



African
Philanthropy Forum



The Bridgespan Group



Disparities in Funding for African NGOs

Unlocking philanthropy for African NGOs as a pathway to greater impact

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Cover photo: Friendship Bench, a mental health services provider in Zimbabwe, could bring community health workers to more African countries if it were able to overcome funding disparities from philanthropic sources. (Photo: Constantine Juta)



Preface: A Word on Our Collaboration

The African Philanthropy Forum (APF) and The Bridgespan Group entered into the collaboration that led to this report in 2020, with the goal to support both African and international philanthropic donors in identifying ways to increase funding for African organisations and leaders.

Our organisations came together because of a shared commitment to strengthening philanthropy as a pathway to creating social impact on the African continent. We also felt that we bring diverse vantage points to the topic, which would enable us to paint a holistic picture of the complex funding landscape in which African non-governmental organisations (NGOs) operate. APF, the leading philanthropic network in Africa, brings deep knowledge and expertise in regional philanthropy, while Bridgespan brings knowledge of funders based outside of the continent who are funding organisations in Africa. Our respective entry points into the conversation are complementary.

APF's perspective

The African Philanthropy Forum was established in 2014 to build a learning community of strategic African philanthropists and social investors committed to inclusive and sustainable development throughout the continent. At APF we support the development of homegrown philanthropy in Africa in order to transform the culture of giving on the continent. Through our high-impact convenings and initiatives, we have facilitated collaborations, amplified the work of changemakers and shared best philanthropic practices and strategies for promoting homegrown development, reaching over 2,500 philanthropists, social investors, and key stakeholders in the philanthropic space across Africa and the world. One of the strategic opportunities we have been focused on recently is unlocking more money from African philanthropists, in support of African NGOs. Charitable giving has a long history on the African continent, and large-scale, institutional philanthropy has increasingly emerged over the past 30 years.

With a footprint in 14 countries on the continent, APF has a unique appreciation for the impact that African philanthropists create, and a deep understanding of the barriers they face as they seek to support local NGOs. In addition, given our role in providing philanthropists with access to information that informs giving, APF recognises the urgent need to close the funding gap in the social sector and reduce the reliance of local NGOs on international funding. By asking the right questions to eliminate the bottlenecks that restrict local funding, APF seeks to serve as a conduit that will direct funds to where they are most needed, ultimately driving long-term sustainable impact in Africa.

Bridgespan's perspective

Headquartered in the United States, Bridgespan opened its first office on the African continent in 2019, in Johannesburg, South Africa. We believe strongly in the principles laid out in this report—prioritising proximity, equity, and African-led development—but we explicitly acknowledge that we at Bridgespan are on our own journey to fully live into those values in our team and our work. At the time of publishing this report, we are still in the process of building a Bridgespan team in Johannesburg that is more fully representative of the region in which we work. We also recognise that in our advisory work more broadly, we may have played a role in perpetuating some of the challenges that we outline in this report, such as by promoting philanthropic practices that had exclusionary consequences for proximate organisations in Africa. We are committed to continuing to learn from practitioners in Africa on these themes, and to unlearn our past mistakes.

At the same time, given our unique platform and position in the sector, we feel a responsibility to add to the movement and call for locally led development in Africa, with the goal of helping to shape inclusive philanthropic practices and unlock more funding for African organisations. We enter this conversation with great respect for and acknowledgment of the African leaders—whether in NGOs, philanthropy, or otherwise—who have been guiding the way on this debate for much longer than we have. Several global funders have also played a leading role in championing proximity in funding, and they live into these principles in their work every day. Together with APF, our goal is to amplify the work and leadership of many of these organisations, and contribute to the conversation as best we can.

Coming together in this moment

To be sure, the conversation around the need to fund local African NGOs is not new. However, this disparity has risen to the social sector's collective conscience over the past several years, as institutions holding power and resources globally are increasingly aware of a need for change.

In Africa, there is continued growth in wealth accumulation and in private philanthropic giving. This creates more opportunities for regional philanthropists to fund nonprofit organisations, and a greater need for a strong ecosystem to make it easier for nonprofits to tap into regional funding flows.

The moment was heightened by an increased focus on racial justice globally, particularly in 2020. The Black Lives Matter movement accelerated across the world, with protests in the US intersecting with movements in Africa, such as EndSARS in Nigeria. Calls for racial justice are contributing to a reckoning in the international philanthropy space, pointing towards more locally led solutions. At this critical juncture, the founder of Nairobi-based NGO SHOFCO, Kennedy Odede, wrote that it is critical that 'the legacy of racial injustice extends far beyond those borders and any honest reckoning must include open dialogue around race in international development'.

Finally, the COVID-19 pandemic highlighted not only the extreme inequities that exist across and within countries, but also the critically important role that community-based organisations play. Numerous interviewees throughout our research pointed to 2020 as a powerful example of the need to fund locally led organisations on the continent, given the leading role they played (and continue to play) in supporting communities through the crisis.

While many African organisations are already delivering transformative impact on the continent, historical barriers to funding have held these organisations back from reaching full potential. Through our work together, APF and Bridgespan have sought to surface the challenges underlying these barriers, and potential solutions that exist to unlock more funding. By funding proximate, African organisations, we believe that philanthropic donors within and outside Africa can be an engine that further propels the leadership, creativity and impact potential that already exist in communities across the continent.

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Introduction

For more than 15 years, [Friendship Bench](#), a mental health services provider, has been researching potential solutions to the mental health treatment void in Zimbabwe, where just 18 practicing psychiatrists and six clinical psychologists' service the mental health needs of the country's 14.6 million people. Facing that yawning gap, the organisation came up with a model—training lay community health workers, affectionately referred to as 'grandmothers', to deliver quality mental health services—that proved to be a success. Friendship Bench's interventions have resulted in an 80 percent reduction in depression and suicide ideation, and a 60 percent improvement in quality of life for its clients.²

Friendship Bench's success was fuelled in part by funding it received at two critical junctures. Yet, for all the impact it has demonstrated, the organisation still faces challenges in accessing the type of funding that would enable it to grow. It's a familiar story for many African non-governmental organisations (NGOs).

Friendship Bench's story began in 2006, when Zimbabwean psychiatrist Dr Dixon Chibanda came to realise that a patient of his tragically took her own life because she did not have the bus fare to travel to Harare for her appointment. He resolved then that he could not rely on the community to come to him for care; he had to bring mental healthcare to the community. So he started Friendship Bench to bring quality, effective, and affordable mental healthcare to communities across Zimbabwe. In the early days, Friendship Bench was housed in the department of community medicine of the University of Zimbabwe. Dixon initially self-funded Friendship Bench using his salary, supplemented by a \$2,000 research grant from a local NGO.

Its first big breakthrough came when it published the results of a randomised control trial impact assessment in the *Journal of the American Medical Association*, a trial funded by Grand Challenges Canada. The results gave Friendship Bench international publicity and led to Dixon joining the ASPEN New Voices Fellowship, a move which enabled Friendship Bench to access new social networks and increase its visibility. Through these platforms, Friendship Bench was able to secure further research grants and scale its activities.

1 World Health Organisation Special Initiative for Mental Health, 'Situational Assessment', Zimbabwe, 2020.

2 Dixon Chibanda, MD, Helen A. Weiss, DPhil, Ruth Verhey, MSc, et al, 'Effect of a Primary Care-Based Psychological Intervention on Symptoms of Common Mental Disorders in Zimbabwe: A Randomised Clinical Trial', JAMA Network, December 27, 2016.

From 2018, Friendship Bench began to move away from being largely a university-based, research-focused entity to a stand-alone NGO focused on expanding its impact. Again, funding was a catalyst; Dixon became a Mulago Fellow, an opportunity that came with a \$100,000 grant and extensive advice on scaling. It is through Mulago Foundation that Friendship Bench was connected to Draper Richards Kaplan (DRK) Foundation from which it received its most substantial grant. In 2020, DRK Foundation gave Friendship Bench a \$300,000 multiyear, unrestricted grant, coupled with organisational support. Friendship Bench credits DRK Foundation with assisting it to structure and strengthen its board, set up a coherent human resources function, and improve fundraising and communications capabilities. Friendship Bench now supports over 700 trained grandmothers, who have served 65,000 clients in five countries—quite an achievement from its initial cohort of 14 grandmothers in one Zimbabwean city.

Still, Friendship Bench's fundraising challenges continue. Most of the grants the organisation has received to-date have been restricted, resulting in Friendship Bench not being able to make core organisational investments, such as building its team and paying competitive salaries. In addition, despite an evidence-based approach and the dire need for mental healthcare interventions in Africa, Friendship Bench has struggled to attract the large grants—more than \$1 million—that would enable it to expand its impact substantially. And make no mistake that it has broad ambitions: by 2025, Dixon and his team aim to have trained 15,000 grandmothers, reaching five million clients across 10 countries. But the funding hasn't been there.

A key driver has been a lack of trust from donors. As observed by Dixon, 'We live in a world where there is a skewed perception of what African organisations are capable of achieving. The effort that we have to put in to get funding is so much more in comparison to organisations based in the US and UK, even where they have much less evidence.' For Friendship Bench, this dynamic is exacerbated by its location in Zimbabwe, a country where many NGOs have struggled to raise philanthropic capital due to a challenging political situation, which can create perceptions of high risk amongst donors.

