

## Grantmaking and Philanthropy in Africa

Host: Ted Hart

Guest: Carol Tappenden – CAF America

**Announcer:** Welcome to the *CAF America Radio Network*, a production of the Charities Aid Foundation of America. As the leader in global giving, CAF America offers more than 20 years of experience and expertise to corporations, foundations, and individuals who wish to give internationally and with enhanced due diligence in the United States. Through its industry-leading grants management programs and philanthropic advisor services, CAF America helps donors amplify their impact. This show is dedicated to these donors and the charities they support. CAF America is uniquely positioned to serve as the bridge between these important partners and transforms vision into meaningful action. Guests on the *CAF America Radio Network* are leaders in their field who share tips for success and stories that inspire. Our host is Ted Hart, the CEO of the Charities Aid Foundation of America. This is a live call-in show. Add your voice by calling 914-338-0855. After the show, you can find all of our podcast at [cafamerica.org](http://cafamerica.org).

Don't forget to dial 914-338-0855. Now welcome the host of the *CAF America Radio Network*, Ted Hart.

**Ted Hart:** Welcome here to the latest edition of the *CAF America Radio Network*. Thank you for joining us today. Our topic today is grantmaking and philanthropy in Africa. A very important part of the world in one that CAF America brings particular expertise to the marketplace and with me today here on the non-profit coach is CAF America's advisor in chief if you will for Africa. Today is my pleasure to welcome Carol Tappenden here. She is a well-known development practitioner dedicated to working with organizations that channel sustainable resources towards the world's most pressing problems. She is from South Africa and now currently living here in the United States, bringing a great deal of expertise about this very important continent here to CAF America and for all of her donor clients who want to work and support important charities throughout Africa. Welcome here to the *CAF America Radio Network*, Carol Tappenden.

**Carol Tappenden:** Thank you so much, Ted. It's wonderful to be here with you.

**Ted:** Carol, thank you so much for joining us. Thank you for bringing the expertise that you and the advisors that you have helped us identify throughout the continent to CAF America because I think the interest in Africa is so large and it only continues to grow. What we wanted you in this program today as you know is to help our donor clients understand what is unique about Africa? What is unique about giving in Africa? Where are the challenges? How can CAF America help them feel more confident and impactful in this very important part of the world? Why don't we start off with sort of the overall state of philanthropic support to the African continent and what that looks like?

**Carol:** Ted, being an African myself I am so pleased to say that philanthropy is definitely growing on the continent. In the past, it was mostly the larger grant-making institutions and

government agencies working in Africa, we're really seeing a growing number of community-based projects, corporations and more and more a growing base of diaspora who is supporting their countries of origin. That's really helping to formalize philanthropy in Africa because it's demanding much higher levels of accountability and there's more reporting on outcomes and impact which is very important to us a philanthropic community of course. It's wonderful also to see that the philanthropic community is growing its understanding of the need for patience and iteration in development on the African continent, people aren't expecting unrealistic outcomes and development. In general, we're seeing that grantmakers are more willing to share their knowledge and experience and they're taking a much more collaborative approach which is very important if we're going to take a long-term view on development and social investing so that it has a lasting impact in Africa. I'm very excited to see growth.

**Ted:** I'm pleased to see growth as well. I think as we all know, Americans are particularly philanthropic and there are so many needs in Africa but it also brings with it some apprehension on the part of donors. Some of that may be historic in terms of how funds have been used in the past. What is changing? You mentioned that donors want to be more impactful. That there is a growth and understanding on the part of charities that they have to be accountable but is that universal and what concerns with donors have if they don't have good advisors in Africa?

**Carol:** I think there is sort of a lack of understanding on the ground. I think it's important that donors are able to find partners on the ground. If there's anything that we as philanthropists can learn from the private sector is the value of working with diligence providers like CAF America, for example. That's why our work with CAF America is so extra critical because we have an understanding of what development needs on the ground, we can find the right partners and that's sort of the most important thing. I think donors have sort of less experience of working on the ground in these regions. If anything I can say, we do understand that they have needs, they have a lack of knowledge and that we can certainly help with that.

**Ted:** It's not the same as giving anywhere else in the world? What makes it unique? What are the hurdles that advisors may be perhaps more needed in this part of the world or certainly as needed as in some other parts of the world that CAF America is able to assist with?

