



# **2013 EAST AFRICA PHILANTHROPY CONFERENCE REPORT**

*Philanthropy and Business: Is it Business Unusual?*

24<sup>th</sup> to 26<sup>th</sup> July 2013 at the Sarova White Sands Beach Resort, Mombasa, Kenya

**ACKNOWLEDGEMENTS**

*2013 East Africa Philanthropy Conference Report*

The East Africa Association of Grantmakers (EAAG) wishes to extend its heartfelt gratitude to the Tanzania Gatsby Trust, The East African, African Grantmakers Network, Aga Khan Foundation, The Foundation for Civil Society, Johnson & Johnson Family of Companies Contribution Fund in East Africa, the Chandaria Foundation, Kenya Community Development Foundation (KCDF) as well as Rattansi Educational Trust for their financial support that made the 2013 East Africa Philanthropy Conference successful.

EAAG also wishes to thank the keynote address speaker, Dr. Mirza Jahani, CEO, Aga Khan Foundation, USA, Dr. Manu Chandaria, Chairman, Chandaria Foundation as well as all the other panelists and conference speakers whose wealth of knowledge and experience provided a learning atmosphere for the delegates and an opportunity for constructive dialogue around the conference theme *'Philanthropy and Business: Is it Business Unusual?'*.

Our appreciation also goes to the EAAG Board members as well as membership for their valuable contributions towards the success of the conference.

The conference would not have been possible without the presence of delegates from various organizations in the region and beyond who set aside time in their busy schedules to attend the conference and to share, learn and network with other like-minded organizations and individuals.

Last but not least we wish to recognize the efforts of the conference organizing committee who worked relentlessly to ensure that the conference took place without any hiccups.

Nicanor Sabula  
Chief Executive Officer

## EXECUTIVE SUMMARY

Traditional forms of philanthropy are currently evolving to solve increasing social and economic problems that continue to bedevil the globe. A time has come to explore local creative and sustainable strategies that ensure philanthropy achieve maximum impact. It is noteworthy that the social development sector is increasingly applying key private sector principles in its operations in a bid to significantly boost the impact of charitable work while at the same time enhancing financial sustainability. On the other hand, there has been a rise in corporate responsibility as more business open up to increased community engagement. Be that as it may, there exists both a parallel as well as a nexus between philanthropy and business and this need to be unearthed to achieve social development in East Africa.

It is against this backdrop that the 2013 East Africa Philanthropy Conference was held at the White Sands Beach Resort, Mombasa, Kenya from 24<sup>th</sup> to 26<sup>th</sup> July 2013. The sessions were led by renowned practitioners in philanthropy who employed a mix of expert information sharing sessions with a range of participatory learning approaches. The resource persons guided the delegates through the complexities and dynamics of social impact philanthropy while engaging them in constructive dialogue on how to ensure sustainable philanthropy.

The Conference dubbed '*Philanthropy and Business: Is it Business Unusual?*' brought together delegates from both profit and non-profit organizations including business and CSR executives, philanthropy practitioners, academia, development experts, government representatives, individuals and other local and international players with an interest in promoting sustainable development and social justice. Discussions were aimed at exploring the space of business in enhancing social development in East Africa, challenging philanthropic organizations to adopt entrepreneurial models as a sustainability measure, proposing strategies to ensure philanthropy attains maximum social impact as well as providing a platform for networking among grantmakers and stakeholders.

The speakers at the opening sessions emphasized on the need for innovative ideas for social development and a philosophy driven by entrepreneurial insights. Sustainability was also singled out as a key factor is ensuring the long-term success of philanthropy.

The main learning areas and critical points of focus from the conference were as follows:

i. Sustainability;

Lack of sustainable models of philanthropy were highlighted as a key issues hampering the continuity and impact of social development programmes in the region. Charitable funds should be treated as a form of 'capital' to help scale up philanthropic outfits once such social development models have been proven on a smaller scale. Ventures that cannot be sustainable if they are not profitable.

Formatted: Not Highlight

Formatted: Not Highlight

Sustainability can also be achieved through effective implementation of projects and programmes.

- ii. Creation of an enabling environment to enhance philanthropy. Time and again philanthropic work has failed to reach the scale required to foster social development in the region due to lack of favourable laws and policies. The legislation should cover areas such as capacity building, giving and networking.
- iii. Taking advantage of IT and new media for philanthropic purposes. New media has had tremendous impact on philanthropic interventions in the recent past and the different ways of giving include online giving, mobile giving, web portal, information hubs as well as combination of mobile, online and web portal giving.
- iv. Forging strategic partnerships and networks to ensure that the impact of giving is greater and more sustainable. Successful ventures in business or philanthropy are built around great teams who have the right experiences and relationships as well as the ability to help in overcoming challenges faced by actors in the social development world. Successful partnerships are those that recognize and accept principles of leadership and good governance practices for credibility and accountability.
- v. Investing in further research, analysis and learning to ensure that philanthropy and social justice philanthropy do not become complicit in legitimizing or entrenching injustice.

Formatted: Not Highlight

Formatted: Not Highlight

TABLE OF CONTENTS

**Comment [MJ1]:** To be inserted after comments are dealt with

## LIST OF ABBREVIATIONS

AGN	African Grant Makers Network
CEO	Chief Executive Officer
CSO	Civil Society Organization
CSR	Corporate Social Responsibility
EAAG	East Africa Association of Grantmakers
KCDF	Kenya Community Development Foundation
NSA	Non State Actors

## WELCOME AND KEYNOTE ADDRESS

The Conference was officially opened with informative and inspiring key note addresses and opening speeches from Dr. Manu Chandaria, Chairman, Chandaria Foundation; Dr. Mirza Jahani, CEO, Aga Khan Foundation, USA and Rene Kiamba, Regional Manager, Johnson and Johnson Family of Companies Contribution Fund. This aided in setting the stage in terms of provoking new thinking and contextualizing the conference theme by highlighting current and emerging social issues and innovative ideas that attempt to respond to the issues in socially sustainable ways while maximizing on impact.

Delegates were encouraged to engage in informative discussions and to work towards forging strategic relationships while seeking to find practical solutions to problems facing social development models. In line with EAAG's vision which is to have vibrant and organized philanthropy in East Africa while promoting sustainable social development and social justice, sustainability was pointed out as the driving force behind philanthropy and that giving alone no longer suffices. This was attributed to the lack of sustainability mechanisms and delegates were urged to change the current social development model to take into account sustainability that will bring real change to the lives of those they seek to assist.

