

Asia Pacific Philanthropy Consortium (APPC)

“Strengthening Philanthropy in the Asia Pacific: An Agenda for Action”

**July 16 - 17, 2001
Bali, Indonesia**

CONFERENCE REPORT

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1. INTRODUCTION: THE ASIA PACIFIC PHILANTHROPY CONSORTIUM

The Asia Pacific Philanthropy Consortium (APPC) is an informal network of like-minded organizations dedicated to promoting the flow and effectiveness of philanthropy in the region. We began formally at the end of 1994, after three earlier research conferences that took place in Bangkok (1989)¹, Seoul (1993)², and Osaka (1994)³. The Consortium is not a membership organization, but an informal network of grantmaking philanthropic institutions and organizations that support the growth and development of Asian grantmaking philanthropies.

The Consortium is governed by an 18-person Governing Council consisting of members from Australia, Bangladesh, China, Hong Kong, India, Indonesia, Japan, Korea, Pakistan, Philippines, Taiwan, Thailand, and the United States. The Consortium has received funding for its programs from private and corporate foundations in Australia, Japan, Korea, Taiwan, and the United States.

APPC's mission is to increase the quality and quantity of philanthropy within and to Asia by strengthening the institutional infrastructure and improving the operating environment for philanthropy and the nonprofit sector. To achieve its mission, APPC serves as a catalyst, convener, and network builder.

The Consortium's efforts have focused primarily at the level of policy development, human resource development, and increasing public understanding of the potential role of philanthropy in addressing significant national problems. More specifically, we have worked in four areas:

- < improving the legal and regulatory framework for philanthropy and the nonprofit sector by sponsoring research and advocacy efforts in several countries;
- < increasing public awareness of and support for philanthropy and the nonprofit sector by sponsoring an Internet-based information service, research, and conferences;
- < facilitating resource mobilization in and to Asia, by sponsoring research on resource mobilization strategies, training conducted by Philippine Business for Social Progress, Venture for Fundraising, and other partners in the region; and by conferencing and networking; and, finally,
- < contributing to the development of organizational and human resources for philanthropic institutions in the region.

1. Barnett Baron (ed), *Philanthropy and the Dynamics of Change in East and Southeast Asia* (New York: East Asian Institute, Columbia University, 1991).

2. Ku-Hyun Jung (ed), *Evolving Patterns of Asia Pacific Philanthropy* (Seoul: Institute of East and West Studies, Yonsei University, 1994).

3. Tadashi Yamamoto (ed), *Emerging Civil Society in the Asia Pacific Region* (Singapore: Institute of Southeast Asian Studies, 1995).

Strengthening Philanthropy in Asia Pacific: An Agenda for Action was the first in what APPC hopes will be a series of periodic conferences designed to identify philanthropic concerns and priorities at the national level, to link APPC's regional activities more closely to national-level concerns and priorities, and to serve as a forum to report the results of APPC programs. In preparation for the conference, members of the APPC Governing Council organized preparatory meetings in their countries. Preparatory meetings took place in Australia, Bangladesh, China, Hong Kong, India, Indonesia, Japan, Korea, Philippines, Taiwan, and Thailand. A summary paper was then produced synthesizing the main conclusions of each of the preparatory meetings. All of the country papers and the Summary Paper are available at the APPC website, www.asianphilanthropy.org.

The international conference *Strengthening Philanthropy in the Asia Pacific: An Agenda for Action*, sponsored by six foundations in the Asia Pacific and organized by the Asia Pacific Philanthropy Consortium (APPC), took place in Bali July 16-17, 2001. Like the preparatory meetings, it was organized around four themes: an overview of civil society development in each country; the current state of philanthropic development; innovations and best practice in philanthropy; and recommendations for future cooperation at the national and regional levels.

Ninety-three representatives of corporate and private foundations, intermediary organizations, leading nongovernmental organizations (NGOs), international development assistance agencies, and academic institutions focusing on civil society research in Asia, Australia, and the United States met in Bali to discuss the factors that affect contemporary philanthropy across Asia and to produce an actionable agenda. Among the most important sessions were those focusing on the next steps to be taken at the national and regional levels.