**Carol:** I think it's that there's less experience, that's probably what it is. There is more structure in growth making in the US and third world countries, there's longer experience in that. We've kind of-- I found especially with corporate giving in African countries and, for example, in South Africa where I'm from, as they've got closer to the ground, we have a better understanding of the needs, there are better relationships with non-profits, there's real poverty, there are language barriers, really different issues. The more we come to understand those the more we see other philanthropic agencies and corporations and intermediaries like CAF getting involved in those situations. The easier they have to address those problems and that's what we're coming to understand at the time is it's hard to address those problems, I think that's how we can be most helpful to donors.

**Ted:** Part of the expertise that you bring, Carol to the CAF America family in serving as our coordinator for advisors throughout the continent is helping identify people on the ground who can help with a whole host of challenges that donors will have as they give to the African continent. That may be language, cultural, regulatory, certainly visiting charities on the ground who may not have a cultural understanding of why questions are asked of their finances, why questions are asked for how funds are being used. How do advisors assist in that process? What do you look for and what can our donor clients count on from the advisors that you manage on behalf of CAF America?

**Carol:** This is a network of advisors, they represent about 42 countries in Africa now. They're specifically being identified because they complement the skills that CAF America provides. They share that our shared value efforts but also in our diligence processes. They themselves have been working with other credible donor agencies for very many years, many of them have worked elsewhere in the world. They have specific skills around impacting investment and we've undertaken our own due diligence on them through reference techs. We work closely with them and implementation to be sure that everything that we're implementing in Africa is relevant and most effective and also that they're working according to CAF America's own values and standards so that they are in fact custody intermediaries as we are to our donors and our social investors.

**Ted:** You mentioned that this is a broad network of advisors obviously bringing multiple skill sets to the table which are all meant to weave together a tapestry of advisors across the continent to help build that confidence that donor clients have with CAF America's ability to make sure that they can be strategic and philanthropic in their efforts on the continent. I wanted to turn your attention to a recent report that shows an upturn of the economy in several African countries such as Ghana with GDP rising 14% over a year. How does the impact of philanthropy grow with the trends that we're seeing in some of the countries in Africa?

**Carol:** Economic growth makes it such an amazing opportunity for strategic philanthropy. That means there are likely more jobs. There is a growing middle class. More and more Africans are supporting their own countries at home and the diaspora, in other words. Of course, there's still a lot of need by having Africans supporting their own initiatives is really good news for donors from other countries, because they want to hold them to be accountable and demonstrate a level of ownership.

I think that's the most important about what's changing on the African continent. It's this level of ownership and Africans supporting Africans. There is also a growing community of social entrepreneurs in Africa who are setting up businesses and businesses that would have social and environmental impact.

Ultimately, these social entrepreneurs would be looking for investment capital. Initially, they need grant funding. They need loans as seed capital. Philanthropy is such an amazing tool for innovating and incubating ideas and providing opportunities ultimately for these kinds of impact investors to help entrepreneurs to scale their project. Those are the kinds of trends we're starting to see on the continent as it's developing.

**Ted:** I think what you're sharing would be a surprise to some people which drives even more of the need to have trusted advisors that can assist throughout the continent. I think for most Americans who are used to seeing very needy Africans who may be without food and clothing and just really the deepest of needs.

What you're pointing out is, well, that still exists in Africa. That's still is there. The complexity of philanthropy and the use of philanthropy to really grow economies and grow communities has never been more complex than it is right now. Is that true?

**Carol:** That's absolutely true. I think there is still a need for philanthropy and helping with social causes. That old adage, "teach a man to fish". That's so true. It's so important to encourage entrepreneurship. Africans really are starting to want to take their own development into their own hands. It's very sophisticated what they're moving towards.

If we can see more collaboration between the philanthropic community and what is now becoming the investment community coming down into our social space, I really think we can start to see change. People are starting to take our partnership. With these tools, we can actually see the impact in the long term. We can learn so much from each other. We can learn in the philanthropic community, from the investment community and they can learn from the philanthropic community.

If we can collaborate directly with the social entrepreneurs and other entrepreneurs on the ground, we'll empower them. We give them what they need. We give our investors and our philanthropists a sense of comfort as they know there is responsibility been taken by these entrepreneurs on the ground. We are also able to use tools to measure that those things are really impacting, that those changes are really been made if funds are being used by the individuals.

Yes, you are right. It's growing and changing.

**Ted:** Yes. I was just going to say if there is anything that defines the CAF America donor client that we have. There is perhaps some other cohorts or donor clients, a very sophisticated group of corporations, foundations, and individuals who are actively supporting thousands of charities throughout the world.

