

The Cutting Edge:

## Jean Paul Warmoes and Doug Bauer Discuss Trends in International Grantmaking

To inform our members about the current trends in international grantmaking, NYRAG called on the experience and expertise of two representatives from organizations known for helping funders find innovative ways to alleviate some of the world's most pressing problems. Doug Bauer is a Senior Vice President at Rockefeller Philanthropy Advisors, which helps donors and grantmakers achieve their philanthropic goals around the world; Jean Paul Warmoes is Executive Secretary of the King Baudouin Foundation United States, which provides advisory and due diligence services to U.S. donors to help them fulfill their charitable missions in Europe and Sub-Saharan Africa.

**NYRAG** What has changed in the international grantmaking field since you each began your careers?

**Doug Bauer** Broadly speaking, what has changed is that people are now actually paying attention to international issues. Back in 1996, when I started to do work in global health, people had heard of malaria, but if you asked them about other tropical diseases, or microfinance, or some of these issues that are now quite prominent—especially in the developing world—they looked at you blankly. The world has gotten much smaller, philanthropically speaking. What I'd like to see now is the money following the interest.

**Jean Paul Warmoes** I think that both in Europe and in the United States there is growing interest in international issues, like Doug said. Donors are motivated by what I think of as "enlightened self-interest." People realize now that the world is interconnected, that working on HIV/AIDS in Africa can have an impact on their lives at home, or that supporting environmental initiatives in China will ultimately benefit all of us. In the past, people were active internationally just because they wanted to help other people in other parts of the world, but now we know that the planet is much smaller than we thought.

**NYRAG** So now, with more attention on the interconnectedness of the world, what are the trends in this sector of grantmaking?

**JPW** One major trend I see is the growing interest for "social entrepreneurs," although the concept is perhaps not as new as some would like to believe. We also have new tools that are attracting much attention, like microfinance. There is a lot of hope that these new tools will solve many problems, sometimes maybe a little too much hope.

**DB** People see scale around the microfinance issue now, so much so that major finance insti-

Ten years ago, international philanthropy was tied more to charity than to change. Now people are interested in solving problems and fixing the systems that sustain the problems.

—Doug Bauer

If you want to work on issues in countries like Zimbabwe or Pakistan, you need to be careful not to give the impression that you want to impose "Western values" upon them, which is why it's good to support organizations that are run and led by people on the ground.

—Jean Paul Warmoes

tutions are putting their money into these issues, which wasn't going on even three or four years ago. There's a big debate right now within the microfinance community as to whether microfinance is a human rights or an economic issue.

Healthcare is also big, with Bill and Melinda Gates in particular bringing lots of attention to it. Unfortunately, there are also some people who feel that Gates is "taking care" of issues like HIV/AIDS, malaria, and so on, so they don't have to worry about it. Climate change is another trend—there is a lot of interesting work going on right now in this field, especially in China and India.

And other trends are emerging—there is a lot of quiet but important funding going on in reconciliation work in places like Sierra Leone and Liberia, places that are recovering from past civil war and other conflicts. Philanthropy is playing a very important role in trying to

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bring a sense of justice to these countries. A hot tactic is social entrepreneurship, and I've seen it work in places like India. Whether there is scale to it yet is the big question.

Another important piece of what's going on right now is giving by corporations overseas. The great thing about working with corporations is that a) they are strategic about the use of their resources, and b) in many cases, they have infrastructure on the ground that can be a tremendous plus.

**NYRAG** What do you see as some of the biggest challenges of effective international grantmaking? Are issues of due diligence more complicated when giving to non-U.S.-based organizations?

**JPW** It's important to stress that international grantmaking isn't necessarily that different from domestic grantmaking in terms of challenges. The main challenge to grantmaking in general is being clear on what you want to achieve and what your theory of change behind it is. With international giving it's a little more complicated because you might not be as familiar with the local context, and the local context might also be less stable or more "fragile." What can you do about this? You can identify a local partner or work with a U.S.-based intermediary to bring in local expertise and networks. In terms of the due diligence process, the basic questions are the same internationally as domestically. Do you know your grantees? Do you trust them? Do you have reliable partners?

