO, King Khalid Foundation, KSA

Panellists and Moderators: **Yousef M. Alguwaifli**, Deputy Secretary General, Suliman S. Olayan Foundation, KSA; **Lina Hourani**, Division Director, CSR Al Ahli Group, UAE; **Habiba Al Marashi**, President, Arabia CSR Network, UAE; **Parastou Yousefi**, Senior Program Officer, Philanthropic Partnerships, Global Policy & Advocacy, Bill & Melinda Gates Foundation, USA; **Annina Mattsson**, Director of Programs, Dubai Cares, UAE; **Lisa Philp**, Senior Advisor, Foundation Center, USA; **Saeed Hersi**, Head of Office, UN-OCHA, UAE; **Carla Koffel**, Executive Director, Pearl Initiative



Event Details

Background and Overview

On Sunday 25 February 2018, the Pearl Initiative hosted a roundtable discussion at Jumeirah Mina A'Salam in Dubai. The event provided a platform for discussions as part of their programme, 'Governance in the Philanthropic and Non-Profit Sector.' The programme is supported by the Bill and Melinda Gates Foundation and aims to enable organisations in the sector to consider and improve governance in a way that is tailored and best suited to the Gulf Region.

The roundtable convened leaders in philanthropy, corporate giving and non-profit organisations to discuss how the effectiveness of giving can be enhanced through institutional philanthropy and improved governance practices in the Gulf Region's Philanthropic and Non-Profit Sector. The speakers, as well as the audience included professionals representing corporates, family businesses and philanthropic and non-profit organisations.

The event responded to key findings of the Pearl Initiative's regional survey launched to measure the governance practices are adopted in the philanthropic and non-profit sector as well as the expectations of donors who fund philanthropic activities. All of the survey respondents feel that there is a need to enhance governance practices in the Philanthropic and Non-Profit Sector in the region. 82% feel that within their organisations, governance capabilities need to be enhanced.

Roundtable Agenda

The roundtable featured opening remarks from Carla Koffel, Executive Director of the Pearl Initiative and a keynote speech from HRH Princess Al-Banderi A.R. AlFaisal, CEO of King Khalid Foundation, which outlined the current scene of the Philanthropic and Non-Profit Sector in the Gulf Region. Later in the morning, a panel session was held to discuss the success and challenges of institutional philanthropy in the region. The session was moderated by Parastou Youssefi, Senior Programme Officer from the Bill and Melinda Gates Foundation.

After the mid-morning break, Lisa Philp, Senior Advisor at the Foundation Center in the USA moderated a session with Dubai Cares on best practices in impact evaluation and reporting. Saeed Hersi, Head of Office at UN-OCHA Gulf Office provided his closing remarks in the final session together with Carla Koffel. Refer to Annex 1 for the full agenda.

The aims of the discussion were to:

- Gain an insight into the perceptions of the speakers and participants on institutional philanthropy and governance practices of the Philanthropic Sector in the Gulf Region.
- Reflect on best practices and opportunities to build strong impact measurement and reporting practices in the sector.
- Reflect on the aspirations of what governance practices should look like in the sector.



Event Notes

Opening Remarks

Carla Koffel commenced the roundtable with a brief description of the programme and the regional survey that was launched to capture governance capabilities of organisations operating in the Gulf Region's Philanthropic and Non-Profit Sector. Her remarks highlighted the global and regional issue of putting in place structures to guide decisions, implement activities and measure impact in the sector.

Reflecting on her experience in different countries and sectors, both private and philanthropic, she explains that the common thread among them is that they are all trying to figure out where they should be putting their efforts and whether these efforts are having the intended impact. One of the overwhelming common theme is the constant questioning about how organisations can set themselves up to achieve their goals.

Simple questions that become difficult in practice like: how to make good decisions, to have the information organisations need at the right time and with the right people to be able to make these decisions, to engage with employees so they know their role and the purpose of what they do, and who these organisations are accountable to. In the age of digitization and big data – how does that create opportunities, challenges and responsibilities for accountability and transparency.

Lastly, she reflects on some of the key findings from the survey stating that the issue of governance in the sector is important now more than ever. The donor community places importance on governance - the 3 most important factors for funders when evaluating an organization to provide funding is programme impact evaluation, independent audits and compliance reviews and internal controls. There is real interest in enhancing governance practices in the sector both from the donors and implementers' perspectives to improve governance.