They are specifically talking today about Africa and the sophisticated donor even more of a reason to focus on working with an organization that can help understand and help the donor sort out the complexity of a continent that now has widely varying degrees of successful economies, widely or varying degrees of successful communities. Part of the work that we do as an international grantmaking intermediary is a very high-level industry willing to do due diligence for charities and non-profits.

I was wondering if you could help our listeners today shed some light on how to conduct proper due diligence in some very high-risk countries in Africa and some countries that may not have the ability to perhaps be more innovative in the use of philanthropy.

**Carol:** As I said before, if there's anything we can learn from the private sector is the value of working with third-party diligence providers. Then it's finding the right partners on the ground which, of course, we have done especially ones which have a strong track record for implementation and oversight.

We need to be working with them. We need to be there with them. We need to trust if they know the context, if they know the people if they know the problem. If we can collaborate, that's really is going to mitigate quite a lot of the risk.

If we can find partners that have endorsement from other credible development institutions of which they are very many now. That have worked with development agencies. USAID, for example, is really a big one that's worked a lot in Africa. Those are good partners to work with. Reviewing impact reports of their past record is really important.

Speaking with donors and beneficiaries that have worked in the community before and really understanding their own situation, taking into consideration external risks, the political situation environment disasters.

Really, it's about the more research we can do, the more we can understand the context and the people and the right partners and set up a collaborative initiative, the more comfortable our donors and impact investors are going to be. That we've been able to assess and manage and mitigate their risks and implement really great measurement systems.

We have to enforce. We have to demand accountability and transparency by having really good solid reporting framework that are understood by our local partners that are created with our local partners if they buy into them and they prepare to help with verification on the ground.

Again, it's a lot about having trusting relationships with our partners. What's interesting Ted is at the same time while we spend a lot of time working to address our risk concerns, the African non-profits and local community members are often suspicious of our agendas.

They have their own concerns about our development designs and how they impact. Again, it's imperative that we work collaboratively with them, take into consideration their thoughts about design and their thoughts about measurement. That's very much the way in which we work.

**Ted:** Having these advisors throughout the continent allows CAF America to deliver to the donor client a more impactful, more transparent process. As you just outlined, where donors may have over several decades of involvement in Africa maybe perhaps sometimes come away fearing that things were not as transparent, being concerned about the use of their money.

You just shared that from the charity perspective, there's also has been over time a growth in mistrust of what are the agendas that are being brought forward with the funds that come in and are often times desperately needed.

In having an intermediary that can from the beginning as you said outline proper reporting and transparency, due diligence of the charity, and bring those together and reduce the level of insecurity in the use and the giving of the funds. Is that correct?

**Carol:** That's absolutely right. It's really critical. Collaboration, collaboration, collaboration. That's all I can say. Bringing the right partners. The level of trust needs to not only be between the donor, the intermediary and the charity. It needs to work from the bottom, up as well as from the top, down.

**Ted:** You, obviously, been African and you had mentioned how pleased you are to see this level of assistance available for donors.

Seeing it from both sides, seeing it from the funder's side and from the recipient's side, how valuable is it to have advisors that know the specific language, culture, regulation? Because when we think of Africa in particular terms this is not a homogeneous continent.

**Carol:** Yes, it's not. It's absolutely not. We are talking about multiple languages. We are talking about a variety of levels of development when I think of my own country where the DNA coefficient is so very high.

You have opulence and poverty at the extreme, a variety of cultures and languages as I said before. I think one really needs to understand the needs for these people on the ground.

Our experience has been that it's the most effective way to work. We will over time grow in our understanding of how to work in a more direct way. It's either way. We are a global world, but not enough yet. Each country in Africa has its own unique set of cultural language issues and its own set of issues as well. Poverty, of course, being the core one but yes.

**Ted:** I will say growing and developing an Advisor Network in the continent as vast and diverse as Africa takes time and takes focus.

**Carol:** That's right.

**Ted:** What are some of the countries? You mentioned squatters of countries that are part of the Advisor Network. Where did you focus and what kind of donor clients understand about what is offered through the CAF America African Advisor network?

**Carol:** Our focus has been to try to get as broad a reach as we possibly can. Of course, we're working in Southern and East Africa and some of the more traditional countries that people are used to working in. Kenya and South Africa are very common places to work. We also have representation in the East and the West where we are working even in Nigeria, in Ghana, in Rwanda is another place we're looking at and really trying to get a cross-continental representation. Again, as I said we've identified these intermediaries that have complementary skills.