**DB** I think everyone in philanthropy needs to take a version of the Hippocratic Oath, which is first, do no harm. As you begin to investigate what you want to do with your grantmaking dollars in the developing world, you see that each area is completely different. Working in China is different from working in India which is different from working in Haiti. You have to consider all of the cultural and political dynamics you are going to be working with in that country. And if you can, get some grounding in whatever kind of infrastructure they have from a government perspective on the issue you care about as well as the regulation of charity. There

is no question that the U.S. government has inserted some extra layers of due diligence, which we have to cope with for the time being. I think the most important thing is to go back and ask yourself what are you trying to do, why are you trying to do it, and at what scale.

**JPW** One good resource for grantmakers doing international work is the United States International Grantmaking project of the Council on Foundations ([www.usig.org](http://www.usig.org)). This site has all the legal aspects of international grantmaking covered and includes a full range of country profiles.

**NYRAG** Is there any advice you can give regarding site visits that is specific to international grantmaking?

**DB** I think if you have the ability and time and energy to do site visits, you should. But it's not always possible. For example, it's hard to get into Afghanistan right now. One of the few nonprofits left there is Care International, so we hired them to do these visits for us, and we get good data on the ground. I always encourage clients to make site visits, and if they can do it prior to funding, that's even better. To be on the ground in the countries you're trying to impact gives you a whole different perspective. We do a lot of work in the Tibetan Plateau in China, supporting Tibetan communities. Half of the Tibetan population in China is still nomadic. Until you've been out there on the Tibetan Plateau, where the average altitude is 13,000 feet, it's hard to imagine what's really going on.

**JPW** A site visit from a due diligence perspective is always an issue of cost versus benefit, because money you spend on site visits isn't going to the grantee. The most basic due diligence principle for me is to know your grantee, so if you feel like you need a site visit to know them, then do it. If you trust the recommendation of someone in the country who knows the situation, then maybe you don't need the site visit.

**DB** You should never "wing" a site visit, and especially not one overseas. We try to prepare our clients as much as we can, especially if we're not going, so that they can do all the important work that they should do and have

the checklist for the right due diligence.

**NYRAG** What are some examples of what you might consider "creative" grantmaking? What current or upcoming projects or programs are you excited about?

**DB** Where we get creative is in the execution of the grantmaking; once we've determined that the grantee is sound, then we're off and running and that's where it gets exciting. There is a misconception that you need to be writing seven- and eight-figure checks to have any kind of impact. We do lots of work in Afghanistan right now, supporting an emerging set of nonprofits that provide services to women and girls who did not have a voice during the reign of the Taliban. Five thousand dollars to an organization that is supporting K through 12 education for girls can go a very long way. If direct funding concerns you, you could go through one of many great intermediaries, like the Global Fund for Women, among others. The great thing is that, unlike ten years ago, there is now a group of organizations that do terrific work and have fabulous networks—for example, the Global Greengrants Fund, out of Boulder, CO. If you want to fund grassroots community-based leadership on the environmental question in the developing world, \$5,000 to them, which then goes to a community-based activist, will keep that person going for probably a full calendar year.



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In Tanzania, HeroRAT trains sniffer rats for landmine detection.

**JPW** We work with some extremely creative grantees. One example is the HeroRAT project in Tanzania, which trains sniffer rats for landmine detection. In Europe, we work with

Nike in about 12 countries, where we developed ambitious initiatives to fight racism in sport stadiums. This being said, we also work in more "traditional" ways, such as in Zambia, where we drill water wells. It's a small-scale project—probably only about \$30,000 a year—and it is funded by a group of individual donors based in Pennsylvania, who raise funds through families,

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friends, and their church. We found a strong local nonprofit partner, and we created four wells last year, and that's going to help several villages, probably up to 3,000 people per well. Although such a project might seem less "creative" at first glance, it will have an important impact in terms of health, as well as education, because now the kids don't have to run for miles to go for water, and will have more time to go to school.

