



## Governance in Philanthropy

# Beyond Giving: The Role of Strategic Philanthropy in the GCC

Amid evolving philanthropic landscapes, this document explores the growing importance of strategic philanthropy in the GCC, emphasizing the integration of technology, youth engagement, and women's leadership to drive sustainable, measurable impact.





## Introduction

The concept of strategic philanthropy is rapidly gaining momentum in the Gulf Cooperation Council (GCC) region. Traditionally, philanthropy has been associated with simple acts of charity, such as monetary donations. However, strategic philanthropy has a broader goal—it seeks to create measurable, long-term impact by aligning resources with societal goals that promote sustainable development. In this article, we explore how the GCC is redefining philanthropy by merging traditional practices with modern strategies for social change.

## What is Strategic Philanthropy?

Strategic philanthropy goes beyond simple charity. It involves the purposeful allocation of resources to create lasting change. Unlike traditional giving, which may focus solely on immediate relief, strategic philanthropy aims to address the root causes of social issues, contributing to long-term societal goals. This approach is grounded in careful planning, transparency, and measurable outcomes, allowing donors to track the real-world impact of their contributions.

The GCC, particularly, has been at the forefront of this shift, blending Islamic values of charity with modern frameworks that prioritize accountability and sustainability.





## Why is Strategic Philanthropy Relevant in the GCC?

The GCC countries have long been leaders in charitable giving. In fact, according to the Giving in the Gulf Cooperation Council (GCC) Report by the Cambridge University Center for Strategic Philanthropy, the total philanthropic giving in the region stands at a remarkable USD 210 billion. This makes the GCC one of the largest contributors to global philanthropy, with much of this giving rooted in Islamic traditions that emphasize social responsibility.

### Why is this shift important for the region?

The GCC's growing focus on measurable outcomes and innovative giving practices is helping the region tackle global challenges more effectively. Traditional methods of charity, such as direct donations or short-term aid, are now being supplemented with new strategies like impact investing, venture philanthropy, and social entrepreneurship.

Additionally, the region's rich Islamic heritage provides a moral and spiritual framework for philanthropy that aligns with global development goals. For instance, the values of Zakat (obligatory charity) and Sadaqah (voluntary charity) serve as powerful tools for addressing poverty, education, healthcare, and more.

## The Role of Islamic Values in Philanthropy

Islamic teachings have long encouraged giving, and the practices of Zakat, Sadaqah, and Waqf are central to the region's philanthropic culture.



## **Zakat: Obligatory Almsgiving**

One of the five pillars of Islam, Zakat mandates that Muslims donate 2.5% of their wealth annually to those in need. Historically, Zakat has been a key element in fostering social equity by directly supporting vulnerable populations such as the poor, orphans, and those in debt.

In today's context, Zakat is increasingly being integrated into strategic philanthropic models that emphasize transparency and accountability. Modern platforms are enabling donors to track the impact of their contributions, ensuring that the funds are being used effectively to address issues like poverty alleviation, healthcare access, and education.

## **Sadaqah: Voluntary Almsgiving**

Unlike Zakat, which is obligatory, Sadaqah refers to voluntary charity given without a set amount. Sadaqah can take many forms - financial donations, but also acts of kindness or support for community initiatives. As the needs of society evolve, so too must the mechanisms of Sadaqah.

There is a growing shift toward innovative approaches like venture philanthropy and microfinancing, where donations are used to fund businesses or social enterprises that generate sustainable, long-term outcomes. These approaches align Sadaqah with strategic philanthropy by encouraging the use of charitable funds to invest in opportunities that have measurable social returns.

## **Waqf: Charitable Endowments**

Waqf refers to the donation of assets, such as land, property, or funds, for charitable purposes. These assets are dedicated to the long-term benefit of society, often providing continuous support to initiatives in education, healthcare, or community development. The beauty of Waqf lies in its ability to create sustainable, long-lasting impact with a single act of giving.



In the modern GCC, the concept of Waqf is undergoing a revitalization. Innovative models are emerging that direct Waqf funds toward modern needs, such as higher education, scientific research, and public health infrastructure. The Mohammed bin Rashid Global Centre for Endowment Consultancy in the UAE is one such example of initiatives that are making Waqf more accessible and impactful in today's world.

## Measuring Impact: From Charity to Change

Strategic philanthropy is not just about giving; it's about creating measurable impact. The GCC region has increasingly embraced tools for monitoring and evaluating (M&E) philanthropic initiatives, which track the effectiveness of donations and investments. These frameworks assess how resources are used, ensuring that charitable contributions are having the desired effect on society.