Friendship Bench's story is not unique. Rather, it is one of innumerable examples of organisations doing incredible work on the continent—yet struggling to access the funding needed to propel their impact further. While African NGOs are deeply rooted in communities, they face a web of systemic issues that often confines organisations to small, restricted, short-term grants. This dynamic impedes their ability to build strong organisations and unlock more capital, creating a self-reinforcing cycle of underfunding.

Breaking this cycle is a substantive opportunity for donors, foundations, and philanthropic programmes operating on the continent. With that in mind, the authors set out to better understand the challenges African NGOs face when raising funds, and the steps funders can take to overcome them, which are summarised in '[Call to Action: Unlocking Funding for African NGOs](#)', beginning on page 28.

Research Overview

This research is a partnership between the [African Philanthropy Forum \(APF\)](#) and [The Bridgespan Group](#) to provide data and essential insights for the many donors in Africa and around the world looking to make a difference on the African continent. Bridgespan was prompted to examine the paucity of funding going to African NGOs in part because of research conducted by its Johannesburg office in 2020 and 2021 on large-scale African philanthropy.³ One of the stand-out findings of the 2020 report was that African NGOs received a relatively modest share of large gifts between 2010 and 2019: 14 percent of grants (by value) from non-African donors and just 9 percent from African donors⁴ (with large gifts defined as \$10 million for non-African funders and \$1 million for African funders). Bridgespan updated the research in 2021 to highlight a massive response by African philanthropists to the COVID-19 pandemic: the number of gifts in 2020 was seven times the annual average for the previous decade. Yet African organisations still only received 9 percent of grants (by value) from African donors.⁵

To be sure, the funding disparity faced by African NGOs is not a new dynamic. African leaders such as Degan Ali, CEO at Adeso⁶ and Stephanie Kimou, founder of Population Works Africa⁷ have been calling for 'localisation' in the aid sector for decades. It is also central to the work of many re-granting organisations on the continent, which have been granting to local African organisations for many years—including the African Women's Development Fund, Kenya Community Development Fund, and TrustAfrica, to name a few.

To add to this discourse, we conducted interviews with more than 60 stakeholders and conducted a survey with 50 respondents. Our interviewees and survey respondents included African and non-African funders, African NGO leaders, Africa-focused international NGO (INGO) leaders, researchers, and intermediaries. Our aim was to build a better understanding of the nuances within the African philanthropic ecosystem and of the barriers African NGOs face as they seek funding from both African and non-African funders. We also hoped to find and share workable solutions, both from an NGO perspective and from the vantage point of donors, be they from Africa or abroad.

In addition, we drew on existing reports such as the *Global Humanitarian Assistance Report 2019*;⁸ *The State of Global Giving by US Foundations*;⁹ Echoing Green's *The State of Social*

3 J. Schwier, C. Wallington, M. Holland and W. Magoronga, *The Landscape of Large-Scale Giving by African Philanthropists: A Research Brief*, The Bridgespan Group, June 15, 2020.

4 Bridgespan analysis, based on sample of 64 gifts made by African donors to causes/organisations in Africa; all gifts made between the years 2010–2019. Data reflects share defined in terms of total value of gifts.

5 S. Hayi-Charters, M. Holland, S. Andrian, and J. Schwier, 'The Landscape of Large-Scale Giving by African Philanthropists in 2020', The Bridgespan Group, February 18, 2021.

6 *New York Times* editorial board, 'Opinion: Foreign Aid Is Having a Reckoning', *The New York Times*, February 13, 2021.

7 A. Baguios, 'How to be Anti-Racist in Aid: A Conversation About Racism in the Aid Sector', YouTube, June 17, 2020.

8 *The Global Humanitarian Assistance Report 2019*, Development Initiatives, September 30, 2019.

9 Foundation Center and The Council on Foundations, *The State of Global Giving by US Foundations: 2011-2015*, 2018.

Entrepreneurship, 2019 and 2020 editions;¹⁰ the African Venture Philanthropy Alliance's *Landscape for Social Investments in Africa 2020*;¹¹ and Harvard's *Global Philanthropy Report*.¹² We also reviewed 'A Different Kind of Wealth' published in 2021 by the Global Fund for Community Foundations,¹³ and Coordination SUD's 2020 research study, 'Localisation of Aid'.¹⁴ These insights highlighted the extent to which the modest funding reaching African NGOs intersects with many other research areas, including localisation and decolonisation in development, racial equity and justice in philanthropy, and 'peer-driven change'.¹⁵ Our goal is to add more data and information to the longstanding conversation about the power of funding Africa's NGOs and supporting local solutions.

In embarking on this research, we were also mindful of the fact that Africa is big and far from homogenous. In 2013, German designer Kai Krause created an infographic depicting the true size of Africa.¹⁶ He produced a geographical jigsaw in which 18 countries 'fit' into a cut-out of the continent, including the United States, China, India, and Germany. The continent is home to 54 unique and diverse countries at vastly different stages of economic, social, and political development. Our interviews aimed to reflect some, but certainly not all, of the diversity present within our primary region of focus, sub-Saharan Africa.

10 Echoing Green, *State of Social Entrepreneurship 2019*, April 10, 2019; Echoing Green, *State of Social Entrepreneurship 2020*, March 30, 2020.

11 African Venture Philanthropy Alliance, *The Landscape for Social Investment in Africa*, November 11, 2020.

12 P.D. Johnson, *Global Philanthropy Report: Perspectives on the Global Foundation Sector*, Harvard Kennedy School, 2018.

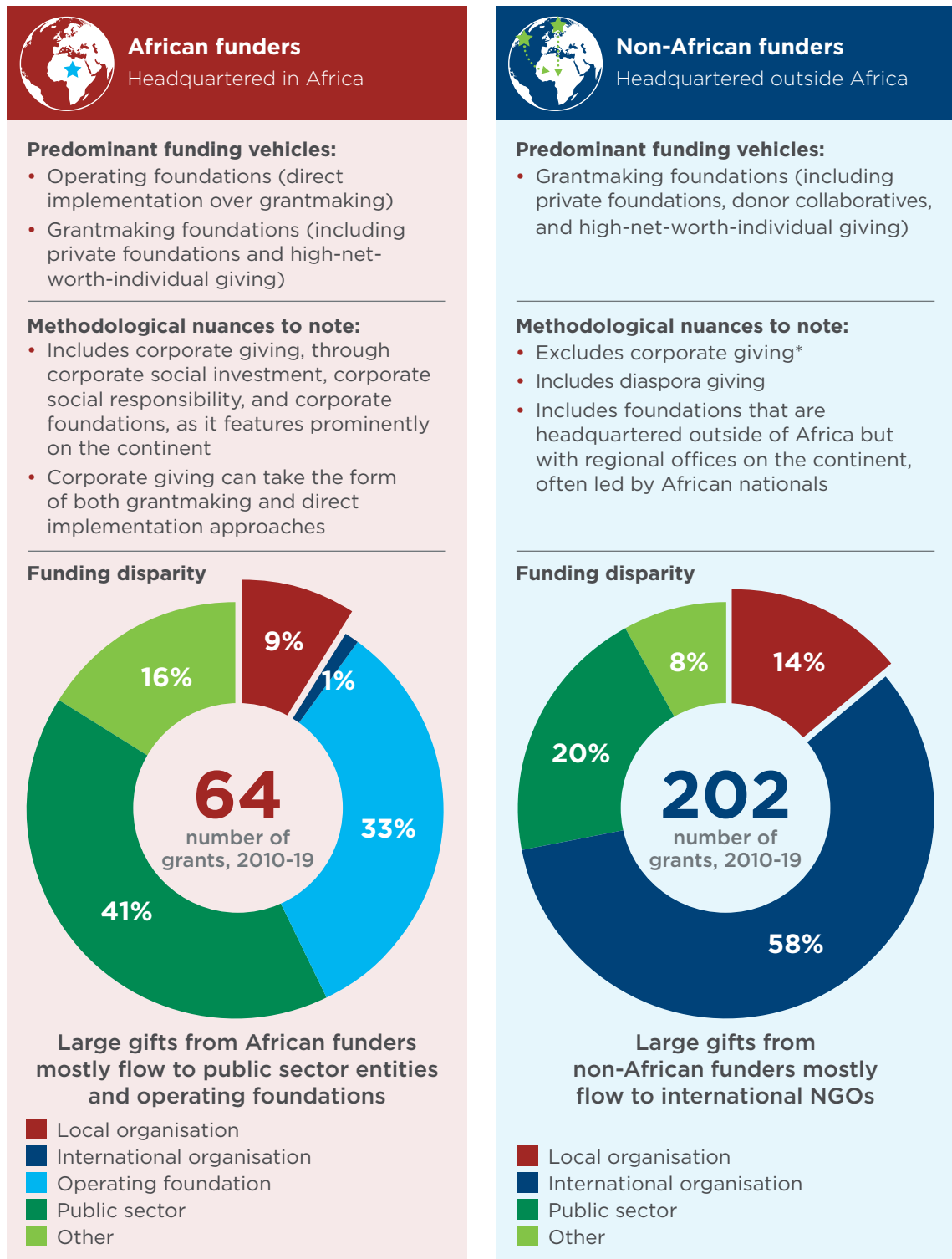
13 J. Hodgson and B. Knight, *A different kind of wealth: Mapping a baseline of African community foundations*, Global Fund for Community Foundations, October 2012.