2. CURRENT ASSESSMENT AND FUTURE CHALLENGES OF CIVIL SOCIETY DEVELOPMENT

This session focused on the overall state of civil society development as background to the later discussions on philanthropic development. Presenters addressed three topics: NGO responses to the Asian economic crisis that began in mid-1997, the role of civil society in public affairs, and women's empowerment.

The first presentation, by Professor Jung Ku-Hyun of Yonsei University, Korea, reported on APPC-supported research on NGO responses to the economic crisis in Indonesia, Korea, and Thailand. The research focused on the impact of the crisis on three aspects of NGO operations: their programs, their finances, and on NGO-Government relations. In each of the three countries studied, the economic crisis highlighted the importance of NGO programs in such areas as employment counseling, job-creation, retraining, and addressing the specific impact on women and families. In all three countries, government support for NGOs increased dramatically in response to increased need, leading to increased public scrutiny of NGO management capacity, transparency and accountability. For the NGOs, increased government support also presented the challenge of accepting additional funding while preserving organizational autonomy. The report

also stressed the need for increased inter-sectoral cooperation between NGOs, Government, and the business sector.⁴

Dan Songco, National Coordinator of the Caucus of Development NGO Networks in the Philippines, described the critical and controversial role played by Philippine civil society in the ouster of former President Estrada and the transition to a new government. Songco described the role of civil society in public affairs as the “articulation of positive social values expressed through alternative delivery systems” for basic social services, creating models of empowerment and creative development approaches, and advocacy for reforms. He described the lessons learned from Philippine experience as recognition of the link between development efforts and advocacy; navigating the gaps between policy pronouncement, written policy, and policy enactment; and the need to manage conflicting interests within civil society. Questions were raised in the ensuing discussion about the proper relationship between NGOs taking on the role of “articulators” of public opinion versus the desirability of working through existing political structures, such as legislatures and political parties, and about the proper relationship between political and developmental objectives.

Zaim Saidi, Executive Director of the Public Interest and Advocacy Center, spoke about the political role of NGOs in Indonesia. The Indonesian NGO movement developed in response to the technocratic, top-down development approach taken by the government under the former regimes. Since 1998, NGOs have become a sizeable and highly dynamic component of Indonesian society, but no one has an accurate count of the number of NGOs or fully understands their main features. NGOs have not yet become a distinguishable social sector in Indonesia; they represent diverse social groups struggling in search of identity. According to Saidi, Indonesian NGOs need to address five fundamental issues as they seek to develop further: their political legitimacy, legal accountability, financial sustainability, professional competence, and social credibility.

Mashuda Khatun described the programs of Nari Uddug Kendra (Centre for Women’s Initiatives) in Bangladesh. After describing in general the work of women’s organizations in women’s development and empowerment, Ms. Khatun described in more detail the work of Nari Uddug Kendra in management and leadership training for women, introducing gender analysis and programs in rural high schools and colleges, and “mainstreaming” gender analysis in all development sectors.

⁴ Publication information on the report will be made available shortly on the website, www.asianphilanthropy.org.

3. THE PRESENT SITUATION OF PHILANTHROPY: “RECENT DEVELOPMENTS, FUTURE CHALLENGES”

Following the opening plenary session, the conference divided into breakout sessions on Northeast Asia, Southeast Asia, and South Asia. The breakout sessions were followed by a reporting session at which some common issues were presented, as summarized below.