Keynote Speech

Following the introduction to the programme, HRH Princess Al-Banderi elaborated on the overall state of the philanthropic and non-profit sector in the Gulf Region. Her speech contextualised the discussion going forward by sharing key trends and facts in the region's sector over the past decade.

Setting the scene for the philanthropic and non-profit sector in the Gulf Region

- Philanthropy has always been a part of the region's heritage and is deeply rooted in the religion and culture. However, it is often conducted as individual charity and not strategic philanthropy aimed at sustainable social change.
- The economic transformations of the past few decades have led to social changes. Society has and continues to resort to quick fixes rather than permanent solutions to the rising social problems.
- Charity is predominantly viewed as a personal act and not a tool for meaningful social change.
- Non-profit organisations (NPOs) continuously complain of lack of funding. This is due to the following reasons:
 - NPOs and foundations alike are new and lack experience, knowledge and skills.
 - Most foundations (approximately 70% of them in Saudi Arabia) do not trust NPOs and therefore start to execute their own philanthropic programmes and activities.
- The number of NPOs in Saudi and the region is quite low in comparison to neighbouring Arab countries. For example, Saudi have 1,100 NPOs and foundations, while Morocco, similar in size has over 120,000 organisations.



- The sector's contribution to national GDP in Saudi Arabia and neighbouring Gulf states is far below any international average.
- Lastly, there is a lack of data on the sector in the Gulf Region.

Positive trends in the region

- The emerging new generation, or the millennials, are challenging views on wealth and approaches to impact.
- Governments are more aware about the importance of the sector and the role it plays in national development.
 - For example, for the first time, a major part of Saudi's Vision2030 focuses on non-profit development.
- People are resorting to business models to solving social issues.
 - Corporate foundations are on the rise.
 - CSR initiatives are becoming increasingly relevant.

Strategic philanthropy

- Strategic philanthropy is defined as data-driven strategic planning to achieve a set of goals and impact while ensuring flexibility to respond to emerging needs and challenges.
- This model in the region is the exception and not the norm, however, if done strategically, philanthropy can play a big role in the region.
- Generosity should not be confused with strategic philanthropy. Change and action begin with this awareness.

Ways forward

- Philanthropy needs to change and use new tools to solve today's complex social problems.
- Foundations and NPOs need to raise the scale and impact of their work through financial sustainability, organisational capacity building and focus on partnership development across the public, private and philanthropic sectors.
- Philanthropic champions should be recognised and success stories highlighted.
- Organisations should be transparent about their activities both to their internal and external stakeholders.

“Opportunities are many, but it is up to each and every one of us to turn these opportunities into sustainable social impact.”

HRH Princess Al-Banderi



Panel Session

Moderated by Parastou Youssefi, the panel session highlighted the challenges and successes of the sector from the perspectives of family foundations, corporate giving, non-profit organisations and CSR initiatives. It featured the following speakers:

- **Yousef Alguwaifli**, Deputy Secretary General, Suleiman S. Olayan Foundation, KSA
Yousef manages a private family foundation that focuses on education in Saudi Arabia and provide seed funding for new social initiatives.
- **Lina Hourani**, Division Director, CSR Al Ahli Group, UAE
Lina heads the CSR Al Ahli across the MENA Region with the goal of training forty (40) students to be social entrepreneurs.
- **Habiba Al Marashi**, President, Arabia CSR Network, UAE
Habiba is the founder of Emirates Environmental Group, a twenty-year-old non-profit organisation in the UAE.

Setting the context

- Philanthropy is as old as Islam in the region and is deeply rooted in the Gulf Region's culture and traditions.
 - For example, sea captains in the 1950s were responsible for their sailors' families and their wellbeing.
 - The Kuwaiti Hospital in Sharjah was set up by Kuwaiti businessmen in the UAE to solve a social problem, which was the lack of access to healthcare.
 - Juma Al Majid in the 1970s supported his employees' children by providing affordable access to education (National Charity School in Dubai). His model was self-sustaining because it was not free of charge but charged a minimum fee.
- The non-profit sector is setting up so many goals for itself but with little funding.
- NPOs in the region are typically born out of field-based necessities, followed by a financial assessment and then implementation.
- In corporations, being socially responsible is a new trend, almost twenty years old. Often, companies engage in CSR if their leadership is committed to a certain cause. Otherwise, it is difficult for these initiatives to grow organically without leadership buy-in.