14 M. Vielajus and J.M. Charancle, *Localisation of Aid: Lessons From Partnerships Between French NGOs and Local Actors*, Coordination SUD, ONGLAB, March 2020.

15 Rohit Menezes, Simon Morfit, and Willa Seldon, 'Why "Peer-Driven" Change—and Why Now?' The Bridgespan Group, July 22, 2020.

16 K. Krause, *The True Size of Africa. A small contribution in the fight against rampant Immappancy*, October 15, 2011.

Figure 1. The funding landscape for African NGOs is diverse



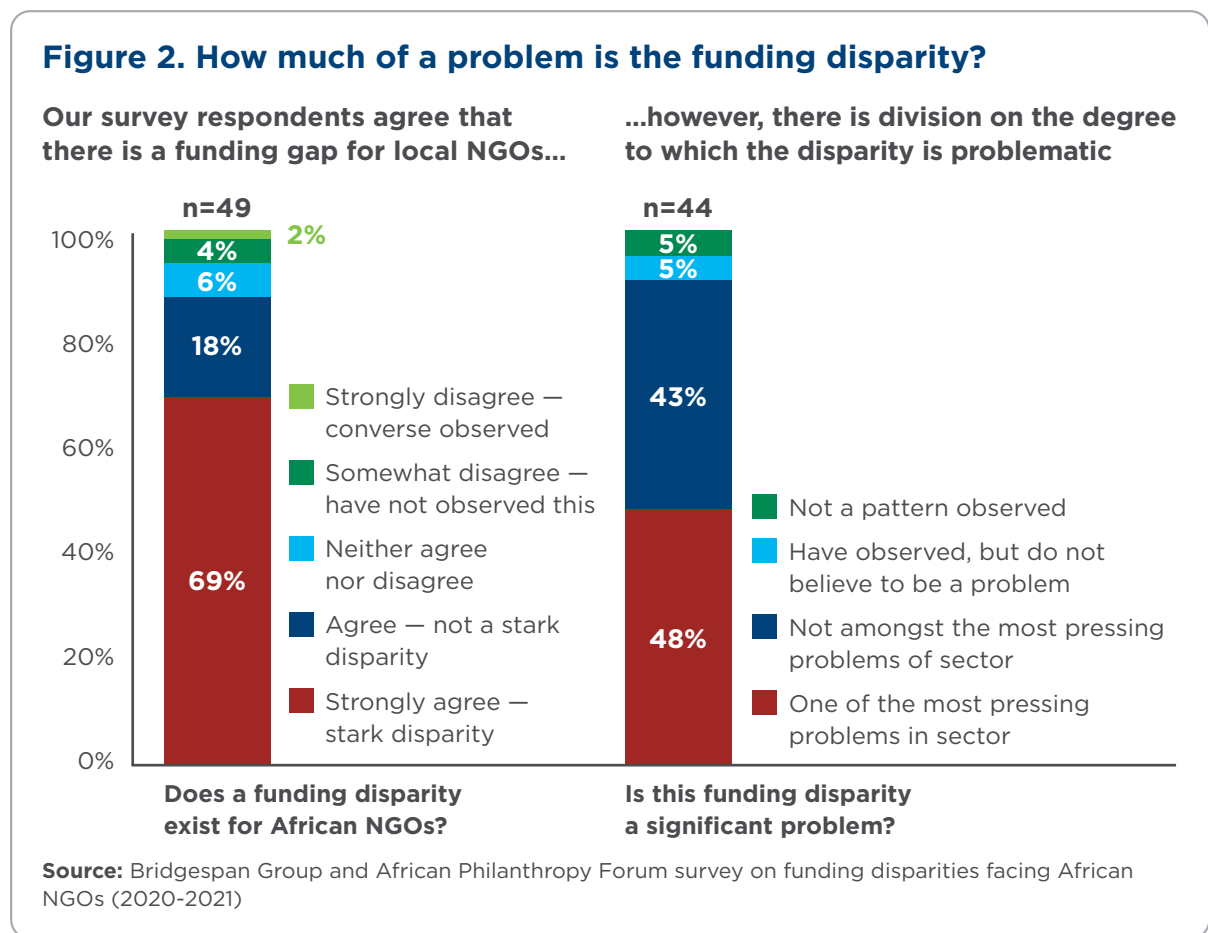
*Excluded corporate giving to be consistent with the methodology used in The Bridgespan Group's 'big bets' research in the United States. However, this type of giving is included in the case of African funders due to the significant role it plays in directing funds towards social change in Africa. 'Local organisation' refers to organisations that are headquartered in a country in Africa, including local NGOs and local academic institutions. 'International organisation' refers to organisations headquartered outside the continent, including INGOs, academic institutions and multilateral institutions.

Source: The Bridgespan Group

The African NGO Funding Gap

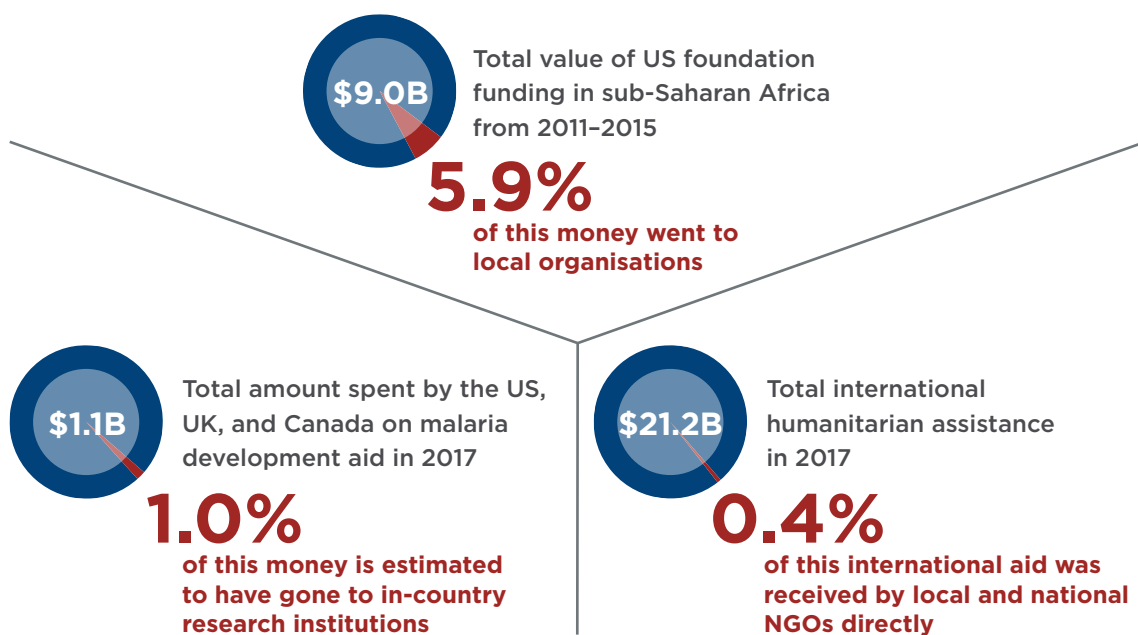
The landscape of funding flows in Africa is multifaceted and complex, with funding originating from different geographies, to a variety of countries within Africa, and implemented through a range of vehicles. In conducting this research, we found that the differentiation between African and non-African funders is important, because the reasons for the funding disparity experienced by African NGOs vary between the two groups. (See [Figure 1](#) on the previous page.) Therefore, throughout this report, we highlight differences in approaches between these funder groups, bearing in mind that sometimes issues overlap.

This report also takes a broader view on grant size (specifically to include smaller grant sizes) than the large gifts focus in Bridgespan’s 2020 and 2021 reports. The social-sector leaders whom we surveyed for this report also agreed that African NGOs receive a modest share of philanthropic funding flows. (See [Figure 2.](#)) And our interviews confirmed that disparities permeate smaller grant levels.



Additionally, our observation on funding disparities faced by African organisations is corroborated by secondary research, not only within philanthropy but also in the aid sector. Numerous other studies also point to the dynamic of a majority of funding reaching international organisations (See [Figure 3](#) on the next page.)

Figure 3. The funding gap from other perspectives



Sources: (\$9.0B) Foundation Center and The Council on Foundations, *The State of Global Giving by US Foundations: 2011-2015*, 2018; (\$1.1B) *The Global Humanitarian Assistance Report 2019*, Development Initiatives, September 30, 2019; (\$21.2B) N.A. Erundu, I. Aniebo, C. Kyobutungi, J. Midega, E. Okiro and F. Okumu, 'Open letter to international funders of science and development in Africa', *Nature Medicine* 27, no. 5 (May 2021):742-744.

Similarly, Bridgespan's research shows that African NGOs compete not only with other NGOs, but also with operating foundations and public sector entities. Between 2010 and 2019,¹⁷ African donors directed 33 percent of their large-scale gifts towards their own operating foundations, with just 9 percent going to local NGOs. (See '[Situating operating foundations in the African funding ecosystem](#)' on the next page.)

¹⁷ Bridgespan analysis, based on sample of 64 gifts made by African donors to causes/organisations in Africa; all gifts made between the years 2010 and 2019.