It was remarked that philanthropy organizations should adopt business models that can propel them towards sustainability in the war against poverty. Corporates were called upon to seek more to serve while philanthropic organizations were urged to 'think outside the box' in terms of creativity and innovativeness in the wake of changing times. It became apparent from the welcoming and opening remarks that business and social development can no longer be stand alones and the two must be intertwined for philanthropy to thrive. Corporates are part of a bigger society and have a paramount role to play in improving social investment.

It was pointed out that social development is gradually changing and that an enabling environment should be built by CSOs and other key actors in philanthropy to support sustainable giving. The social development sector was challenged to emulate corporates to be more sustainable and to devise methods and approaches to create cost subsidization. In this regard the delegates were called upon to create strategic partnerships and to take advantage of technology to connect with each other and promote philanthropy.

In conclusion, innovativeness, partnerships and interconnectivity were stressed as a way of doing things differently in response to the changing social development scene.

## IMPACT PHILANTHROPY

*“.....for philanthropic interventions to be sustainable, business thinking has to come into play, such that every philanthropic institution is run like a business in terms of strategies, thinking and conduct.- John Ulanga”*

Discussions around impact philanthropy were led by Joseph Ogutu, Chairman, Safaricom Foundation; Ada Mwangola, Assistant Director to Social and Political Pillars, Vision 2030 Kenya; Michael Baingana, Research and Policy Advisor, East Africa Business Council; Janet Mawiyoo, CEO, Kenya Community Development Foundation and John Ulanga, Executive Director, Foundation for Civil Society, Tanzania. The discussions took cognizance of the fact that new global concepts in philanthropy such as social entrepreneurship, venture philanthropy and high impact philanthropy all point to a global recognition by philanthropists of the need to apply businesslike approaches to philanthropy which will ensure maximum return on philanthropic investment with unique social returns.

The plenary discussions revealed that high impact philanthropy is dependent on the following factors:

- Presence of an enabling environment/ legislation and policies
- Constant measuring and quantification of impact
- Social return on investment
- Gaining leverage/scaling up
- Sufficient capital
- Business expertise

Impact philanthropy is a form of giving that enables donors to match their desire to do good with a drive for measurable businesslike results. Emerging global concepts in philanthropy such as high impact philanthropy point to a global recognition by philanthropists of the need to apply businesslike approaches to philanthropy. This guarantees maximum return on philanthropic investment with unique social returns. Impact philanthropy represents a new breed of givers who take an interest in where their money goes and how successfully the recipients pursue their stated mission. The profit motive is increasingly becoming the philanthropist's major goal as they strive to leverage their giving.

An impact philanthropist attempts to understand the social development context within which they work, the goals they seek to contribute to, how success will be measured and 'how much' change will cost. Measurement of impact is based on the premise that nonprofits are slowly realizing that to attract donors they need to show, with data, the extent of the direct impact their contributions would have on a given social goal. The impact philanthropist needs to contribute to a cause that will most efficiently convert donations, time and efforts into the greatest yield, what is commonly known as social return on investment. Once a 'worthy' cause is identified, the impact philanthropist needs to scale up while working towards improving returns.



Social entrepreneurship concerns itself with pursuing suitable solutions to social problems as coined in the quote below:

*"Social entrepreneurs identify resources where people only see problems. They view the villagers as the solution, not the passive beneficiary. They begin with the assumption of competence and unleash resources in the communities they're serving."*- David Bornstein<sup>1</sup>

Social entrepreneurship primarily seeks to generate "social value" rather than profits and work around this area is targeted not only towards immediate, small-scale effects, but sweeping, long-term change. The Grameen Bank and its growing family of social venture businesses, is an example of social entrepreneurship that emphasizes the enormous synergies and benefits of combining business principles with social ventures.

Venture philanthropy adopts concepts and techniques from venture capital finance and business management and applies them to achieving philanthropic goals. The venture philanthropy approach aims at supporting social development organizations to become sustainable and more effective at delivering measurable social impact. It plays an important role in diversifying capital markets for non-profits and organizations engaged in social development. The main elements of venture philanthropy include organizational capacity-building, close engagement between donors and recipients, performance measurement, value-added services such as strategic planning, marketing and communications, human resource advice as well as access to other networks and potential funders and tailored financing which entails taking an investment approach to determine the most appropriate financing for an organization.

Impact philanthropy also includes impact investment which entails the practice of including social considerations in investments. In impact investments, resources are directed towards efforts that bring desired long-term positive change. Examples of impact investors in East Africa include Root Capital, Aurores Fund, Acumen Fund, The Africa Health Fund (AHF), Growth Africa and In Return Capital. Impact investing entails establishing a social enterprise and meeting a social good as well as profit making as quoted below:

*"...impact investment is the beginning of a global trend, it's no longer just 'how can I make money,' but 'what is my money doing to change the world?'"*- Bill Davis, President of impact investing platform GATE Impact

Further thus:

*"...impact investing; for some it's a philosophy, for others it's a way to put money to work, literally."*-Liz Riegel

---

<sup>1</sup> Author of 'How to Change the World: Social Entrepreneurs and the Power of New Ideas'

The social development sector in East Africa is constantly grappling with the issue of numerous grassroots CSOs that are either non-responsive to the needs of the community or have no impact as well as a large poor population. Impact philanthropy could be a solution as it focuses on driving positive social and environmental change while generating returns and bridges the gap between profit-driven investment and traditional philanthropy. Impact investors are increasingly collaborating with the social development world as impact investment promises to unlock capital for social change on an unprecedented scale.

Impact philanthropy can only be sustainable if impact is assessed against a standard set of metrics. This will allow investors to compare the social impact of investments in the same way financial returns are assessed thus bringing about real change. Impact investing has the support of some of the biggest names in philanthropy, like the Rockefeller Foundation and it is a high time organizations involved in philanthropy in East Africa actively followed suit.

Impact philanthropy must be both measurable and objective. A good example of a social impact enterprise is the Penda Health Clinic in Kenya.<sup>2</sup> The enterprise measures social impact through the number of patients served, number of jobs created and income generated. The company's initial capital was from the founders' savings and family investment.

#### ***Impact Philanthropy in Practice: The Case of Acumen Fund, East Africa***

The Acumen Fund, East Africa shared with delegates the realities, opportunities and associated risks of the impact philanthropy model. The Fund exemplifies a model that not only seeks to maximize social impact but also allows for financial returns. Most term this model as a revolutionary path for sustainable social development. However, impact investment in East Africa is in its infancy and to maximize on this model, philanthropists need to understand the limitations and realities on the ground.