Legal and Fiscal Framework for Philanthropy

There was general agreement that all across Asia the enabling environment for philanthropy needs to be improved, particularly in the provisions affecting registration and monitoring of nonprofit organizations and the need for more favorable tax incentives for philanthropic donations. Government procedures should be streamlined, with “one-stop service” wherever possible.⁵

Public Education

While philanthropy exists in many forms throughout the region, the public is not well informed about the definitions and potential importance of contemporary philanthropy. Responsible philanthropy consists of more than occasional charitable donations to relieve immediate problems. Philanthropy needs to be strategic in its approach, aiming to address underlying social problems with sustainable solutions. Citizens need to be better informed about their potential roles and opportunities in philanthropy, at whatever level of engagement may be possible, and that social development should not be left entirely in the hands of government. Nonprofit organizations should make more use of the Internet to conduct public education through their websites, and the media (e.g., newspapers, radio, and television) should be engaged as an ally. Examples were cited from Indonesia where, for example, favorable media coverage of NGO activities not only increased public understanding of the role of NGOs, but significantly increased fundraising for NGO programs.

Resource Mobilization

Resource mobilization is a major challenge facing philanthropic organizations and NGOs in Asia. Seeking grants from foundations, corporations, and governments is not the only approach to resource mobilization. Others include fundraising campaigns and events to raise funds from the general public, developing opportunities for earned income, more use of in-kind contributions and volunteers, and creating endowments. These are among the resource mobilization approaches being documented and studied in seven Asian countries through APPC’s research project, *Investing in Ourselves: Giving and Fundraising in Asia* (see below, page 11). Much more effort needs to be given to documenting and disseminating successes and

⁵ For a comprehensive review of the legal and regulatory frameworks governing nonprofit organizations in East and Southeast Asia, see Thomas Silk (ed), *Philanthropy and Law in Asia* (San Francisco: Jossey Bass, 1999); available for free downloading at www.asianphilanthropy.org.

failures in indigenous resource mobilization strategies in Asia. Participants shared information about fundraising training opportunities in Asia and the need to strengthen Asian institutions able to help Asian NGOs to further develop their resource mobilization strategies.⁶ Participants also noted that religious organizations successfully raise much larger amounts of charitable and philanthropic donations for both religious and social activities in Asia. NGOs may be able to benefit from studying the reasons and strategies that make religious organizations much more successful than development organizations in fundraising from the general public. Participants also considered the potential role of Asian immigrant populations living abroad as sources of support for philanthropic endeavors in Asia – “diaspora philanthropy.”

Capacity Building

The need to strengthen the organizational capacity of Asian NGOs and philanthropic organizations was discussed in depth. The discussion covered such issues as the need for management training, improved financial and accounting systems, staff training in substantive program areas, Board development, and fundraising training. Some participants noted that Asian NGOs are facing increased public pressure for transparency and accountability. In response, participants suggested the need for improved certification and assessment systems, wider dissemination of best practices, increased media attention to the contributions of NGOs (rather than a predominant focus on their failings), and the value of creating in-country and regional networks of training institutions.

Corporate Citizenship

Participants reflected a range of views on the role of corporations and corporate citizenship in Asia. A later session focused on corporate citizenship in Indonesia. Participants in this breakout session emphasized the need for better mutual understanding among corporations, NGOs, and philanthropic organizations of each others’ objectives and modes of operating. While NGOs typically look to corporations for cash contributions for NGO projects, many corporations view cash contributions to NGOs as only a small part of their corporate engagement and often prefer to work directly with communities through their own corporate programs. These programs may include the use of staff volunteers, in-kind contribution of corporate products, allowing communities to use corporate facilities as community centers, classrooms, and workshops, and the provision of technical expertise and services. While NGOs often see such corporate engagement as “self-interested,” corporations argue that their primary constituencies are their customers and their communities and that there are many legitimate expressions of good corporate citizenship. Some participants suggested that corporations can contribute to philanthropic development in Asia by “loaning” experienced corporate executives to NGOs and community organizations to bring management expertise to philanthropy. Other participants

⁶ Some of the fundraising training resources mentioned included programs by Venture for Fund Raising (Philippines), South Asian Fund Raising Group (India), Philippine Business for Social Progress (PBSP), Fundraising Institute – Australia Ltd., Resource Alliance (UK); Ashoka – Citizen Base Initiative (USA), Sampradaan Indian Centre for Philanthropy (India), Pakistan Centre for Philanthropy (Pakistan), and Aga Khan Foundation.

noted that even with good intentions, some corporations could benefit from training programs and wider sharing of experience.