Situating operating foundations in the African funding ecosystem

Operating foundations are directly involved in determining and running their own philanthropic activities and projects, rather than making direct grants to other organisations. This particular brand of private philanthropic organisation is not unique to Africa and is common across South Asia, Southeast Asia,¹⁸ Latin America,¹⁹ and Europe.²⁰ Operating foundations are, however, less evident in the United States. In sub-Saharan Africa, there are many operating foundations engaging in powerful work, including the Tony Elumelu Foundation, Allan Gray Orbis Foundation, Mo Ibrahim Foundation, and the Zenex Foundation.

Our research revealed different motivations for following this route. For instance, if a donor can't find a local NGO operating in the region or the field, then they might bring in-house the appropriate skills and 'move into operating', explains independent consultant Shelagh Gastrow. The proximity of the donor to the community it serves is also a motivating factor. As observed by Nigerian philanthropist and Professor Fabian Ajogwu, SAN, 'Some [African] givers want to have an operating foundation out of the attitude that "I know the terrain. I know the needs of my people. I see them." There's knowledge of the [community's] needs and environment.'

Sometimes the need to exercise greater control and oversight comes into play, causing donors to favour an approach that allows them to keep an eye on how their resources are used. This is not always due to a lack of faith in African NGOs, but rather a belief in the abilities and business backgrounds of the wealthy funders behind the operating foundation. As Dr Bhekinkosi Moyo, director of the Centre on African Philanthropy and Social Investment (CAPSI) said: African high-net-worth individuals (HNWIs) 'prefer doing it themselves through their foundations and that's partly because there's a perception, in my view, that HNWIs are efficient.'

Another consideration we heard was the ability to use the assets and capabilities of an organisation to create scale. We were given the example of a pan-African bank with operations in 36 African countries whose scale and geographic footprint aided its operating foundation's ability to make social impact across a continent where giving tends to be localised. Using the bank's existing employees is also a way to leverage existing teams rather than setting up an entirely separate foundation.

18 R.A. Shapiro, 'Philanthropists in Asia: What Do They Want? What Do They Get?' *Pragmatic Philanthropy: Asian Charity Explained*, Singapore: Palgrave Macmillan, 2018, 85-100.

19 H. Monteiro, M. Kasil, and M.A. Woods, *Private social investment trends in Latin America*, Institute for the Development of Social Investments and Charities Aid Foundation, Sao Paulo, 2011.

20 O.B. Breen, *Enlarging the Space for European Philanthropy*, UCD Sutherland School of Law, Dublin, January 16, 2018.

Faced with these limited funding flows from African funders, many African NGOs have been forced to concentrate their fundraising efforts on international funders. Yet the research shows that there is a long history of international organisations receiving support from outside the continent over African ones. This distinct preference for funding INGOs has implications beyond statistics and funding flows. It feeds into a negative self-reinforcing mechanism that African NGOs are somehow less capable, less trustworthy, and less accountable than their international counterparts. This, in turn, keeps funding levels low and reduces the potential for these organisations to build the capabilities and skills needed to expand their impact.

African NGOs find themselves between an unyielding rock and a hard place: fighting it out on the world stage with larger INGOs for a slice of the foreign funding pie, while battling to become the preferred impact vehicle of African philanthropists.

What constitutes an 'African NGO'?

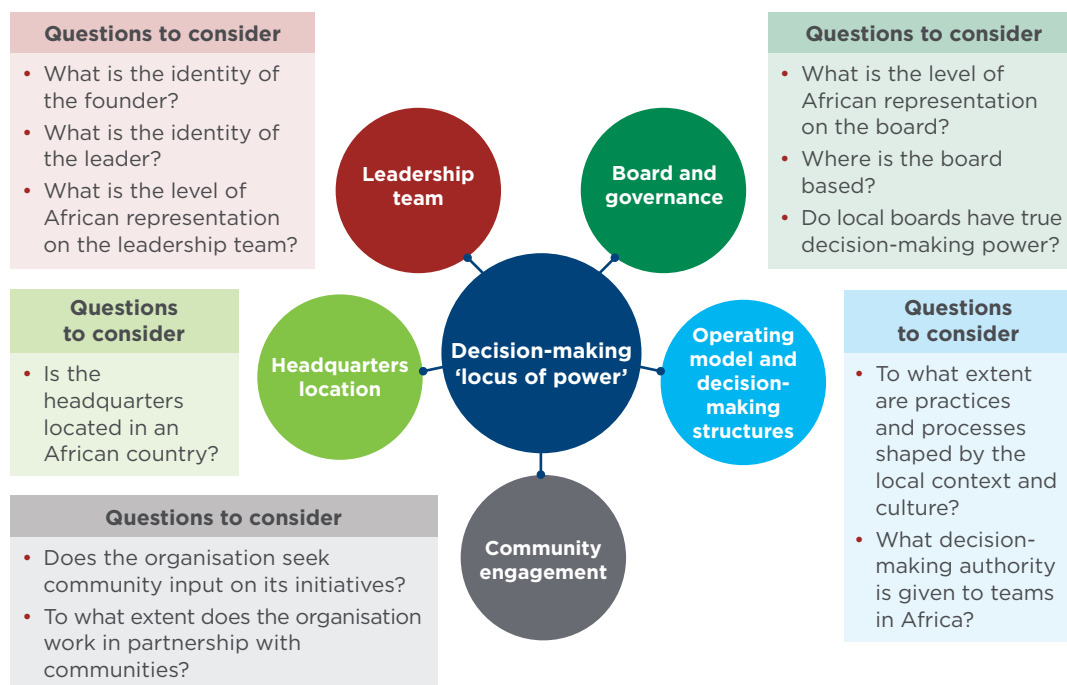
One of the key questions we grappled with was understanding what constitutes an African NGO, especially in the context of the continent's diverse NGO landscape. We turned to leaders in the sector to help us define the parameters required to qualify as African. Along the way, we refined our own terminology towards 'African NGOs', rather than 'local NGOs', to avoid confusion of the term 'local' with grassroots only, community-based organisations.

There are many ways to define 'African NGO', as we learned through our interviews with funders and NGO leaders who look at a variety of characteristics. While there wasn't a single definition, the existence of an Africa-based **decision-making 'locus of power'** was a common consideration. Characteristics that indicated the locus of power include the headquarters location, the composition of an organisation's leadership team and board of directors, decision-making structures and norms, and the focus of the work on the ground. (See [Figure 4](#) on the next page.)

Headquarters location was a helpful place to start, because headquarters can be a good proxy for where some share of decision-making power resides. We ultimately selected headquarters location as our measure, because our previous research indicated funding disparities for Africa-headquartered organisations. By this definition, INGOs (which are not the focus of this research) are not considered to be African NGOs. We acknowledge, however, that many INGOs working on the continent are in the process of localising, such as by hiring African leaders and empowering them with real decision-making agency, as well as registering in-country. As observed by MacArthur Foundation's Nigeria Office Director Kole Shettima: 'I have been on the boards of Action Aid and PLAN International and while both are locally registered, we were always struggling to be considered local organisations. Although these organisations may be part of an international network, how they are viewed must also be determined by what happens at the local level.'

Given complexities like this, it became clear that headquarters location was not a sufficient indication of locus of power. To supplement this point, our interviewees pointed us to additional parameters to consider.

Figure 4. While there is no singular definition of ‘African NGO’, interviewees offered important parameters, centring on where decision making sits



Source: The Bridgespan Group

Some interviewees said it was an important consideration if the founder of an organisation was proximate to the challenges being addressed. Some expected the founder and the majority of the **leadership team** to be African nationals, ideally from the country of operation. Kenya-based consultant Anne Mbaabu was amongst this number, saying: ‘I think when we say an African organisation we mean, one it is based in Africa. Secondly, the leadership is African—at least the top leadership.’

Leadership and the nationality of team members were common themes. However, some interviewees regard lived experience as being of greater importance than the nationality of the individual team members. ‘You need lived experience in the context in which you are working. I will never say it’s only about being Black or white—it does not matter where you’re from if you’ve spent 20 years living in a community and you completely understand the local context’, said Kanini Mutooni, managing director of the DRK Foundation.

This debate continued to the pinnacle of leadership structures, at the **board and governance** level. The presence of a board in-country or a global board comprising African nationals—or both—was seen by many as a key indication of proximity in decision making. Theo Sowa, the former CEO of the African Women’s Development Fund, had a firm view on the subject: ‘I think you have to look at where key decisions are made and who is making them. If you are part of a federated board, and the

board is sitting in New York, for example, then I think that you might have to question whether you can call yourself an African organisation. Even if you're headquartered on the continent, if those kinds of overarching governance decisions are made from outside of the continent, then I don't believe that you are truly an African organisation.'

Some felt that having non-African members on the leadership team and board has its advantages, adding to diversity of perspectives and insights, and growing networks and funding opportunities in high-income economies. 'Some people feel strongly that an entity serving Africans should be 100 percent African. I take a different view: I think diversity is key. We are in a global village. It's important and healthy to have, including on governance entities, others who are not Africans. Just as boards in high-income economies serving disadvantaged communities should include members of the communities they serve. We all bring unique perspectives, lived experience, networks, as well as access to resources to the table. Ultimately, it's about respect, partnership, and common values', commented Angie Murimirwa, executive director of Africa for CAMFED (the Campaign for Female Education).