A growing emphasis on impact investing is driving this shift. Impact investing refers to investments made with the intention to generate positive social or environmental impact, alongside a financial return. The UAE, for example, has embraced this trend as part of its Vision 2031 and Year of Sustainability initiatives, which align the country's development goals with the United Nations' Sustainable Development Goals (SDGs).

By focusing on measurable outcomes, philanthropists in the GCC are helping to address broader issues such as climate change, poverty, education, and public health.



# The Role of Technology in Modern Philanthropy

Technology is playing a pivotal role in revolutionizing philanthropy in the GCC. It's bringing greater efficiency, transparency, and reach to the philanthropic ecosystem. From AI-driven needs assessments to blockchain-based fund allocation, technology is empowering donors to make more informed and impactful contributions.

## Crowdfunding Platforms

Platforms like LaunchGood and local initiatives have made giving more accessible and inclusive than ever. These platforms enable individuals to contribute to impactful causes, from funding healthcare to supporting education or disaster relief efforts. They also provide real-time updates on projects, fostering a sense of transparency and trust among donors.

The role of social media in these campaigns cannot be overstated. Every post, share, and story becomes a tool for change. Social media helps campaigns for building schools, supporting refugees, or funding surgeries gain traction quickly, turning small individual efforts into large-scale movements.

## Blockchain: Enhancing Trust in Philanthropy

Blockchain technology is reshaping trust in philanthropy by ensuring that every dollar donated is accounted for. In the GCC, organizations are leveraging blockchain to create secure, traceable donation pathways. This technology allows donors to track their contributions in real-time, from the moment they give to the final beneficiary - whether it's a school being built or a family receiving aid. Blockchain's transparency fosters confidence in the donation process, encouraging more sustained giving.



## Artificial Intelligence: The Science of Giving

Artificial intelligence (AI) takes philanthropy a step further by analyzing data to identify the most pressing needs and the most effective ways to address them. For example, AI tools can map regions in the GCC that require immediate support, such as those facing water scarcity or underfunded educational institutions. This data-driven approach ensures that every contribution is targeted and impactful, turning philanthropy into a science of precision and care.

## Youth: The Next Generation of Philanthropists

The youth of the GCC are embracing philanthropy in ways that go beyond traditional giving. With a deep sense of social responsibility and access to digital tools, young people are transforming the landscape of charitable giving in the region. The GCC Youth Giving Cycle has emerged, reflecting how young people engage with philanthropy - from discovering causes on social media to donating through mobile apps, sharing initiatives with peers, and tracking the impact of their donations.

Young philanthropists are increasingly drawn to causes like climate action, gender equality, education, and mental health. Their giving is deeply personal, often tied to their values and the desire to create a tangible impact. They are also more likely to integrate venture philanthropy and microfinancing into their giving strategies, aligning charitable contributions with sustainable, long-term outcomes.





Furthermore, digital tools and platforms have made philanthropy more accessible to young people. Crowdfunding platforms, social media, and mobile giving apps are empowering youth to make a difference and track the real-world results of their efforts. As the next generation of leaders and changemakers, the youth in the GCC are building a philanthropic future grounded in technology, transparency, and accountability.

## Women in Philanthropy: Redefining Leadership

Women in the GCC are redefining the future of philanthropy by assuming leadership roles in both grassroots initiatives and large-scale philanthropic organizations. Women are driving change, particularly in areas such as healthcare, education, poverty alleviation, and women's empowerment. Their leadership is not only focused on giving but on shifting the paradigm of philanthropy to be more inclusive, sustainable, and impactful.

Women-led organizations such as Alwaleed Philanthropies, headed by Princess Lamia Bint Majed Al Saud, have become champions of global causes, while local initiatives and women's giving circles are growing in influence. These women are showing that philanthropy goes beyond financial contributions; it's also about leading social movements, influencing policy, and creating systems that provide lasting benefits to society.

Moreover, as women continue to rise in the philanthropic sector, their contributions are increasingly focused on empowering other women, particularly in education, leadership, and financial independence. Women in the GCC are proving that their voices and leadership are essential in shaping the future of philanthropy in the region and globally.





## Conclusion

Strategic philanthropy in the GCC is transforming the region's approach to giving. By embracing modern tools, focusing on measurable impact, and integrating traditional Islamic giving practices like Zakat, Sadaqah, and Waqf into strategic frameworks, the GCC is redefining philanthropy for a new generation. This shift not only has the potential to address regional challenges but also to contribute to global efforts in poverty alleviation, healthcare, education, and environmental sustainability.

As the GCC continues to lead in philanthropic giving, it is clear that strategic philanthropy is not just about charity - it's about creating a lasting impact that benefits generations to come. With greater access to innovative tools and platforms, every individual in the region can contribute meaningfully, ensuring that the future of philanthropy is as dynamic, inclusive, and impactful as ever.

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