The Acumen Fund is a social venture fund that invests 'patient' capital in enterprises that sustainably serve the poor.<sup>3</sup> The Fund has pioneered some of the most successful social enterprises in East Africa and operates in low-income, emerging markets. The venture philanthropy fund invests in promising business ideas and young leaders. The Acumen Fund has been hailed for helping to catalyze a new sector and is combining philanthropy with capitalism in a very innovative approach. The Fund aims at investing to alleviate poverty and recycling returns through investing funds in equity or debt, growing enterprises focused on social impact and sustainability as well as recycling returns to more

<sup>2</sup> A Kenya based social enterprise that delivers a range of high quality medical service and products to the residents of Kitengela since 2011. They focus on preventative health care, family planning services and cervical cancer screening. Unlike other clinics in Kenya, Penda charges patients a small fee that is affordable to low and middle income women. The fee also ensures the provision of top quality and makes the business sustainable.

<sup>3</sup> Acumen Fund, Inc. is structured as a 501(c)3 tax-exempt organization

enterprises.

Acumen investments are determined by potential for large-scale social impact, that is, huge growth or more than 1 million customers, enterprises that have the potential to be financially self-sustaining, new global models for fighting poverty and a world-class team deeply committed to solving problems for the poor. The Acumen Fund also involves itself in a number of initiatives throughout Africa including but not limited to the following:

- i. Improving crop yields in East Africa. Since inception it has managed to invest USD 2.1 million in Western Seed, has witnessed 533,000 farmers use Western Seed's hybrid seeds and over 4 million kilograms of hybrid maize seeds have been sold.
- ii. In Ethiopia the Fund has invested in a poultry operation that is producing an improved variety of chicken. The initiative targets the rural smallholder farmers, who produce almost 90% of poultry in Ethiopia. The improved chicken varieties will result in improved egg production, improved smallholder incomes and improved nutrition.

At the end of the discussions, the delegates were requested to reflect upon the following:

- i. The kinds of technical assistance that can help companies overcome the challenges of systems change;
- ii. How to capture and share lessons learnt across sectors and geographies;
- iii. How to plan for exits years in advance and;
- iv. The kinds of partnerships that are most transformative for the companies in the various organizations' portfolio.

It is noteworthy that some organizations in East Africa for instance Kickstart International and Juhudi Kilimo have adopted this model of philanthropy with solid and consistent returns as discussed herein.

### ***Successful Social Entrepreneurs in East Africa: The Case of Kickstart International***

KickStart International strives to lift millions of people in Africa out of poverty, cost-effectively and sustainably through designing, promoting and mass-marketing simple money-making tools that small-holder farmers buy and use to start highly profitable family enterprises. These new businesses create a sustainable solution to poverty through providing the farmers with a means of earning a living.

In 1998, KickStart developed a line of manually operated MoneyMaker Irrigation Pumps that allow farmers to irrigate up to two acres of land. The pumps are easy to transport and install and are cost-effective. Through this innovation, farmers can grow higher value crops like fruits and vegetables, get higher yields<sup>4</sup> and most importantly, they can produce crops in the dry seasons when food supplies dwindle and the market prices

Field Code Changed

<sup>4</sup> The Food and Agriculture Organization reports that irrigation increases crop yield by 100-400%

are high. This will go a long way in ensuring sustainability in farming as there is a gradual switch from rain-fed farming to irrigated agriculture.

In terms of impact, 150,000 successful new businesses have been started in Africa using KickStart's tools. Today more than 800 new businesses are being created each month. Since each of these enterprises supports a family, KickStart conservatively estimates that these businesses have already lifted 740,000 people out of poverty. Each year these businesses generate over \$130 million in new profits and wages and have created 67,000 new waged jobs. In Kenya alone, the users of our tools are generating new revenues equivalent to 0.6% of the GDP.

Kick Start constantly measures their impact and on average the net farm income is estimated at \$850 per year. Out of 224, 428 pumps sold to date, the recorded impact include about 140,000 jobs created, 230,000 children in school for the first time or attending better schools, 750,000 people in Africa out of poverty, 150,000 farming businesses created, \$ 120 million farmer profit and wages generated annually. Moving forward, KickStart intends to sell 250,000 more pumps and to lift 1 million more people out of poverty in the next six years.

It was generally agreed that social impact investment in East Africa exists in a challenging and dynamic environment and therefore will take time to catch on. It is still in its infancy and faces cultural challenges as well as an inadequate policy and legal environment. The impact of social investment needs to be looked at both quantitatively and qualitatively so as to judge the value that such investments add to the lives of communities. Some organizations for instance the OECD Development Centre have created networks of development foundations that engage in social impact investment. In addition, OECD has launched the Impact Economy Innovation Fund for social impact investment and engages in policy dialogues on the same.

### ***Walking the Talk: Juhudi Kilimo***

Juhudi Kilimo aims at providing market driven, wealth-creating financial services that empower smallholder farmers and rural enterprises to create sustainable agri-businesses and improve their livelihoods. Juhudi Kilimo finances targeted agricultural assets for smallholder farmers and rural enterprises across Kenya. Unlike traditional microfinance, which primarily provides loans for working capital to informal businesses, Juhudi finances specific agricultural assets that offer immediate and sustainable income for farmers. This comprehensive approach creates long-term gains in productivity and local engines of economic growth.

Juhudi Kilimo also engages in rural asset financing as an innovative approach to poverty alleviation. It provides smallholder farmers with access to wealth-creating assets (such as cows or irrigation systems) that generate the income required to repay small loans. The main advantage of asset financing is the ability to accumulate wealth creating assets over

time that increase income and lift rural farmers out of poverty. They also provide technical assistance that helps entrepreneurs acquire the business discipline, knowledge, and skills needed to scale up and succeed.

Juhudi Kilimo has witnessed tremendous business milestones between April 2009 and July 2013. These include: raising of KES. 250 million in equity and KES. 900 million in debt; provision of 22,791 loans worth KES. 1.2 billion; maintaining 95% and above as a repayment rate as well as attaining 100% self-sufficiency (profitability) by 2012.

In order to measure its social impact, Juhudi has employed the Global Impact Investing Rating System (GIIRS) rating system, the CERISE Social Performance Indicators evaluation, and the Grameen Foundation's Progress Out of Poverty tool. Juhudi Kilimo has also managed to generate 54 million litres of milk worth over KES 1 billion in farmer income, increased annual incomes by more than twice and improved the lives of more than 100,000 rural Kenyans.