Still, our interviewees noted that when non-Africans were included on teams, it was critically important for African staff members to have real agency, pointing interviewees to look at the **operating model and decision-making structures** within organisations. Interviewees raised challenges of tokenism within NGO leadership, whereby African team members are not trusted with real power and authority. We also heard several examples of this at a board level; an organisation may have an in-country board, for example, without granting it significant decision-making power. Having African and non-African team or board members requires careful attention to avoid these dynamics.

Finally, the level of **community engagement** was named as an important component. A number of our interviewees focused on the degree to which organisations engage with communities in their work to define a 'local' African NGO. For example, Linda Ochiel, Ford Foundation's Nairobi-based programme officer, noted: 'Proximity is relative, really. So local organisations or proximate leaders would be from the communities they work with. As a regional program officer, when looking at a "local" organisation, I mean community-based organisations.'

Many of these characteristics resonated with our survey respondents who were asked to rank important factors they consider when defining whether an organisation is local. (See [Figure 5](#) on the next page.)

Figure 5. Survey results: What organisational characteristics are most important to identify an African organisation?



Source: Bridgespan Group and African Philanthropy Forum survey on funding disparities facing African NGOs (2020-2021)

A Case for Funding African NGOs

With the funding gap experienced by many African NGOs clear, our next task was to uncover why it is critical for funders to support proximate organisations in Africa.

To be sure, some interviewees did highlight the inequity embedded in the premise of this question, noting that the same is not typically asked of international organisations working on the continent. However, we also heard that outlining the actionable, practical ways in which proximate NGOs are differentially able to create impact was important for influencing funder behaviour. As Cher-Wen DeWitt from the Segal Family Foundation said: 'I don't know why we need to prove the impact case for funding local organisations when it is simply a question of ethics. At the same time, there is great, often undocumented evidence on the importance of doing this to create durable change in communities.'

Our conversations with interviewees have helped us to gather a multitude of reasons as to why funding African NGOs is imperative for funders seeking to drive social impact on the continent. As Jacob Lief, CEO and co-founder of South African NGO Ubuntu Pathways, noted: 'Every community is different. I've seen too many one-size-fits-all solutions. Local knowledge is essential. Being fluent in how a community works and understanding its dynamics is essential to having an impact. I would encourage funders to look at groups who are truly rooted in communities.'

The importance of proximity for non-African funders

'Proximity' is the primary lens through which non-African funders viewed this issue. Proximity can be interpreted and understood in different ways, of course; we use it to describe leaders who, through their lived experience, are closest to the problems they seek to address.

How does proximity to communities strengthen the case for African NGOs? First and foremost, it imbues and empowers these organisations with particular assets that enable them to deliver differential impact. Consider, for a moment, the importance of the following:

- **Context.** It's almost impossible to grasp the reality of living in Africa and the needs of a community from the top of a high-rise building in New York or London. For African NGOs, the needs of the community are their shared reality; they are more likely to understand the context because they are living it. In Friendship Bench's case, founder Dixon Chibanda's knowledge of, and experience in, the community informed how the African NGO was so effective at tackling mental health challenges in Zimbabwe. Chibanda recognised the social standing grandmothers enjoyed in hard-to-reach communities, as well as their commitment to helping those in their communities. He turned those social and human elements into much-needed sustainable mental health services.
- **Credibility.** African NGOs and leaders have the trust of the community and the credibility to carry out work, said Professor Amos Njuguna, dean of the School of Graduate Studies at the United States International University-Africa in Kenya and founder of the Network for Impact Evaluation Researchers in Africa (NIERA). 'In terms of getting trust, especially with the policymakers and political actors, locals do much, much better', he said. 'I've heard ... people saying, "Oh yeah. We want to work with you guys because anytime I have a problem, I just drive across the road. I come and get you. But when I have

someone who is based away from Kenya, I feel like this person is a bit far away and does not understand my sentiments.”

- **Sustainability.** African NGOs are committed to their communities and driving sustained impact over time. Jennifer Lentfer, creator of the blog [How-matters.org](#), which focuses on international aid and philanthropy, observed: ‘When organisations are not externally catalysed or are led entirely by people from the same communities they serve, they will more likely remain in those communities, working on these issues, long after international actors have left.’²¹
- **Building an ecosystem.** Investing in African NGOs enables funders to invest in talent and support a sector that will have staying power over a longer time horizon. As the founder of LEAP Africa, and APF board member Ndidi Nwuneli observed: ‘LEAP Africa’s staff alumni are leading dynamic social enterprises and nonprofit organisations across Nigeria. By funding organisations like LEAP Africa and the many terrific nonprofits in our ecosystem, we are building capacity that’s long term. I compare that to an INGO that comes in, implements a project, and when the funding ends, packs up. I see that their leadership teams come in with the project and then return to the home country after the project ends. There’s no long-term impact, no sustainability beyond the life of the project. These forms of investments do not create a viable sector, nor leaders and champions to drive transformation in the medium-long term.’

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NDIDI NWUNELI, FOUNDER, LEAP AFRICA AND BOARD MEMBER, APF

The response to COVID-19 on the continent is a case in point. Many of our interviewees pointed to the leading role that African NGOs played. Sharmi Surianarain, chief impact officer at the Harambee Youth Employment Accelerator, noted: ‘So many grassroots organisations [were] able to actually achieve much more than what we’d originally given them credit for, primarily because they had community and grassroots relationships.’

Some international funders recognise the opportunity. For example, the Mastercard Foundation’s current strategy, Young Africa Works, is focused on enabling access to dignified and fulfilling work for 30 million young people in Africa, particularly young women, and the foundation is intentionally prioritising partnerships with African organisations to execute its strategy. To quote Peter Materu, chief program officer at Mastercard Foundation, ‘Economic development initiatives on the continent can only be sustained if they are ultimately owned and driven by African organisations. So, part of the focus must be on enabling these organisations to become globally competitive, self-perpetuating engines of growth and progress.’

21 Jennifer Lentfer, ‘[Five reasons funding should go directly to local NGOs](#)’, *The Guardian*, November 13, 2015.

The right impact vehicle for African funders

The case for funding African NGOs takes on a different hue for African philanthropists, who are already more proximate to the need, especially since the majority of large gifts stay within the donor's home country (81 percent of large gifts made by African donors in Bridgespan's research were domestic). But it does then beg the question of why African donors favour operating foundations and public sector funding over supporting African NGOs.

There were mixed views on the role and prevalence of operating foundations. Some felt that by leveraging their assets and skills, operating foundations are able to fill gaps in the African NGO ecosystem to the betterment of communities. Karen Gabriels, head of finance and operations at the Allan Gray Orbis Foundation, commented: 'When the foundation was formed, there were no NGOs doing work in entrepreneurship mindset development. We, therefore, filled a gap that existed at the time.'

Others expressed scepticism or concern about the presence of operating foundations. Some of our interviewees highlighted concerns around emerging power imbalances between operating foundations, given their influence, and African NGOs.

Yet there's also a counterargument that holds if impact is the primary motivator, then funders can be agnostic about the vehicle. Fred Swaniker, founder of the African Leadership Group, explained: 'For me, the end goal is impact; if you set up an operating foundation, and it's high impact, go ahead and do it.'

Undoubtedly, there is amazing work underway by philanthropists on the continent who fund through their operating foundations. Yet we at APF and Bridgespan believe that just 9 percent of large gifts reaching African NGOs is low. Indeed, 69 percent of our social sector survey respondents strongly agreed, calling the gap a stark disparity.

Furthermore, African civil society and social movements play a distinct role in the African ecosystem. Luam Kidane, Thousand Currents' regional director for Africa, told us: 'The case has always been that social movements are the ones that push for change, because power will not concede unless it's met with power. In every situation that you can think of where large-scale progressive social transformation has occurred, it's been because groups of people, movements, have come together to struggle for transformative change and build power from below.'

Aga Khan University Vice Provost Alex O. Awiti has also observed that civil society actors have played a key role in the emergence of fundamental freedoms on the continent,

‘The case has always been that social movements are the ones that push for change, because power will not concede unless it's met with power. ... Where large-scale progressive social transformation has occurred, it's been because groups of people, movements, have come together to struggle for transformative change and build power from below.’

LUAM KIDANE, REGIONAL DIRECTOR, AFRICA,
THOUSAND CURRENTS

especially the expansion of democracy in postcolonial Africa.²² A capable and independent local civil society sector is still required on the continent to continue acting as a counterbalance to keep governments effective and accountable. NGOs on the continent have also played an important role in filling critical gaps in service delivery and disaster response. For example, Friendship Bench is helping to fill a mental health treatment gap in Zimbabwe. The organisation has leveraged existing government infrastructure to offer these services alongside services already prioritised by the government.

Therefore, in parallel with conversations related to proximity and equity amongst international donors, African philanthropists might also consider how African NGOs are best placed to deliver impact due to their unique positioning within communities. We also believe this is critical for enabling African-led solutions, further empowering Africa to shape its own developmental agenda, while ensuring a more balanced funding landscape for African NGOs, one without a disproportionate reliance on foreign funding. Nancy Moloantoa from the Open Society Foundations and formerly of the Ford Foundation noted: ‘My questions are not about the gap in funding “local organisations” but rather, how do we harness African philanthropy to support grassroots organisations and movements, to support structural issues of inequality? I do not think that Africa wants to continue to depend on foreign funding and we need to do research that harnesses that power rather than continues to look to the Global North for answers.’