4. INNOVATIONS IN PHILANTHROPY IN THE ASIA PACIFIC

Presenters in this plenary session addressed individual giving, corporate giving, and trends within the American foundation community.

Jaime Faustino, Chairman of Venture for Fund Raising, a Philippines nonprofit consulting firm, reported on the APPC regional research project “Investing in Ourselves: Giving and Fund Raising in Asia.” This regional project includes seven countries: Bangladesh, India, Indonesia, Nepal, Pakistan, Philippines, and Thailand. The project has two components: a series of case studies in each country to document successful efforts by Asian NGOs to raise funds through innovative methods other than seeking government contracts and grants from international aid agencies; and household surveys of charitable giving and volunteering in India, Indonesia, Philippines, and Thailand.⁷ Faustino noted that survey research from around the world demonstrates that individuals account for the greatest share of philanthropic giving, far more than foundations or corporations in most countries. In principle, therefore, individual giving could become an important source of program and endowment income for Asian NGOs. In addition, he suggested that success in individual giving is one of the most tangible measures of NGO effectiveness in constituency building, public information, and advocacy, since people are “voting” with their hard-earned money. APPC research in Asia indicates that individuals donate significant amounts to religious organizations but that giving to NGOs and other non-religious institutions is considerably lower. A major challenge for NGOs is therefore to understand why people give to religious organizations and whether there is anything NGOs can learn from this information. According to the surveys, people give because of a feeling of compassion, because it makes the giver feel good, and because they believe in the cause and the leadership of the organization. NGOs should reconsider if they are investing sufficient time and money to addressing these concerns in order to raise funds from individuals.

Moon Kook-Hyun, CEO of Yuhan-Kimberly in Korea, spoke about corporate giving in Korea. He reported that even with Korea’s recent economic difficulties, there are still many wealthy business leaders looking for causes and public issues to which they can lend their support. The Federation of Korean Industry has also created a “One Percent Club” whose members pledge to donate one percent of their earnings to worthy causes. Korean corporations currently devote five to ten percent of their budget to advertising. Moon argued that these funds could be spent much more effectively, including for philanthropic purposes. In Korea and elsewhere in Asia as well, a company’s overall image and reputation is much more important than the performance of its products. Increased corporate philanthropy can help enhance corporate reputations in Korea and elsewhere. In addition, corporations are often more creative

⁷ Project details and the resulting reports are available at www.asianphilanthropy.org or www.venture-asia.org.

than governments. Corporate philanthropy can sometimes serve as a model for larger government programs, as in the example of a corporate program to beautify school facilities in Korea. Corporations pioneered the new designs, but government then adopted those designs and contributed much larger budgets to improving school facilities.

Christopher Harris, Program Officer for Philanthropy at the Ford Foundation, described the size and scope of the American foundation community and addressed six emerging issues facing the philanthropic community in the U.S. According to Harris, these include the following:

- < threats to the legal and regulatory environment for philanthropy, including reduced capacity of the state to monitor foundations and proposed new restrictions on advocacy and for less favorable tax treatment of philanthropic organizations;
- < with the greatly increased number of new foundations in the US, maintaining high standards of accountability becomes a critical issue;
- < the growing number of new foundations and the exponential growth of foundation endowments will not necessarily translate into increased international grantmaking for Asia or other regions;
- < there is increasing debate in the U.S. over the role of faith-based philanthropy, especially questions related to who would be served and whether religious content may be legally included in tax-privileged programs;
- < the new “venture philanthropy” is receiving a great deal of attention, but some of its “innovative” approaches, such as the use of loans and close monitoring of performance, have been practiced in traditional philanthropy for many years “as program related investments.” Moreover, the amount of money in venture philanthropy is relatively small for the attention it gets. On the other hand, venture philanthropy brings new players to the field and it is important to keep them engaged; and
- < increased and perhaps excessive attention to new philanthropic forms and processes, with less attention paid to the purposes and objectives of philanthropy. More emphasis has been given recently to innovative forms of donor services, rather than to the more fundamental question of the philanthropic goals and objectives of these vastly increased resources.