In closing, it was suggested that:

- i. EAAG should create a platform of organizations within the region that can influence policy making so as to create an enabling environment for giving.
- ii. EAAG should develop role models in the private sector for CSOs in terms of leadership and integrity.
- iii. The capacity of various communities should be enhanced to enable them design an efficient system that will harness various resources within the community.
- iv. Strong organizations/ grassroot actors should be built to sustain interventions initiated by players in the social development sector.
- v. Community resources should be tapped into and communities engaged to make a difference because it is about them and for them.
- vi. Philanthropy organizations should take advantage of business models to better address social challenges.

## SUSTAINABILITY

### ***Working towards Sustainability and Impact: The Case of Kagiso Trust***

Traditional grant making organisations have often been criticized for failing to help nonprofits build capacity, grow and become financially sustainable. Developing credible, well governed and financially sustainable institutions within communities that people can contribute to is not an easy task. Actors on the ground need to be reoriented and their capacity built so as to enable them to effectively facilitate development processes that communities can own. This will ensure that they are more organized and dependable. Enhancing sustainability entails scaling up the right practices so as to ensure that initiatives have meaningful impact and are long-term. It should be noted that venture philanthropy seeks to use many of the tools of venture capital funding to promote start-up, growth and risk taking social ventures.

Non-profits continue to grapple with the challenge of constrained resources and designing sustainable projects especially for organizations that operate in high need communities. To this end, Kgosto Schoeman, discussed the sustainability trajectory of the non profit sector and shared with the delegates how the Trust moved from a donor dependent organization into the strong financially sustainable organization it is today. This session was designed to expose delegates to various strategies that ensure philanthropic organizations achieve organizational and financial sustainability.

Irrespective of size, all organisations whether government, non-government and the private sector institutions operate in a rapidly changing environment which they have to respond to due to the ever changing local and global socio-economic development environment. Their operations are also impacted by changes in the funding environment, laws governing the sector, technology as well as access to skilled capacity. Be that as it may, a major concern is the slow pace with which the sector reacts to these changes.

Trends in the NGO sector suggest that long-term sustainability will require a major shift in focus and funding models. In light of this organizations should move away from the traditional general funding strategies to more focused approaches, change their structures as the sector continuous to struggle for survival, institutionalize and tap on the social and economic capital of the continent and use an amalgamation of funding models for instance loan funding or investment funding as well as their own funding, government and private sector partnership funding. More strategic partnerships are likely to develop between NGOs, government and corporates to gain alignment on funding initiatives

The Kagiso Trust trajectory has been influenced by fundamental organizational and management discipline and principles. In addition to this they had a clear and inspired vision built on solid core values that saw the organization survive beyond the idea of the Trust being a European Union/ donor funded project but an organization built to make a distinct impact initially on the broader South African society and now the broader African continent. Kagiso Trust intends to create a national footprint through a secured funding

stream. The Trust's philosophy is to generate adequate financial resources that will enable the Trust to be the lead funder of its programmes.

NGOs should take advantage of economic trends to address funding and sustainability challenges. NGOs face critical challenges such as unsustainable grants for the work the sector is involved, limited access to investment funding for investment opportunities, difficulties in streamlining governance processes and limited ability to leverage and unlock government funds as well as partner with government as delivery partners.

### **Recommendations**

At the end of the discussions the following were recommended:

- NGOs need to develop mechanisms to enable them react rapidly to changes in their operating environment.
- Innovative techniques, a robust financial strategy and improved asset management initiatives are required for sustainability.
- Economic growth in the African continent provides huge opportunities for NGOs to diversify their source base.
- NGOs should expand their footprint beyond country presence for instance Kagiso Trust is currently exploring opportunities in Mozambique and Kenya.
- Leverage business networks to facilitate our access to investment resources and opportunities.

## PUBLIC POLICY: CREATING AN ENABLING ENVIRONMENT FOR IMPACT PHILANTHROPY

As the philanthropy movement in the region expands and continues to mobilize efforts to find sustainable solutions to East Africa's most pressing social problems, respective governments are critical in accelerating this. Impact philanthropy is a promising model for social innovation and sustainable development. Be that as it may, impact philanthropy cannot thrive in the absence of favourable legislation and policies. Government policy remains crucial in creating an enabling environment for social impact investment.

In light of this, a presentation was made by Stephen Macharia, Researcher, Strathmore University on the key role and potential effectiveness of public policy in accelerating the social impact investment model in East Africa while using Kenya as an example. He reiterated the fact that social impact investment is majorly affected by policy gaps. The discussion was advanced by a group of panelists with experience in social impact investment. These were: Simon Stumpf, Regional Representative, Ashoka East Africa; Duncan Onyango, Executive Director, Acumen Fund East Africa; Bathylle Missika, Deputy Head, Policy Dialogue Division, OECD Development Centre and Guy Redding, Director of Program and Partnership Development, Kickstart International.

Policy matters relate to the role that a government plays in directing action towards meeting a specific need for the best interest of the people. The Impact Investing Policy Collaborative<sup>5</sup> (IIPC) explains that policy plays an important role in supporting impact investing, for instance by:

- i. Directing large institutions to invest in target areas;
- ii. Providing tax credits and other subsidies for investments with social or environmental benefits;
- iii. Creating investment opportunities or by providing special recognition for special purpose enterprises and financial intermediaries.

Impact investors undergo challenges in various areas which can be unlocked through the introduction of policy measures. East Africa governments have not intervened much in terms of social impact investment and this has occasioned challenges such as underprovision of social goods and private actors extending negative costs to society due to bureaucracy and numerous government requirements. It has often been argued that the challenges faced by social impact investors can be mitigated through formulation and implementation of policies. To accelerate growth of this field, policies have been formulated to spur growth and help address the challenges faced by both impact enterprises and investors. Examples of some of these policies in Kenya include:

- i. *The Growth Enterprise Market Segment (GEMS)*-GEMS aim at opening doors for small and medium enterprises to raise additional capital to fund their growth and

---

<sup>5</sup> A global community of researchers and policymakers around the impact investing field



development and act as an exit avenue for investors. Most impact enterprises in the region are in the category of SMEs.