**DB** We are doing work with a client right now in Indonesia around dengue fever. There is no vaccine for this disease, and this family is funding research and community-based work that might provide early detection of the disease and stop it in its tracks once it's detected. The price tag on this over a couple of years is not a "Bill Gates" price tag, so it shows the kind of thing you can do with less money. We have family philanthropy clients that are doing great work in Sri Lanka around biomass energy systems for villages. One issue that I think is really exciting and somewhat fluid in the international sphere is thinking about grants as not just grants, but mission-related investing, where you look at funding as an investment on which you get a return. There are pros and cons to this, but it's bringing additional capital into these issues, so that's going to be an exciting thing to watch, not just in microfinance, but in climate change and some other issues as well.

**NYRAG** What are some of the benefits and difficulties of collaborations with other funders to make international grants?

**DB** There is safety and power in numbers, and especially in the developing world context, it makes sense for people to work together. You have more information and different perspectives, and it probably makes the experience deeper and richer. We've tried to encourage collaboration among our client base. The more we can nurture this, the better.

**JPW** When you look at HIV/AIDS in Africa, for instance, and you see the number of funders who are already active on the issue, you certainly don't want to reinvent the wheel. In many of these countries, a funders collaboration makes sense. Funders should more

often consider partnerships to pool resources, or choose to reinforce existing initiatives that work instead of building something new.

**NYRAG** What sort of human rights work are you involved in?

**DB** On behalf of a few different clients, we are working in Chad to help create the first ever public interest law firm there as well as work in the Eastern Congo on justice for gender violence. We are working in West Africa to increase the space for civil society development, promote greater governmental transparency, and to fund human rights projects, which explore economic, social, and cultural rights. Jimmy Carter once said that immunization, fresh water, education—these are all human rights issues. You have to keep that in perspective. I'd like to see people get involved if they aren't already, and even modest grants with the right organizations at the right time can make a difference.

**JPW** Increasingly, funders realize that there is a strong connection between human rights and development. We work closely with an Irish organization called Front Line, which is an international foundation that works specifically in protecting human rights defenders—individuals who risk their lives in their own countries—as they see them as important agents of change. In my opinion, one of the keys in the field of human rights is to support local leaders and organizations that are led by people on the ground, such as Zimbabwe Lawyers for Human Rights or the Human Rights Commission of Pakistan. By supporting these organizations, you can play an active role in a way that is respectful of the local communities, and you avoid the impression that you want to impose Western values upon them.

**NYRAG** What are your views on funding in areas where there are corrupt governments? Do you not want to put money into programs in such countries? How do you feel about working where there is more opportunity and promise (in other words, "easier" areas) versus more challenging environments (for instance, Darfur or the Congo)?

**JPW** I think it's important to be active in countries with corrupt governments, as long as you aren't inadvertently supporting these governments. You can identify and empower local NGOs that are trying to bring about positive change in their country, or support human rights activists who work for a better future.

**DB** I agree with Jean Paul; I don't think you shy away. In fact, in some cases I think it's the NGOs in these countries that offer the glimmer of hope and provide a basic level of services. In situations like Darfur, the U.S. government has done little to nothing to try to ameliorate the situation, and it's been a very brave group of NGOs, both U.S.-based and some not, that are probably the only thing keeping any sense of hope going for the people that are caught in that terrible conflict.

**JPW** It is indeed sometimes more rewarding to work in these "difficult" countries, because the needs are so great and the people need your help so much. Are you going to change the world? Probably not, but no one is on his own; potentially all together we can change the world. ▲



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*Jean Paul Warmoes joined King Baudouin Foundation United States' parent foundation, the Brussels-based King Baudouin Foundation (KBF), in 1994, and has served as KBF's Director for International Relations since 2001. Mr. Warmoes*

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