The breakout sessions following the plenary addressed some of the issues raised by the three panelists. Participants in the breakout session on individual giving acknowledged that traditional forms of philanthropy throughout Asia had rested primarily in individual donors, large and small, but that individual philanthropy in Asia was traditionally focused on religious and local community needs. Whether these self-identified practicing “philanthropists” might also be interested in contributing to broader social and developmental causes remained to be seen. It was also noted that Asian NGOs generally overlooked local individuals as potential sources of

financial support, and that effective fundraising from individuals would require significant changes in approach from that used with international donor agencies and professionally-staffed foundations. Successful fundraising from individuals would require NGOs to devote more attention to public education, to changing popular attitudes about the respective roles and responsibilities of the state and its individual citizens, and to the practical issues of NGO accountability, transparency, and effectiveness. There was considerable interest in the growing phenomenon of diaspora philanthropy, particularly the prospect of obtaining support from wealthy expatriates living in the United States and Europe.

Participants in the breakout session on corporate engagement focused on the need to better understand corporate motivations and approaches to community engagement, to ensure community participation in the design of projects, and on the value of informed local intermediary organizations to help communities and corporations design and implement effective projects. The breakout session on private foundations discussed ways to help foreign foundations identify good projects and deserving grantees, on the burdens imposed by diverse reporting requirements and financial accounting systems, the required use of the English language, which limits the ability of small organizations to participate in international philanthropy, and on ways to promote donor-community dialogue.

Luncheon Panel on “Corporate Philanthropy Partnership Development in Indonesia”

Representatives from five Indonesian corporate foundations participated in the panel discussion: Rio Tinto Foundation, Dharma Bhakti Astra Foundation, Friends of Aqua Foundation, Citibank, N.A., and Matsushita Gobel Education Foundation. These five constitute a cross section of the Indonesian corporate sector. Dharma Bhakti Astra Foundation and Matsushita Gobel Education Foundation were established by companies started by Indonesian nationals and later became joint ventures with Japanese companies, Toyota and Matsushita, respectively. The Aqua Group was founded by an Indonesian national and later entered into a strategic alliance with the French Danone Group. Citibank and Rio Tinto are subsidiaries of multinational companies.

The basic objective of each of these corporate programs was described as supporting the sustainability of various aspects of development. Rio Tinto supports sustainability by building the capacity of local communities. Friends of Aqua supports the sustainability of natural resources. Citibank supports the sustainability of human talent. Astra supports the sustainability of the national economy by encouraging small and medium enterprises, and Matsushita Gobel supports the sustainability of the nation’s welfare by educating workers and leaders in developing industry for economic growth.

The discussion following the panel presentation addressed such issues as how to balance corporate and community interests; how to balance corporate philanthropy and shareholder value; and how to create effective corporate-community partnerships.

5. SETTING THE STAGE FOR REGIONAL COOPERATION IN PHILANTHROPY

The final conference session consisted of two parts: brief presentations on past and current APPC programs, followed by an open discussion on options for future programming. The presentations on APPC's previous efforts provided analytical discussions of APPC's rationale for its past activities, i.e., what it had hoped to accomplish and the strategies it pursued to achieve those objectives. In this manner, the discussion was designed to provide a basis for analyzing whether the context for those past efforts has changed, necessitating adjustments in APPC's future agenda and strategies.