Challenges

- Twenty years ago, working in the sector was easier because people and the Private Sector were genuinely interested in the cause and worked closely together. Today, one of the problems facing the sector is that organisations are working for the wrong reasons, mainly for marketing purposes.
- Foundations should have an impact by grant-making and not just by implementing programmes on their own.
- Attracting and retaining talent in the sector is a true challenge. Many employees choose to pursue higher education or move on to the Private Sector six months after they're hired.
- Philanthropy is high risk capital, many are not willing to take that risk or approach philanthropy with no knowledge of the risks.
 - Donors who engage in risk philanthropy can maintain a low profile and still be able to share their experiences, both the successes and the failures. However, donors who are more public about their



philanthropy sometimes are more risk averse and are hesitant to share the lessons learned from their philanthropic contributions and investments.

- In the CSR world, companies often find themselves replicating each other's initiatives to gain publicity. Companies are engaging in CSR initiatives for the wrong reasons.

Ways forward

- Lessons for those willing to engage in philanthropy (i.e. high-risk capital) include maintaining a low profile, acknowledging the risks and the fact that sometimes project will fail and sometimes they will succeed.
- In order to have a long-lasting impact, the philanthropic sector needs to understand its role better and work alongside the government.
 - Even with the 40 billion USD endowment fund at the Bill and Melinda Gates Foundation, the opportunities for creating sustainable impact lie not with the traditional understanding of philanthropy, but with a more modern approach to philanthropy (such as social enterprise).
- Corporates need to be confronted and their motives need to be clearly outlined before taking part in any CSR initiative.
- The Philanthropic and Non-Profit Sector should rely on partnerships and collaboration to get results.
 - CSR Al Ahli runs on a low budget and relies solely on partnership funding.
- There is a need to invest in people entering the sector.
 - This is what Bill and Melinda Gates Foundation are trying to achieve with King Khalid Foundation in Saudi through the Shaghaf Programme; they are training professionals to work in the Philanthropic and Non-Profit Sector in Saudi Arabia.
- The structure of the sector needs to be reconsidered and organisations should not be trying to accomplish more than they should.
 - Non-profit organisations should not do what governments can, rather be engaged in scalable solutions

“Philanthropy as we know it around the world is just not enough.”

Parastou Youssefi



Sharing Best Practices

Following the mid-morning break, the participants convened for the final session moderated by Lisa Philp, Senior Advisor at the Foundation Center, USA. The Foundation Center is a resource centre gathering information about philanthropy worldwide. She was joined by Annina Mattsson, Director of Programs at Dubai Cares. Together they addressed key issues in impact evaluation and reporting. Dubai Cares is a grant making foundation working with partners to deliver programmes under the SDG4 mandate on education.

Impact evaluation

- The impact evaluation framework adopted by Dubai Cares focuses on evaluating the learning outcomes at the end of each year. All programmes and interventions have an independent external evaluation focused on:
 - Accountability
 - Learning
 - Processes
- A monitoring strategy is built into the programmes and an internal monitoring system is applied in an organisational level.

“You measure what you treasure.”

Annina Mattsson

- Impact evaluation is an expensive process. When planning for impact evaluation, need to consider the length of the programme (new programmes for instance are not ready for impact evaluation), the desired outcomes from the process and the timeline.

“It’s important to be choosing the right tools when measuring results.”

Lisa Philp

- Another approach to consider is process evaluation that does not focus on the results.
- Impact evaluation in volatile or fragile situations requires flexibility from the donors. Moreover, there is a need to reassess the frames of work in volatile situations.

“Programmes will not be successful unless they respond to contexts.”

Annina Mattsson

- Initiatives that are undertaken as part of a wider national vision, such as the UAE Vision 2021 have their own specific KPIs that can be used to measure the impact of initiatives, particularly those conducted by corporations and family businesses.