‘My questions are not about the gap in funding “local organisations” but rather, how do we harness African philanthropy to support grassroots organisations and movements, to support structural issues of inequality? ... We need to do research that harnesses that power rather than continues to look to the Global North for answers.’

NANCY MOLOANTOA, PORTFOLIO LEAD, SOCIO-ECONOMIC RIGHTS, OPEN SOCIETY FOUNDATIONS

While we recognise the incredible work being done by INGOs, operating foundations, and public sector entities in Africa, the experiences of African NGOs such as Friendship Bench and Project PINK BLUE (see ‘[African grantmaking to African NGOs: Spotlight on ACT Foundation and Project PINK BLUE](#)’) make clear that insufficient funding is flowing to African NGOs. To help address this disparity, funders can carefully analyse their portfolios when making future funding decisions, being mindful of African NGOs and ensuring that these crucial players in the African social sector are not left behind. Encouragingly, our survey indicates that funders are aware of this challenge and looking to improve. Eighty-six percent of our survey respondents agreed that funders want to increase support for NGOs they see as local. However, many of our interviewees noted that funders face challenges fulfilling this desire.

22 Alex O. Awiti, ‘[Time to Re-Imagine the Role of Civil Society in Africa](#)’, *International Policy Digest*, July 26, 2016.

African grantmaking to African NGOs: Spotlight on ACT Foundation and Project PINK BLUE

Nigeria's Aspire Coronation Trust (ACT) Foundation is a great example of an organisation that carefully considered which funding vehicle was best to employ to achieve its desired impact. Established in 2016, ACT Foundation is a grantmaker supporting local, national, and regional NGOs focused on entrepreneurship, leadership, health, and the environment. At inception, ACT Foundation considered implementing its programmes directly, driven by a desire for greater oversight and control. But that was before it identified a gap in the philanthropy ecosystem. CEO Osayi Alile explained: 'We were of the opinion that we needed more African-based, local grantmakers. We have too many implementers, and a lot of NGOs are not getting the resources that are needed.' ACT Foundation also wanted to work in various communities, so it engaged with NGOs that were based in those communities given their experiences on the ground. Since its establishment, ACT Foundation has invested over \$5 million through its work and has supported 73 African NGOs in over 120 communities. It funds organisational development for its partners, including impact measurement, monitoring and evaluation, and governance support.

One of the African NGOs supported by ACT Foundation is Nigeria-based [Project PINK BLUE](#), which works to create awareness around cancer, provide oncology training, and advocate for better cancer care and access to quality treatments. Having witnessed widespread misinformation about cancer in Nigeria, and driven by the goal of reducing late detection of cancer in the country, Runcie Chidebe founded Project PINK BLUE in 2013. As he explained: 'Many people in Nigeria do not have accurate knowledge regarding cancer. There are a number of myths about cancer, including that it is not treatable and it is a "white person's disease". Project PINK BLUE is, therefore, engaged in demystifying cancer and advocating for better access to detection and treatment in Nigeria.'

For many years, Project PINK BLUE struggled to raise funds for prostate cancer due to the perception in Nigeria that cancer was a 'woman's illness'. In 2017, the organisation secured a multiyear grant from the ACT Foundation. This grant enabled Project PINK BLUE to provide prostate screening, treatment navigation, and support to more than 1,500 men, the largest prostate cancer screening in Nigeria to date. Chidebe hopes the existence of a local grantmaking foundation like ACT Foundation will inspire other African high-net-worth individuals and philanthropic organisations to start engaging in grantmaking activities.

Project PINK BLUE is inspirational in terms of the impact it has had across its various areas of focus. With respect to cancer awareness, Project PINK BLUE produces and distributes cancer awareness materials in multiple Nigerian languages and educates people about the disease over social and traditional media. Each year, the organisation arranges a cancer awareness walk, attracting more than 5,000 individuals. To prevent late diagnosis, Project PINK BLUE provides free cancer screening to poor, rural, and hard-to-reach communities in Nigeria. To date, the organisation has conducted more than 30,000 breast, cervical, and prostate cancer screenings. Project PINK BLUE

has also expanded to support patients throughout their treatment regimes. Under advocacy, Project PINK BLUE is encouraging the government of Nigeria to make cancer a national health priority issue. Over the years, Project PINK BLUE has driven policy changes such as the inclusion of cancer treatment in Nigeria's national health insurance and the passing of a bill into law in 2016, and presidential assent of the law in 2017, to establish a National Institute for Cancer Research and Treatment.

Project PINK BLUE has growth aspirations, including launching a mobile application to reach more people and starting a diagnostic centre to run clinical trials and conduct cancer research. However, these ambitions will only be possible with a significant uptick in philanthropic support. Not surprisingly, Project PINK BLUE is enthusiastic about seeing greater numbers of philanthropists engaging in funding practices that give African NGOs the best chance at succeeding. This includes providing unrestricted funding, giving to endowments, and providing capacity-building support.

Barriers Standing Between African NGOs and Grants

Our research identified five barriers that constrain funding flows to African NGOs across the grantmaking value chain. This list is by no means exhaustive, but the barriers do represent the most pervasive issues surfaced in this research. **Bias**, the fifth barrier, cuts across the other barriers and across the grantmaking value chain. But it applies to different funders in varying degrees and in different ways. For example, while racial bias is an important barrier for the sector to address, some grantmakers are more advanced than others in their journey to confront this systemic issue. For others, gender bias warrants equal attention.

Figure 6. Barriers across the value chain

African NGOs	
	1 Strategic alignment 2 Sourcing 3 Diligence & selection 4 Funding & ongoing support
Barriers	<p>Many grantmakers either have no intention or stated strategy to fund African NGOs, or they fail to put appropriate goals and processes in place</p> <p>Donors struggle to identify and effectively source African NGOs. More than 70% of our survey respondents identified sourcing as a top barrier to funding African NGOs</p> <p>When an African NGO has made it through the sourcing process, it often falls out of contention during the diligence and selection process</p> <p>When African NGOs secure funding, they often receive small, short-term, restricted grants. This precludes NGOs from investing in building strong organisations and thus doesn't support long-term sustainability</p>
Potential drivers	<ul style="list-style-type: none"> • Focus on outcomes only, without consideration for organisational makeup • Lack articulation of the long-term, systematic value of funding African NGOs • Perception of African NGOs as requiring more oversight and support than donor typically provides • Perception of African NGOs as higher risk <ul style="list-style-type: none"> • Inadvertently exclusionary sourcing policies. For example, anti-solicitation policies and mandates to only fund US 501(c) (3) institutions • Inequitable access to social networks within the global philanthropic community • Viewing previous donors as markers of credibility • Defaulting to sourcing networks that do not have a strong knowledge of the local context or African NGOs <ul style="list-style-type: none"> • Exclusionary grantmaking criteria informed by Western-centric views, e.g. definitions of scale, that prioritise 'breadth' vs 'depth,' favouring large organisations and discrediting community-centric organisations • Grantmaking criteria that does not recognise the differentiated assets of African NGOs, e.g. lived experience • Setting unrealistic expectations for historically under-resourced NGOs, e.g. expecting a randomised control trial, which is a costly investment for an NGO <ul style="list-style-type: none"> • Anchoring on historical giving to inform future grant sizes, making it difficult for organisations to reach the next level of funding • Disproportionately focusing on notions of absorptive capacity, often rooted in donor preferences rather than NGO potential • Adopting a view of 'risk' that weights potential risks to donors over the risks of causing harm or of reduced impact from insufficient support of African NGOs
	5 Bias

Source: The Bridgespan Group

Our interviewees and our secondary research all pointed to the following barriers across four stages of the grantmaking value chain (see [Figure 6](#) on the previous page):

- 1. Strategic alignment.** Many grantmakers either have no intention or no stated strategy to fund African NGOs, or they fail to support an intention to do so by putting appropriate goals and processes in place.
- 2. Sourcing.** Donors struggle to identify and effectively source African NGOs. More than 70 percent of our survey respondents identified sourcing as one of the top barriers to funding African NGOs.
- 3. Diligence and selection.** Even when an African NGO has made it through the sourcing process, they often fall out of contention during the due diligence and selection process due to exclusionary criteria and decision-making norms.
- 4. Funding and ongoing support.** African NGOs that do secure funding too often receive small, short-term, restricted grants. This funding does not ensure long-term sustainability and precludes NGOs from investing in building strong organisations.

The fifth barrier: Challenging historical biases

Our research also unlocked a more nuanced and pervasive barrier impacting African NGO funding and recognition: bias. Bias was named as a significant barrier to funding reaching African NGOs by 45 percent of our survey respondents.

Indeed, it's often bias that drives a lack of trust in local leaders and their organisations, which over 70 percent of our survey respondents named as a significant barrier. The trust deficit goes hand in hand with perceptions of risk, which in turn leads to restricted, short-term, or one-off funding, as well as the addition of burdensome requirements for, and increased oversight of, African NGOs. 'There's this lens ... that you're from Africa and people might have some misconceptions about your ability to manage money really well. That becomes a blocker', said Angela Odour Lungati, executive director of the Kenya-based NGO Ushahidi.