They work in a variety of sectors. Some have more specific focuses or sectorial focuses, if you like, that are relevant to their own regions, which is, very important for us to remember is that in some areas they're going to have, for example, gender issues. They're going to be more core than in other areas. Again, that's a benefit of working with local advisors and understanding their understanding of those very specific local needs. They focus on a variety of problems. Everything from the need for education, food security, access to water and other kinds of facilities, health, HIV/AIDS diseases, orphans, housing, women empowerment.

It's everything that's at the core of poverty, really. Job creation for me is just one of the most critical things that they are focusing on and that we can actually support them in just in the long-term because, for me, that underlies everything there is about poverty. If we work collaboratively with these partners, with governments, companies, we can really actually start to see a longer-term goal strategy and not just let it be about providing band-aid solution. It's not that that's necessarily what we're doing but we want to avoid doing that.

**Ted:** Right. I think it's worth noting to our listeners that, what can you expect in terms of how these advisors will be engaged if you're looking to be philanthropic in Africa? It's not always the case that an advisor is a fund-center or has to make a visit to the charity or is actively engaged in the exact grant process. At least advisors help advise CAF America and help CAF America understand the sensitivity of where funds are being directed throughout the continent.

It could be a very overt direct involvement with the donor depending on what the donor's needs are. Or it could be very much behind the scenes in helping with the translation of documents and helping the staff here understand the regulatory or cultural issues.

**Carol:** Yes. That should be right. Everything as you mentioned, everything on the ground from helping a local nonprofit organization to complete an application form or go through some application process in English. We are right down to translation services to assisting us with specifics on design. It could be anything from very basic tasks to fairly complex tasks, ongoing measurement impact evaluation, that sort of thing. There're a variety of levels in which we'll work with these different organizations.

**Ted:** There's nothing like this anywhere available on the philanthropic community to have direct access to so many varied advisors throughout the African continent. Why would an organization like CAF America put so many resources into developing a relationship with someone like yourself in the Advisor Network that you have developed? What does that say about an organization like CAF America from your perspective as an African?

**Carol:** I am so impressed with CAF America [laughs] both as the development practitioner and as an African. I think that the fact that CAF is not providing a funds-down approach and not advising that to its donors and really looking at this kind of collaborative way of working, taking into consideration that people on the ground have voices that must be heard. That's well, there are risks, there are ways to get around these and to mitigate them is incredible. I'm very proud to be a part of that.

**Ted:** Well, we're proud to have you in what this opens up in terms of the capacity for any philanthropist in the United States who wants to be able to trust the process. Talk to us a little bit about the interaction that you have with the advisors and what they think of this in terms of their specific countries and their specific areas of expertise. How does this make America look to Africa?

**Carol:** Yes. I have to say that true diligence process and actually long were extended conversations with them over this past month. Almost every conversation has started with them saying, "Wow, I'm so impressed that you're doing this." I think they have somewhat been tainted if you like by what was the donor community working a little bit outside of these relationships.

The fact that we talk about doing strategic philanthropy that we have concerns about working collaboratively about longer-term thinking, about measurement, about working with advisors, about concerning ourselves with local context even at the level of needing translation services. They are truly impressed and very excited to be working with us on this. I'm very much excited.

**Ted:** Is that partly because the expectation and at least the experience from Africans looking to funders from the West if you will, that comes with, "We know what's best, we're coming to do this for you"? As opposed to the approach the CAF America provides to its donors to be collaborative, to be involved with the conversation with experts throughout the continent as opposed to having to have all those answers themselves.

**Carol:** I believe that's very much what it is. That's the way it's been is be great without being too disparaging. The great hope that comes from the West or the North or the more developed however you'd like to term it and has done a lot of good in the past. I think they have felt and it's even what we think in terms of them developing its entrepreneurs now. They want to be a part of creating their own solutions. Even if they didn't know before what their solutions might be and it's partly why the philanthropic community in the past has been more instructive about how those programs might be implemented. Now they want to be a part of that. CAF is really enabling them to do that. To have that voice.

**Ted:** Yes. We're just trying to provide a brief reminder to our listeners and then we'll come back and wrap-up the show.

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**Ted:** This is the CAF America Radio Network. My guest today is our African continent advisor coordinator Carol Tappenden. Carol, thank you for joining us today. For all of our listeners, if you have any interest in being philanthropic in Africa or anywhere around the globe, please call us with 703-549-8931 or feel free to email us at [info@cafamerica.org](mailto:info@cafamerica.org). Carol, thank you for being my guest today and the *CAF America Radio Network*.

**Carol:** Thanks so much for having me, Ted. It was great.

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