- ii. *Policy on licensing reform program (Supply Side)*- Various reforms have been made to reduce the duration of registering business in Kenya. In 2008 a licensing reform program was launched which led to the elimination of 110 business licenses and the simplification of eight licenses, reduction of the time and cost of obtaining building licenses and registering a company. The Licensing Laws (Repeals and Amendments) Act, 2006 (enacted in December of 2006 and came into effect on 1<sup>st</sup> May, 2007), amended the Local Government Act (Cap. 265) by reducing the number of business permits required for a distributor of goods or provider of services to carry on its business activities.
- iii. *Feed-in-Tariffs Policy*- The policy was developed in April 2008 to facilitate resource mobilization by providing investment security and market stability for investors in Renewable Energy Source (RES) electricity generation. This policy is a major boost to impact investors in the energy sector in the country and it is already scaling up such investments.

The Government of Kenya has also introduced an Impact Investment Fund for use in agricultural projects. In an effort to address the challenges in the agricultural sector, the government has taken decisive steps to attract private investors into the sector. Governments can unlock capital for social impact investment by introducing other sources of capital. Such sources include pension funds, unclaimed bank deposits and assets as well as social impact bonds.

In terms of policy, the following emerged from the discussions:

- i. Existing policies are not targeted or coordinated towards social impact investments; sound policies therefore need to be formulated to support impact investment.
- ii. Government should be one of the key stakeholders in the social impact investment sector.
- iii. Stakeholders in social impact investment should create awareness on the impact of impact investment for instance through the business community.
- iv. The debate on measurement and quantification of impact needs to be looked at globally as a way forward.
- v. Carrying out extensive research and analysis on social impact investment in terms of trends and patterns so as to the growth of social impact investment.
- vi. Engaging in strategic partnerships and networks in order to achieve holistic social change.

### ***The Place of Governments in the Equation: Vision 2030***

The role of governments in catalyzing high impact social investments can no longer be ignored. It is paramount for the leadership of the day to run with initiatives that bring about social development. In Kenya for instance, the Vision 2030 has had numerous engagements with Non-State Actors (NSAs) since its inception in 2003 in terms of project delivery as well as private-public partnerships. Vision 2030 is about doing business unusual and is made up of three pillars namely the political, social and economic pillars. The social and political pillars lean more towards the softer side of development, better known as social development. The social pillar aims at ensuring social justice and that policy reforms are beneficial to everyone while the political pillar aims at impacting leadership, overall attitude and behavioral changes in society. Vision 2030 seeks to enhance high impact social investments through project delivery, policy and institutional reforms as well as social transformation.

#### *i. Project delivery*

As a strategy the Secretariat has been engaging actors such as NGOs and CSOs to fill in resources as well as policy gaps when it comes to national projects. Social mobilization for the effective delivery of projects is also important as the projects are carried out within communities and there must be buy-in for the projects to be delivered as planned. The greatest challenge when it comes to social mobilization is how to harmonize communities to realize a common vision and to work together towards successful delivery of projects. The aspect of measurement of project progress is yet another key element that contributes towards successful project delivery. The Secretariat is keen on measuring what they are doing in light of what they initially set out to do.

#### *ii. Policy and Institutional Reforms*

Under this, the major issue was how to get NSAs to support the Vision 2030 Secretariat in reviewing and developing new policies as well as reforming institutions. Stakeholder participation has been very key and to this end discussions have been held with various stakeholders to enable the Secretariat to drive a policy reform for their projects. This has yielded in the development of a number of policies around project delivery, the most significant policy being the Second Vision 2030 Medium Term Plan which will be launched soon. It is noteworthy that CSOs, FBOs, CBOs as well as private sector made tangible inputs into the plan. Be that as it may, Action Research for reforms still remains unsupported to hence hampering institutional reforms from taking place.

#### *iii. Social Transformation*

The Vision 2030 Secretariat has partnered with FBOs, CBOs, CSOs throughout the delivery of their projects and visible results have been witnessed for instance since the construction of the Thika Super Highway, fruit and vegetable vendors have been able to get their produce to markets in places such as Nairobi in much less time. This has in turn improved their livelihoods as they have better access to markets for their produce. The projects

should not go against the value system of the community and leadership and integrity should be upheld to ensure that projects do not fail.

In closing it was agreed that political leadership has power to implement policies that will create an enabling environment for philanthropy organizations and corporates to co-exist and to influence change within the society. Good leadership and integrity is also very key in ensuring that an enabling environment is created for philanthropy to thrive and that there is credibility in terms of allocation of resources.

### **Unlocking East Africa's Potential through High Impact Social Investments**

High impact social investments can be enhanced through:

- i. Establishing deep and meaningful partnerships to increase the impact of social development initiatives. The Safaricom Foundation for instance in 2011 partnered with the KCB Foundation as well as media owners to come up with the Kenya for Kenyans Initiative which saw Kshs. 677 million raised in cash; 170 million raised through MPESA and Kshs. 300 million raised as contribution in kind.
- ii. Sustainability- Funds raised through the Kenyans for Kenya Initiative has now enabled the Safaricom Foundation to carry out integrated sustainable projects in Turkana, West Pokot, and Moyale among other areas. The communities in those areas can now grow vegetables and make life more sustainable.
- iii. Engaging communities and getting involved in community initiatives on an ongoing basis as opposed to giving hand outs. Increasing local community engagement was identified as one of the most effective means by which a company's funds and efforts can yield the greatest results while improving its reputation. Community participation will enable the community to drive and own initiatives and interventions for maximum impact in their lives. Institutions should run programmes that build on initiatives communities already have and work towards enhancing sustainability of such initiatives.
- iv. Engaging government for improved business and job creation. The private sector is currently engaging the government under the Kenya Private Sector Alliance (KEPSA). There is however need for CSOs to be brought on board so that they can work with the private sector as well as government.
- v. Initiation of dialogue by EAAG or through other channels between CSOs, philanthropy foundations and governments to take advantage of the current economic progression within the region and continent to ensure that the livelihoods of people in Africa are improved.
- vi. Building of strong and credible institutions that present viable models that promise social returns through social investments.

- vii. Creation of an enabling legislation and policy environment by governments in East Africa to allow business entities and CSOs to partner so as to ensure that social investments result in high impact or returns.
- viii. Employment of scientifically proven methodology for the assessment of value for money. Discussions are currently ongoing within the business fraternity on the value for money involved in investing in social development models.

## CORPORATE PHILANTHROPY AND CORPORATE SOCIAL RESPONSIBILITY

Social problems in any society are best solved through cross-sector partnerships and corporates are now striving to be part of the solution. Be that as it may, the question of what will create the shift from the traditional forms of philanthropy involving charitable contributions towards more strategic forms of philanthropy that leverage on unique corporate capabilities still lingers on. Corporate philanthropy attempts to create social good through giving. It involves giving of donations by corporates either in cash or kind to charitable causes and towards the improvement of their communities and society in general. The practice is quite similar to individual philanthropy except for the fact that a corporation, not an individual, donates funds, time, or expertise. As David Rockefeller however put it, most corporate giving is charitable in nature rather than philanthropic and at the end of the day corporates mostly give for their own benefit. Corporates majorly give as part of their corporate social responsibility leading to minimal or unsustainable impact.