Improving the Legal, Regulatory, and Fiscal Framework for Philanthropy and the Nonprofit Sector

Barnett Baron, Executive Vice President of The Asia Foundation, reported on APPC's past efforts to help improve the enabling environment for philanthropy in Asia, the centerpiece of which was the 1999 publication of *Philanthropy and Law in Asia*, edited by Thomas Silk and published by Jossey-Bass.⁸ The goals of *Philanthropy and Law in Asia* were threefold: 1) to establish for the very first time some baseline information on the state of nonprofit-related law and its practice in ten Asia Pacific societies⁹; 2) to create local constituencies interested in these issues and potentially interested in advocating for legal reform; and 3) to lay the groundwork for informed advocacy of improvements in the nonprofit legal environment in each society.

Through this project, APPC discovered that the area of nonprofit regulation is full of legal and political complexities, involving traditions of state dominance and bureaucratic discretion, as well as powerful vested interests in various sectors of society. Compounding these complexities are divisions in the NGO community itself, over whether or not explicit laws and regulations are indeed desirable.

At the same time, the enabling environment for nonprofits and philanthropy is constantly changing, making it extremely difficult for a traditional research project like *Philanthropy and Law in Asia* to keep up with events – the book was inevitably out-of-date by the time it was published. APPC's accomplishment was to introduce two dozen new scholars in the field and to generate informed legal advocacy efforts, but it may be that organizations such as the International Center for Nonprofit Law, which maintains an online database, are much better suited to publicize information in this area.

⁸ A limited number of bound copies of *Philanthropy and Law in Asia* are available without charge from The Asia Foundation. In addition, the entire book, or individual chapters, can be downloaded without charge from the APPC website, www.asianphilanthropy.org.

⁹ Australia, China, Indonesia, Japan, Korea, Philippines, Singapore, Taiwan, Thailand, and Vietnam. A parallel study is planned for South Asia, covering Bangladesh, India, Nepal, Pakistan, and Sri Lanka.

Finally, a crucial lesson from APPC's past effort in promoting a better legal and regulatory framework for nonprofits and philanthropy is that such a framework by itself is not enough to generate more philanthropy. For example, better tax laws will not automatically result in increased contributions, and charitable giving is not anywhere near the maximum amount of deductibility in countries where such laws do exist. More important than simply the existence of enabling laws is whether the public understands the role of the nonprofit sector and believes it is something worth contributing to. At the level of policy makers and administration, political will to share control over determining what is in the public interest and what is of public benefit is also necessary. The enabling environment makes philanthropy and nonprofit activity possible, but it does not cause them to happen.

Increasing Public Awareness and Support for Philanthropy and the Nonprofit Sector

Mark Lyons, Director of the Centre for Australian Community Organizations and Management at the University of Technology, Sydney, reported on the Asia Pacific Philanthropy Information Network (APPIN), which grew out of the APPC Information Centre at Yonsei University. As part of the APPC Information Centre project, APPC helped set up information-gathering centers, resulting in a network of research partners in those countries. APPIN (www.asianphilanthropy.org) both evolved from and built upon that initial network. APPIN's basic premise has been that publicizing the dimensions of philanthropy and the extent of the nonprofit sector in the region will actually help enhance the preparedness of people to give, thereby enhancing philanthropy. Information collected and publicized by APPIN shows the public that philanthropy can help support a wide range of activities, in diverse fields such as social services, health, arts and culture, and sport and recreation, as well as development.¹⁰

Furthermore, the establishment of a research network was envisioned in order to help embed interest in nonprofit and philanthropic sector research in the region. To this end, APPIN has not only established a network of researchers contributing directly to the website, but has also encouraged a wider network of researchers through the organization of third sector research conferences in Bangkok in 1999 and in Osaka in 2001. The network is also promoted through a database of researchers on the website.

A project like APPIN is not a one-off cost, however, and APPC must deal with the commitment required to maintain and expand the content and reach of APPIN.