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ANGELA ODOUR LUNGATI, EXECUTIVE DIRECTOR,
USHAHIDI

‘There is a significant lack of trust related the capacity of African NGO leadership’, said independent consultant Shelagh Gastrow. ‘That’s how most people think. ... Local leaders can’t deliver on contracts, they could be involved in corruption, they won’t report honestly, all those things are part of the image that frequently dominates international donor thinking about Africa.’

Broadly speaking, the biases infiltrating the grantmaking process include:

- **Familiarity bias.** When sourcing organisations to fund, funders tend to identify and fund known leaders or show a preference for familiar credentials. This approach may inadvertently exclude African organisations from consideration where social networks are not inclusive. '[Funders are] used to people using the same jargon, we're used to having people make well-articulated presentations; there is a capacity-building part of this, but we also really need to meet local organisations on their own terms', believes John Collenette, executive director of the Vitol Foundation.
- **Racial bias.** Similar to the conversation around racial bias and funding disparities for leaders of colour in the United States, interviewees noted that African-led organisations are forced to contend with similar biases. Referring to the racial reckoning in philanthropy in the United States, Kennedy Odede of Shining Hope for Communities (SHOFCO) wrote: 'The legacy of racial injustice extends far beyond those borders and any honest reckoning must include open dialogue around race in international development.'²³ Compounded by the legacy of colonisation and power dynamics between high- and low-income economies, racial bias can permeate the entire grantmaking process, informing assumptions that impact sourcing, diligence, and working relationships.
- **Cultural bias.** Several interviewees noted a prevalence for Western communication styles, not to mention a reliance on the English language, which automatically puts many African NGOs at a disadvantage. We heard that concepts such as 'polish' and 'professionalism'—deeply subjective terms, especially across cultural contexts—are defined often by uniquely American or European standards, again stacking the cards against some African organisations.

In recent years, leading philanthropy organisations, such as the Segal Family Foundation, Ford Foundation, and Mastercard Foundation, have looked within their institutions and challenged traditional structures and ways of working as well as individual mindsets and beliefs.

One senior executive from a non-African foundation said this was a trend to watch. 'We're all having very tough internal conversations, because we've realised that we have been perpetuating a lot of colonial thinking and mindsets that have not allowed us to be as impactful as we can be. And so these are uncomfortable conversations. But I know that several of the main philanthropic organisations are getting external help to have these conversations and think around it.'

Many of the interviewees highlighted not only increased awareness around this issue, but a concerted effort to change existing practices in a meaningful way. The Vitol Foundation's Collenette said: 'People have used the Black Lives Matter movement and COVID as an opportunity to reflect more deeply on the structural issues that can get raised about development generally and to ask whether the theorising about the kind of buzzwords such as implicit bias and white gaze has been followed up in terms of practical action.'

23 K. Odede, 'Closing the race gap in philanthropy demands racial candour', *The Guardian*, September 7, 2020.

For African funders, the picture is more complex—some interviewees noted that the presence of operating foundations speaks to a pervasive lack of trust in African NGOs, at best, and explicit bias, at worst. We also heard opportunities for greater equity from African grantmaking organisations. Nazeema Mohamed, executive director of South African NGO Inyathelo, noted: ‘It’s sad to say that there’s so much work to be done around diversity, equity, and inclusion. A lot of successful non-profits have had leaders who possess the social and cultural capital that allow them to navigate dominant paradigms that are often Euro- and US-centric. And so, you see that funders continue to give to these non-profits, whose leaders comfortably fit within a particular world view and match the prototype of who is considered a successful leader. We call these [NGOs] the “Rolls-Royce non-profits”. ... I don’t know if Black [African] female leaders would have had the same success. It feels like we have to work so much harder to be recognised as successful leaders.’

While we did not speak with many operating foundation funders who were considering shifting their strategy to funding African NGOs, there are some examples of African funders who have done this. For example, Zimbabwean philanthropists Strive and Tsitsi Masiyiwa, in addition to their operating foundation, Higherlife Foundation, have also founded the impact investing and grantmaking Delta Philanthropies. Zvichapera Katiyo, the Group CEO of Delta Philanthropies, explained that establishing the organisation was driven by the desire to extend the breadth of impact through collaboration with existing implementing partners. Delta Philanthropies analyses each project through the lens of what would be the best partnership arrangement to yield maximum impact. As Katiyo explained: ‘In many instances, our selection of able partners has been informed by their proven expertise to efficiently deploy resources and achieve desired outcomes.’

Call to Action: Unlocking Funding for African NGOs

The barriers highlighted above have been driven by a number of interrelated factors and historical dynamics in philanthropic giving. Unless funders address these barriers, we run the risk of perpetuating the cycle of underfunding suffered by many African NGOs. Fortunately, there are tactical solutions that funders can implement in response to the barriers identified above. (See [Figure 7](#) on the next page.)

We acknowledge that not all funders have the capacity or infrastructure to gear their grantmaking processes towards increasing funding to African organisations. For funders in this position who still wish to increase their funding of African NGOs, there are re-granting platforms on the continent that focus on funding proximate leaders and organisations. Prominent re-granting organisations include the African Women's Development Fund, Kenya Community Development Fund, TrustAfrica, and the African Visionary Fund. (See '[Spotlight: The Kenya Community Development Fund](#)'.) These organisations not only provide an avenue for other donors to channel funding to African organisations, but also provide additional support, including coaching and capacity building.

Strategies for addressing bias

Potential pathways to addressing bias include training and transforming funder organisation teams as well as empowering African leaders and organisations. Our interviewees highlighted three areas:

- **Transforming teams through training.** In recent years, the Skoll Foundation has sought to understand how to cultivate a more diverse and inclusive pipeline, drawing on research and examining its processes.²⁴ Other global organisations on record as rolling out anti-bias programmes designed to tackle both conscious and unconscious biases include the Hewlett Foundation²⁵ and the SD Bechtel Jr Foundation.²⁶ By building this awareness into their processes, they hope to uncover inequities across the grantmaking portfolio and challenge neo-colonial dynamics within their organisations.
- **Addressing bias in decision making.** Our interviewees noted steps that can reduce bias from the grantmaking process, including moving to a blind reading of application pools and establishing clear, objective criteria in advance of decision making. In addition, minimising reliance on written applications in English can mitigate bias and expand opportunities for organisations and leaders from different backgrounds.

24 B. Boettcher and A. Gilbert, '[Opinion: we need to fix implicit bias in philanthropy. Here's how](#)', *Devex*, January 30, 2019.

25 L. Bartczak, L. Valerio and C. Taylor, *Hewlett Foundation OE-DEI Grants Final Report*, Community Wealth Partners, September 2019.

26 SCVNews.com, '[Thurmond Announces Mini Grants Available to Provide Anti-Racism, Anti-Bias Educator](#)', press release, September 25, 2020.

Figure 7. Potential solutions across the value chain

African NGOs	
	5 Bias
	<p>1 Strategic alignment</p> <ul style="list-style-type: none"> Review your portfolio and practices to identify and diagnose problems Set clear goals around funding African NGOs and share these with others who can hold you accountable Be clear about the differential value and associated trade-offs of African NGOs compared to INGOs, and make intentional decisions across your portfolio
	<p>2 Sourcing</p> <ul style="list-style-type: none"> Tap into local networks by, for example, approaching local incubators and funders for referrals Invite African NGOs and leaders to networking events and forums Build organisational capacity to accept grant proposals in local languages Accept equivalency determinations where international registration is a requirement
	<p>3 Diligence & selection</p> <ul style="list-style-type: none"> Revise grantmaking criteria, recognising and rewarding the unique assets of African NGOs Address systemic barriers in the diligence process where models have been informed by Western experiences Increase decision-maker proximity to African NGOs by, for example, establishing local teams or empowering existing local teams with decision-making authority Engage community stakeholders to understand depth of impact Assess whether reporting requirements are unjustifiably burdensome
	<p>4 Funding & ongoing support</p> <ul style="list-style-type: none"> Use forward-looking data to ground investments. Balance various data points when determining investment size for organisations, placing a higher weight on current and future plans Rethink absorptive capacity with a multiyear frame. Instead of withholding transformative funding, span it over a number of years, enabling NGOs to plan their work over a longer timeframe Give unrestricted funding so that African NGOs can invest in building strong, resilient organisations
Potential solutions	
Examples	<ul style="list-style-type: none"> Vitol Foundation is reviewing its portfolio of grantee partners on the subject of diversity, inclusion, and representation. They are looking at a number of dimensions, including headquarters location, and the identity of the management team and board Mastercard Foundation has committed to ensuring that at least 75% of its partnerships are with African organisations African Visionary Fund's referral network largely consists of local fellowships and incubators, and they plan to launch a peer referral system later this year to further remove barriers to entry DRK Foundation utilises an open application process Co-Impact translated its last call for proposals into four other languages in addition to English Segal Family Foundation runs equivalency determinations for all its non-501(c)(3) partners Co-Impact now puts more emphasis on an organisation's ability to navigate local political economy factors in addition to technical design. It also takes a more flexible approach to evidence requirements, in recognition of the fact that Global South organisations may not have resources to invest in evidence generation Skoll Foundation has added an equity lens for each dimension of its investment rubric DRK Foundation is establishing a presence in Nairobi, Kenya Thousand Currents has amended its reporting templates to just one question, 'What would you like us to know about your work and what has happened in your organisation over the past year?' Mott Foundation views its multiyear funding approach as a way to give its partners longer term support that allows them to focus on doing the work When Thousand Currents first started 35 years ago, then named IDEX, it gave shorter-term project-specific funding, but starting in 2000 it shifted to giving longer-term core funding Segal Family Foundation provides wholly unrestricted funding to all partners. The organisation also provides multiyear funding following the first year of partnership

Source: The Bridgespan Group

- **Striving for greater inclusivity.** The secret ingredient here is to ensure diversity and representation in leadership and decision-making structures, from judging panels to board composition. Funders might consider expanding their in-region presence, empowering regional teams to make grantmaking decisions, and partnering with organisations that are truly in-community, to open up strong applicant pipelines and encourage diversity.