Field Code Changed

The conference delegates engaged in dialogue on how corporates can make themselves relevant in the communities within which they exist while impacting such communities. Increased urbanization in Africa, coupled with the growing middle class and the emerging elite, presents a good opportunity for a new breed of philanthropy that can leverage corporate capabilities.

Africa is currently witnessing high return economic investment that should be characterized by a shift towards high impact social investment. The focus should be on the social benefit on the communities' end and the extent to which they are benefitting from the financial returns of corporate entities within their societies. Businesses should contribute towards social needs and the society's well-being since successful community projects reflect well upon businesses and in turn create an enabling environment for both business and philanthropy.

The delegates discussed how corporates are slowly adopting philanthropy in their businesses as they aid local civic causes in the hope of generating goodwill and bringing about change in the local community. It was agreed that rather than being tied to well-thought-out social or business objectives, the contributions are often made with the aim of improving overall reputation and, ultimately profit. Businesses are recognizing that they are part of a bigger society and have a part to play in social development. It was emphasized that corporates should shift to inclusive business which is geared towards improving social investment as opposed to business for profit.

Corporate philanthropy however exhibits the following key features:

- It is unsustainable
- There is limited follow-up
- It is predominantly focused on brand strengthening
- There is limited connection to the company's overall strategy

- It is often disconnected to the community's needs
- It is limited to social impact

Corporate philanthropy should aim at causing long-term impact on the lives of those it seeks to help. Companies generally do well by doing good thus implying that philanthropy and business/ profit-making are mutually exclusive. In a bid to achieve high impact social investments there is a need for corporates to rethink how they give while identifying the right philanthropic strategies for their businesses. Corporates should be more focused, organized and strategic in their giving for greater philanthropic effectiveness. Strategic philanthropy is one way through which giving with regards to business is carried out based on research, creative planning, careful execution, analysis of the results, and measurement of impact.

Strategic philanthropy connects corporates with not-for-profit organizations or causes such that the corporate works for the common good of the community, while receiving parallel benefits such as greater profits. It means thinking about the benefit to the business brought about by the philanthropic initiatives. This model has proven to be mutually beneficial for both the donor company and the non-profit and can therefore be replicated in East Africa. Compared to corporate philanthropy, strategic giving addresses important social and economic goals simultaneously. While aiming at giving strategically, corporates should:

- i. Build a relationship with the community
- ii. Ensure top leadership commitment
- iii. Work through strong partnerships
- iv. Manage risks and expectations
- v. Develop an exit strategy well in advance
- vi. Leverage technology

#### ***Engaging Communities: The case of Sun and Sand Beach Trust***

Businesses have always been involved with communities but unlike in the past they now need to demonstrate commitment to the wellbeing of society through constantly engaging the communities. The Sun and Sand Beach Trust, located in Kikambala village in Kilifi is an example of a social entrepreneurship model that purposes to engage the community to advance sustainable development. Since its inception, the Trust has carried out numerous projects that have changed the lives of people in Kikambala.

The Trust provides support to needy homes and schools through donation of items from the resort and from guest such as crockery, cutlery, linen, clothes, shoes and stationery. In a bid to enhance income generation for the community, the Sun and Sand Trust has a policy in place that allows local farmers to supply the Resort with fresh produce, dairy products,

fish and poultry. The presence of the Resort has also created job opportunities for the locals. The Resort is also a placement center for students studying tourism, whereby an internship program is in place therefore providing an opportunity for industrial and vocational training.

The Trust runs a scholarship program for needy students graduating from Kikambala Primary School and to date, more than 500 students have benefited from this program. The Trust also runs a nursery school with the aim of making early childhood education available and accessible to the community. To date over 600 children have successfully graduated from this facility and joined government primary schools. In addition, the Trust also runs a Community Health Centre, provides fresh, purified drinking water and has inaugurated a place of worship for the community.

The Sun and Sand Resort as well as Trust have been instrumental in the implementation of the Code of Conduct Against Child Sexual Exploitation as it was the first in Kenya to sign the code of conduct which protects the children against sexual exploitation. Stickers and posters condoning child sexual exploitation in French, Italian, German and English have been put up in all shops around the hotel, Sun and Sand Community Health Center, curio and retail shops and identified points of solicitation like lodgings, bars and discos as an initiative to reduce children's involvement in sex tourism.

In terms of eco-tourism development the Resort's organic waste is recycled by supplying these to the local farmers. The Resort has installed a boiler to produce steam to run the hotel's laundry and to heat water for the guest rooms, thereby eliminating 300 electric water heaters, which in turn reduced energy costs by approximately 30%. Energy saving devices have been installed in the rooms where once the client has left the room, the power is automatically shut off and energy saving bulbs are used as well. The Resort has also set up a garbage recycling program whereby plastics, bottles, paper are sent to manufacturers and a sewage water treatment plant has been installed and the water is recycled in the gardens. A tree planting policy is in place whereby VIPs/repeat guests are encouraged to plant or dedicate trees.

## TECHNOLOGY AND PHILANTHROPY

### Maximizing on New Media

*"Meanwhile, the same advances in technology that have enabled people to leverage their talents and money in so many other fields have given philanthropists a new sense of possibility. Sitting at home with their computers, givers now have the ability to go beyond traditional acts of generosity, such as contributing to their college or building a hospital wing, to effect real global and social breakthroughs—combining their generosity with the entrepreneurial spirit they've long cultivated."- Private Banking and Investment Group, November 2012*

Non-profit organizations constantly grapple with how contemporary media could benefit their causes, how their organizations can give feedback on their impact online as well as how they can use new media to strengthen and build new networks.

E-philanthropy is a fairly recent phenomenon that promises to enhance social development in East Africa as espoused below:<sup>6</sup>

*"The e-philanthropy revolution is here to stay, and it will transform charitable giving in as profound a way as technology is changing the commercial world. NGOs that have dismissed e-philanthropy or run from it in confusion, will, sooner or later, need to become reconciled to it. If they don't, they risk losing touch with donors and hurting the vitality of their work."*

Internet, mobile phones, mobile money and social networks are changing the fundraising and philanthropic landscape. Increased access to Internet, 3G, SMS and mobile money open up the tools for people to decide and donate to the causes that they want to support. Individual donations are now the largest component of philanthropy. Online Giving Marketplaces such as Globalgiving, DonorsChoose, and Give2India raise significant amounts of money. Following years of donor funding, aid agencies are now concerned with donor dependency and a lack of organizational sustainability.<sup>7</sup> Online Information hubs such as GuideStar and Charity Navigator play a key role in ensuring accountability and transparency.