Ways forward

- The first step in impact evaluation is realising the need for it. Impact evaluation is a critical mindset that needs to be adopted in the early stages of the design of the programme.
- Programme evaluations should be openly discussed, otherwise there can be no lessons learned from the challenges facing the sector.
- If having a monitoring and evaluation department is out of scope or too expensive, organisations can resort to partnerships to fill the gap.
 - For example, Dubai Cares co-funds programmes with organisations that have the technical know-how.

“Philanthropy is risky, but that risk can be reduced by forming partnerships.”

Annina Mattsson

Closing Session

The closing session, led by Saeed Hersi, Head of Gulf Office, UN-OCHA in the UAE, reflected on earlier discussions and highlighted concrete ways forward for the sector in the region.

Achievements in the sector

- When UN-OCHA first started its mission in the UAE with a visibility study, it was difficult to identify the right players to speak to. Today, this has changed; there is more structure, policy formation and institutionalisation in the sector.
- Over the years, the number of actors from both the private and public sectors have increased, creating more opportunities for collaboration and meaningful partnerships.

Ways forward

- Organisations operating in the philanthropic and non-profit sector need to define and be clear about their identity.
- There is a need for more platforms to discuss challenges and lessons learned in the sector. It is important to include donors in this discussion, as the non-profit community is obligated to educate their donors about the goals of their programmes. Platforms for open discussion are the best means to achieving this goal.

“We all have an obligation to educate our donors.”

Saeed Hersi

- Collaborative partnerships are the way forward for the sector and engaging with government entities is key going forward.



Annex 1: Event Agenda

8:30 – 9:00	Registration
9:00 – 9:10	<p>Welcome</p> <ul style="list-style-type: none"> ▪ Carla Koffel, Executive Director, Pearl Initiative, UAE
9:10 – 9:40	<p>Transformative Philanthropy</p> <p>Over the years, the nature of philanthropy in the Gulf Region has been shifting away from nominal transactions to more transformative and strategic transactions that are impact driven. To drive more change, organisations in the philanthropic and non-profit sector need to have a clear set strategy and deliver on goals, make effective decisions and ensure the efficiency and impact of their programmes.</p> <p>Keynote Speech</p> <ul style="list-style-type: none"> ▪ H.R.H. Princess Banderi A.R. AlFaisal, CEO, King Khalid Foundation, KSA
Panel Discussion	
9:40 – 10:40	<p>Institutional Philanthropy: Successes and Challenges</p> <p>This session will explore how foundations and businesses can enhance the efficiency and effectiveness of giving in the Gulf Region. The discussion will also evaluate the potential barriers to institutional philanthropy and how these can be addressed to ensure the continued success and effectiveness of the sector in the Gulf region.</p> <ul style="list-style-type: none"> ▪ Yousef M. Alguwaifli, Deputy Secretary General, Suliman S. Olayan Foundation, KSA ▪ Lina Hourani, Division Director, CSR Al Ahli Group, UAE ▪ Habiba Al Marashi, President, Arabia CSR Network, UAE <p>Moderated by: Parastou Youssefi, Senior Program Officer, Philanthropic Partnerships, Global Policy & Advocacy, Bill & Melinda Gates Foundation, USA</p>
10:40 – 11:10	Networking Break
Sharing Best Practices	
11:10 – 12:10	<p>Impact Evaluation and Reporting</p> <p>The important, yet often challenging, nature of measuring and reporting on the impact of activities in philanthropic and non-profit organisations is an issue of international discussion and organisational accountability. This interactive session will showcase regional and international practices and experiences of adopting impact evaluation and reporting.</p> <ul style="list-style-type: none"> ▪ Annina Mattsson, Director of Programs, Dubai Cares, UAE ▪ Lisa Philp, Senior Advisor, Foundation Center, USA
Closing Session	
12:10 – 12:30	<p>Closing Session – The Way Forward</p> <p>Reflecting on key takeaways from previous discussions and the recent developments in the Gulf Region’s philanthropic and non-profit sector, this conversation will highlight the role good governance practices play in ensuring the sustainability of the sector.</p> <ul style="list-style-type: none"> ▪ Saeed Hersi, Head of Office, UN-OCHA, UAE ▪ Carla Koffel, Executive Director, Pearl Initiative, UAE
12:30 – 14:00	Lunch