We also acknowledge that the strategies in Figure 7 and in the section above are framed from the perspective of non-African grantmaking foundations. The same value-chain approach could be used by African grantmakers who typically default to funding public-sector entities or implementing solutions directly to evaluate whether African NGOs are a viable option to deliver more impact. Likewise, the strategies could be used to address other funding disparities, such as for female leaders or for leaders from other marginalised communities.

Spotlight: The Kenya Community Development Fund

Founded in 1997, the Kenya Community Development Fund (KCDF) is one of the oldest African grantmaking organisations we interacted with during our research. KCDF raises funds both locally and internationally from corporations, trusts, private foundations, and individuals, and awards grants to community-led, grassroots organisations in Kenya, both in service of project execution and capacity building.

KCDF's consistent grantmaking criteria, which prioritises grantees that demonstrate good governance and accountable leadership, have a clear track record of success and demonstrate evidence of community involvement in the development of their proposed project. The organisation operates in line with the Kenyan spirit of 'Harambee', which holds that positive and long-lasting change is possible when communities are empowered to contribute to their own upliftment and development rather than being reliant on handouts or external involvement.

The rationale for this approach was explained to us by Janet Mawiyoo, former executive director of KCDF. Looking back to the early days of the organisation, she told us: 'It was very clear that the way aid was being delivered, it was not achieving what is really desired. It was creating dependency, it was like a deficit thinking where you are not looking at actually, what is in the continent.'

KCDF has partnered with over 2,000 proximate organisations that, on very limited budgets, are able to create outsized local impact, especially under the guidance of KCDF's connections to resources and capacity building. KCDF has been successful at lifting up community-driven solutions and supporting the success of its grantees. Over the past 24 years, KCDF has disbursed approximately \$25 million in grants to community-led projects, impacting the lives of more than 2.5 million people.

Donors partnering with KCDF have the opportunity to strengthen and amplify the impact of local organisations. As articulated by Mawiyoo: 'We're not an intermediary or a pass-through. We do a lot of value-add to the grants that we are passing down. We help grassroots organisation scale up their operations through access to resources and technical support.'

Conclusion

Through our research and wide-ranging interviews with key players across the African social sector, it is clear that there is a growing urgency to overcome the funding barriers that persist in keeping African NGOs underfunded and unsupported.

This was reinforced during 2020, with the onset of the COVID-19 pandemic, when a number of international organisations evacuated their non-African staff, leaving African NGOs to deliver critical services on the frontline. As Dedo Baranshamaje and Katie Bunten-Wamaru wrote in *The Guardian* newspaper: ‘When the global pandemic hit, guess which NGOs pulled staff and fled the continent? Here’s a hint: it wasn’t the locally led organisations. Just as with endless previous crises, African-led organisations have risen to the occasion and delivered to communities when others cannot. This isn’t new. Grassroots organisations are consistently delivering impact at the frontlines—without the benefit of frontline funding.’²⁷

The withdrawal of key international personnel from the frontlines had a ripple effect. African NGOs had to stretch already overextended budgets to augment life-or-death interventions, support often under-resourced government health interventions, and ramp up humanitarian efforts. There are myriad examples of African NGOs stepping up to fill the void, including Gift of the Givers in Southern Africa, Lwala Community Alliance in East Africa, and DRASA Health Trust in West Africa. For Janet Mawiyoo, former executive director of KCDF, the value of having organisations on the ground, close to communities, and in tune with their needs was essential during the coronavirus response. ‘COVID, I think, has confirmed that’, she told us. ‘Basically it is saying that the people who are near communities understand what is going on. They have been part of it. So if you want a solution on how to come out, they are very key in helping you figure out how to deal with the situation you have. If you are serious about sustainability, this is a structure you can’t ignore.’

Even as many high-income countries begin to turn the tide against the pandemic with vaccine rollouts in 2021, low-income countries continue to see low rates of vaccination, in part due to vaccine shortages. As a result, at the time of this writing, those organisations already on the ground, already battling organisational challenges and funding shortages, remain the last line of defence.

If the role played by African NGOs during the ongoing COVID-19 crisis tells us anything, it’s that building robust, strong, supported, and effective African organisations is essential—as a means not only of responding to global crises like COVID-19, but also to the day-to-day and continuing needs of communities battered by poverty, global inequalities, the legacy of the past, and political and social challenges.

Fortunately, funders—both those from the continent and those from the rest of the world—can meaningfully address the barriers to funding African NGOs. By re-examining practices and addressing organisational and individual biases at every stage of the grantmaking value chain, new opportunities for impact will emerge.

²⁷ D. Baranshamaje and K. Bunten-Wamaru, ‘Aid spending In Africa must be Africa-led—it needs A Black Lives Matter reckoning’, *The Guardian*, January 11, 2021.

The likes of Friendship Bench in Zimbabwe and Nigeria's Project PINK BLUE highlight the impact that NGOs born and bred in Africa can make in communities when donors choose to look at the issues through the lens of those on the ground. This is a challenging paradigm shift for many philanthropic bodies around the world, but one that holds tremendous potential for communities and individuals.

As Dr Bhekinkosi Moyo of CAPSI explained to us, the philanthropic world has long missed out on the potential inherent in smaller African NGOs. 'I think that's a missed opportunity because I have seen how some of these groups actually become bigger and stronger and, because they are actually embedded in the community, their interventions are more impactful than when you come from outside, you parachute in and then you leave.'

We leave you with this thought: Is it time to leave the parachutes behind?

Key research assumptions

Our research built on the methodology explored in 'The Landscape of Large-Scale Giving by African Philanthropists in 2020'²⁸ and *The Landscape of Large-Scale Giving by African Philanthropists: A Research Brief*,²⁹ released in February 2021 and June 2020, respectively. In order to calibrate and contextualise across funding segments, we applied (where relevant) different parameters to identify large gifts from African funders, as compared to gifts from non-African funders.

Notable assumptions shaped our methodology:

- We selected \$1 million as the threshold for grant size among African donors to be included in the sample. To determine the total amount of the gift in USD, we used the exchange rate from the month and year that the grant was made, and rounded numbers where appropriate. (The threshold for large gifts from non-African funders is \$10 million).
- We only included gifts from sub-Saharan African donors to causes or organisations in sub-Saharan Africa and excluded gifts these donors sent outside Africa.
- We focused on gifts to 'social change', using a definition adapted from The Bridgespan Group's big bets research in the United States.³⁰ Of note, our definition excludes gifts to arts institutions and religious causes, and includes gifts to academic institutions. The sample does include gifts to religiously motivated organisations, such as faith-based NGOs.
- We did not differentiate between individuals and their personal foundations when identifying grants.
- We included in our database grants from corporate foundations, in addition to private funders, when the purpose of the gift fit our definition for social change. (Corporate foundations were excluded from the non-African gift sample.)

28 S. Hayi-Charters et al., 'The Landscape of Large-Scale Giving by African Philanthropists in 2020'.

29 J. Schwier et al., *The Landscape of Large-Scale Giving by African Philanthropists: A Research Brief*.

30 W. Foster, G. Perreault, A. Powell and C. Addy, C., 'Making Big Bets for Social Change', *Stanford Social Innovation Review*, Winter 2016.

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About the African Philanthropy Forum

African Philanthropy Forum (APF) was established in 2014 to build a learning community of strategic African philanthropists and social investors committed to inclusive and sustainable development throughout the continent. APF supports the development of homegrown philanthropy in Africa in order to transform the culture of giving on the continent. Over the years, APF has established a stronger presence on the continent, with footprints in Egypt, Cameroon, Ethiopia, Ghana, Kenya, Malawi, Morocco, Nigeria, Rwanda, South Africa, Tanzania, Uganda, and Zimbabwe through its regional meetings, conferences, and initiatives. APF has also invested in the development of two volumes of the Toolkit for African Philanthropists and the 'Why Give' Series, which consists of interviews with Africa's strategic philanthropic leaders to showcase their motivations for giving.

About The Bridgespan Group

The Bridgespan Group is a global nonprofit that collaborates with social change organisations, philanthropists, and impact investors to make the world more equitable and just. Bridgespan's services include strategy consulting and advising, sourcing and diligence, and leadership team support. We take what we learn from this work and build on it with original research, identifying best practices and innovative ideas to share with the social sector. We work from locations in Boston, Johannesburg, Mumbai, New York, and San Francisco.

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