Social technology has the potential to help spread the word about smaller, more community based organizations and projects. Mobile money penetration is growing rapidly in developing countries and provides a less expensive and easier way to donate funds. Online giving is important because of the following reasons:

- It is expected to track to the trends of online shopping and online banking.
- Consumers value the convenience and speed of online transactions.

<sup>6</sup> Chronicle of Philanthropy  
<sup>7</sup> USAID discussion series 2013



- Online giving is becoming donors' main avenue of choice at times of disaster.
- Reduce processing costs while increasing efficiency. Online giving is particularly cost-effective.

The Web offers an excellent opportunity to cast a wider net to better communicate with current donors and reach out to new ones. More specifically, the use of e-philanthropy has advantages such as:

- Attracting new donors at a much lower cost
- Reaching a more diverse group of people including diaspora
- Accessing money faster
- Building awareness on various causes and issues
- Convenience in terms of use
- Immediacy in the sense that it reduces time between decision to give and fulfillment
- Provides an avenue for faster feedback as donors require more engagement and interaction
- Instant gratification from the donor perspective
- Increased transparency and accountability
- Promotes social giving through wider social networks

Research has found that online givers are young and that the average age is 38, with men and women giving in equal numbers. Further that nearly all, approximately 96% of online donors reported having already donated offline. A significantly lower percentage of 62 % report having given online before and are therefore recurring givers. It has been stated that donors are not new to giving, but they tend to be new to giving online. It is noteworthy that in terms of giving patterns and trends, East Africa donors tend to turn to the internet at times of disaster.<sup>8</sup>

Currently, the online platforms that exist include direct website giving, portal giving, mobile giving, social giving as well as information hubs. The information hubs help in better understanding civil society in a country or region. It is through information hubs that online database of registered civil society organizations is shared, sector information with trend data is given and transparency of public information is enhanced.

---

<sup>8</sup> See for instance the Kenyans for Kenya Initiative.

## SOCIAL JUSTICE PHILANTHROPY

### Does it really matter?

Today, Africa is a zone of much contestation. On the one hand we are witnessing increased external investment and amazing economic growth and on the other hand we are faced with increasing inequality and decreased accountability by those in power. In this context, what are the issues most relevant to a progressive and sustainable social change and development agenda in East Africa? And what is the level of engagement of our philanthropic practice around those issues?

Led by three panelists with significant experience in grantmaking within East Africa, the participants spoke about the ideological basis for the social justice philanthropy agenda and the factors that currently limit understanding and practice of the same. They highlighted key issues that will initiate discussion towards an African narrative on social justice philanthropy, in a manner that would resonate with the realities of East Africa. As such, the session fulfilled the recommendations of a gathering in Johannesburg during October 2012, which called for deeper discussions and better communication on social justice philanthropy.

Social Justice Philanthropy seeks to restore balance and equity and there exists a conceptual link between justice and peace. The concerns for social justice philanthropy within East Africa vary between states and communities and certain issues and trends are significant for social justice across East Africa, as well as the Great Lakes and Horn of Africa regions. However, governance, poverty and humanitarian crises remain the major issues of concern.

Meaningful SJP requires understanding of the various dimensions of injustice, which can be attained through regular analysis and sharing of lessons. During previous conversations, the following issues have emerged as fundamental to improved communication and learning about SJP among philanthropists and grantmakers:

1. Analyzing the injustices that philanthropic organizations can address through grantmaking. These include:
  - The historical factors and circumstances that shape unjust realities
  - The forces that perpetuate injustice
2. Analyzing and understanding the effects of marginalization among, and within, groups and communities.
3. Understanding the institutional factors that entrench injustice. These include the structures, cultures and relationships that establish and sustain systems which are unfair.

4. Understanding power (how it is acquired, distributed and used) and the relationships between different stakeholders (for example, between private investors and local communities).
5. Identifying and understanding which groups in a society benefit from injustice and, therefore, are most likely to resist social change.

Two dimensions of giving that distinguish SJP from other forms of philanthropy were highlighted during this session as motive and results. SJP is more sensitive to the politics of unjust circumstances than other philanthropic responses. When working from the SJP perspective, grantmaking is motivated to identify and address the primary causes of injustice, and avoid actions that may obscure or sanitize injustice. SJP is directed towards results that can overturn an unjust *status quo*. Therefore, SJP will often work against the interests of those stakeholders who benefit from unjust circumstances, including state agencies and private businesses.

Participants at the session proposed some critical questions to guide further development of the narrative on SJP within the region.

- i. What kind of society do we want to have?
- ii. How can SJP contribute to this vision of a reformed society?
- iii. Should more philanthropy be directed towards sustainable businesses that address social justice?
- iv. How do we build effective and sustainable constituencies for SJP?

Most of the philanthropic organizations that are addressing issues of social justice in the region have a dual identity as both grantmakers and grant seekers. This situation is unlikely to change in the near future. As such, it is necessary to continuously question the sources of funding for SJP and the implications for the emerging narrative. Such reflection will ensure that the conversation within East Africa is not captured by organizations pursuing individual or external interests.

While attempting to grow and sustain the constituency for SJP in the region, philanthropic organizations should also invest in improving their practice. Four broad areas for improvement were highlighted as follows:

- i. Developing partnerships
- ii. Encouraging innovation
- iii. Tracking and measuring outcomes
- iv. Coordinating discourse and learning. Participants suggested the following ways in which EAAG can facilitate further discussions and learning on SJP.
- v. Strengthening local thinking about what makes philanthropy and, in particular, SJP work well.

- vi. Facilitating discourse aimed at identifying areas of convergence among the diverse stakeholders in SJP.
- vii. Undertaking research aimed at generating evidence of positive outcomes and innovation in philanthropy.
- viii. Going to the basics in terms of understanding of the various dimensions and causes of injustice

The session was concluded with a recommendation for EAAG to foster close connections with other philanthropic forums on the continent, such as the Africa Grantmakers Network and SA Philanthropy Forum.

## THE YOUTH AND PHILANTHROPY

**THE NEW GENERATION GIVERS: THEY ARE DETERMINED, DEMANDING AND INVOLVED!**

**Comment [MJ2]:** To be developed

## THE FUTURE OF PHILANTHROPY IN EAST AFRICA

It was apparent from the conference deliberations that business and social development can no longer be stand alones and the two must be intertwined for philanthropy to thrive. The following were emerging comments on issues that would form the way forward in philanthropy in the immediate future:

1. Creation of an online portal platform to enhance discussions and engagement between corporates and social development actors. The delegates were assured that EAAG has members that it has vetted hence taking care of credibility issues.
2. Maximizing on new media- The delegates were invited to join EAAG so as to partner around technology based giving that is proving more effective and causing greater impact. Tapping into new technology will make giving easier and bring donors closer to needy individuals and communities.
3. Leadership was emphasized as one of the ways in which proper implementation of initiatives can be achieved. It was noted that philanthropy actors must take leadership of organizations seriously so as to create strong partnerships between business and philanthropy for injecting economic growth. Such leadership should entail putting in place credibility and governance structures.
4. Enactment of favourable legislation was also singled out as a means through which philanthropy can flourish in the future. This would comprise of tax incentives to philanthropic organizations and philanthropists as well as corporates.
5. Stakeholders in the social development world should encourage continuous learning from various consultations and feedback. Fora for dialoguing on key issues around philanthropy should be organized at least once every quarter to ensure that discussions around emerging issues relevant to business and philanthropy are kept alive.
6. Delegates concurred that philanthropy organizations should be open to adopting business models in their operations to catalyze high impact social investment and to enhance sustainability.
7. EAAG should focus on getting membership that is proactive and keen to take on the progressive path of investments.
8. Philanthropy organizations should learn and borrow best practices from foundations that have sound systems in place to support business and philanthropy.
9. Delegates were urged to provide EAAG with information to enable them to profile organizations in terms of showing emerging trends as well as models in philanthropy.

## UNVEILING OF THE 2012 EAST AFRICA GIVING REPORT

The 2012 East Africa Giving Report was launched by Nicanor Sabula, CEO of the East Africa Association of Grantmakers. Compilation of the Report was necessitated by the information lacunae that existed in terms of monetary contributions made by philanthropy towards social development. The information that existed on the same was scanty and unstructured thus making analysis on the trends and patterns on local giving difficult hence the need to document the same in a Report.

The Report, prepared by EAAG, underscores the contribution of local philanthropy towards social change as well as builds a knowledge base for philanthropy in the region and global community. The Report details programme results emanating from EAAG's key areas of focus which include increasing knowledge and awareness on local giving, developing strategic alliances and building a vibrant network of members and grantmakers.

In terms of developing a vibrant network of members and Grantmakers, the Report highlights the entry of two new members bringing EAAG's membership to 28 corporate members. EAAG has also launched a peer learning session dubbed the 'Givers Lounge' which provides both a formal and informal platform for local Grantmakers to meet and discuss issues of common interest. The value of building alliances and networking in philanthropy cannot be overstated and EAAG has currently engaged in partnerships with the Arab Foundation Forum for instance in its quest for fresh ideas and experience in philanthropy.

Local giving is steadily increasing in East Africa though numerous factors still hamper individuals as well as organizations from giving effectively. The Report places emphasis on creation of an enabling environment through policy reform as well as promotion of organized philanthropy as some of the ways through which increased local giving can be more structured and systematic. The trends and patterns of giving among foundations and trusts in the region are also set out as a result of a survey carried out by EAAG. The summary survey findings detail amounts contributed, the sectors funded, major institutional beneficiaries and sources of funding.

Finally, a section of the Report is dedicated to the tributes given by some of the organizations that benefitted from EAAG programmes in 2012.

## SUMMARY OF CONFERENCE'S CRITICAL LEARNING AND ACTION POINTS

The Conference was not only been a learning hub for the participants but also a forum for sharing experiences and strategies on the best way forward in terms of creating social development models that are sustainable and responsive to the needs of various communities. Corporates were called upon to seek more to serve while philanthropic organizations were urged to 'think outside the box' in terms of creativity and innovativeness in the wake of changing times.

The key points of focus throughout the conference were:

1. **Sustainability** of philanthropic interventions has been singled out as one of the areas organizations in the social development sector need to focus on in a bid to address the issue of poverty in the East African region. Some of the proposals that have been advanced include: institutionalizing and organizing philanthropic efforts, creating/ strengthening the existing social development models to be respond better to social needs.
2. Creation of an **enabling environment** to propel philanthropy to greater heights through elements such as proper policies and legislation on giving as well as partnerships and networking.
3. Meaningful giving that clearly demonstrates **impact**. Scientifically proven methodology can employed to assess value for money and to measure impact.
4. Taking advantage of **IT and new media** for philanthropic purposes. New media has had tremendous impact on philanthropic interventions in the recent past and the different ways of giving include online giving, mobile giving, web portal, information hubs as well as combination of mobile, online and web portal giving.
5. Forging of strategic **partnerships and networks** to ensure that the impact of giving is greater. This will enable like-minded individuals to work towards achieving common goals in bringing lasting social change in East Africa.
6. Investing in further research, analysis and learning to ensure that philanthropy and **social justice philanthropy** do not become complicit in legitimizing or entrenching injustice.
7. **Community engagement and participation** to ensure that philanthropic interventions are owned at the local level. There is need to have strong grass root actors on the ground to sustain existing interventions. These interventions should be aimed at enhancing initiatives at the local level to discourage dependency. Communities have a wealth of resources which should be tapped into as they are engaged.



8. CSOs have often been credited with phenomenal changes in society but of late doubt has been cast on their credibility. It has been suggested that **CSOs require capacity building** around the areas of governance, financial sustainability, accountability, credibility as well as creating long-term institutions.
9. **Awareness creation** on social impact investment in the social development world as well as governments.
10. **Unlocking capital** that can be invested in social impact investment.
11. Effective **implementation** of projects and programmes. Philanthropy outfits need to apply 'wisdom' in implementation processes.
12. To create an enabling environment and create sustainability make it **conflict sensitive** as violence can reverse positive impact.
13. **Mapping out of key actors** in philanthropy for purposes of bringing them together.

In closing, delegates were urged to join EAAG so as engage more in terms of philanthropy. They were then invited to the 2013 East Africa Philanthropy Awards Gala Night Dinner that was aimed at recognizing and celebrating outstanding contributions of individuals and organizations to strategic social development and to the growth of philanthropy in East Africa.