Facilitating Resource Mobilization In and To Asia

Jaime Faustino, Chairman of Venture for Fund Raising (Philippines), discussed APPC's innovative 18-month NGO Resource Mobilization project, "Investing in Ourselves: Giving and Fund Raising in Asia." The project has three main components and goals. First, by

¹⁰ Information on 8 countries is currently available on the APPIN site and research will soon be added on Indonesia, India, Bangladesh, Malaysia, and Vietnam. Also available are links to other resources for more in-depth information.

documenting replicable, country-specific cases of successful fundraising in seven countries, the project shows that NGO development in Asia can be supported by a variety of sources of income and revenue, such as individuals, volunteers, earned income, or overseas sources. Second, through household surveys in India, Indonesia, the Philippines, and Thailand, the project provides, for the first time, a sense of the scope and dimensions of the individual giving market in these countries. This has not only provided a better sense of the magnitude of giving in these countries, but also the motivations for giving, the proportion of giving to organizations vs. individuals, and the most effective ways of fundraising. Third, the project includes a financial management training module, to help CEOs and Executive Directors of nonprofits look at their organizations from a financial management perspective, not simply an accounting perspective. The results of the project will be available in early 2002 in both hard copy and online.

Moreover, representing a unique partnership between 4 donors with very different contracting mechanisms -- the ADB, a multilateral donor agency, Nippon Foundation and Asia Foundation, both private foundations, and USAID, a bilateral donor agency -- the project's structure itself has demonstrated the potential of innovative philanthropic partnerships.

Development of Organizational and Human Resources for Philanthropy

Eugene Caccam, Philippine Business for Social Progress (PBSP), reviewed APPC's past program in supporting the development of human resources for philanthropy, which was part of APPC's mandate to increase the capacity of organizations to be effective recipients of philanthropic funds and support. The project ran on two tracks: direct training of nonprofit staff in areas such as board development, nonprofit governance, and fundraising; and development of nonprofit training centers in Indonesia and Thailand. Important lessons from the project included the following: 1) fundraising and board management courses, which were modeled on similar programs in the United States, needed to be indigenized in order to make them relevant to Asian realities; 2) mechanisms for follow-up and post-training support were important for the training to be successful; and 3) further development of similar training courses required continued evaluation of new trends and realities. For the nonprofit organizations that participated in the training, benefits included greater awareness of the resources available from philanthropic organizations; the concepts of effective governance, transparency, and sustainability; and the need for trust and confidence among groups that support nonprofit organizations.

Finally, Tadashi Yamamoto discussed APPC's outreach activities, which was defined as contacts, resources, and relationships facilitated and promoted by APPC in carrying out its mandate of increasing quality and quantity of philanthropy. Two examples of such activities were JCIE's project on corporate-NGO partnerships, which included a book of case studies and a conference, and JCIE's conferences on human security. Both projects benefited from the wider network provided by APPC, which brought in diverse participants and facilitated JCIE's collaboration with other like-minded organizations. In this manner, APPC has played a catalytic role in relationship-building in the field of nonprofit and philanthropic sector development, bringing together different partners in support of shared goals.

6. AGENDA FOR ACTION

The discussion of possible future program directions was introduced by two presentations. Peter Geithner, currently advisor to the Asia Center at Harvard University and formerly Director for Asia at the Ford Foundation, provided an overview of the development of civil society in Asia. According to Geithner, major changes have taken place during the past decade that have greatly expanded the roles and opportunities for civil society in Asia. These changes include a dramatic reduction the role of government, a dramatic increase in the role of business, and a parallel increase in the size, scope, significance, and sophistication of the nonprofit sector. There is also a growing realization that no one sector has all the resources needed to cope with the needs of today's societies and that collaboration among government, business and the nonprofit sector has become a practical necessity. Geithner noted that the expansion of the nonprofit sector brought with it greater scrutiny from other parts of society, and a growing gap between increased demand for NGO services and limited availability of financial and human resources. He urged greater attention to the need to develop sustainable indigenous support for Asian nonprofit organizations, and commended APPC efforts and the discussion at this conference to reach out beyond traditional constituencies to individuals, faith-based philanthropies, and Asian diaspora communities as potential sources of sustainable support.

Pissmai Khanobdee, Government Relations Manager of the Shell Companies in Thailand, concluded this part of the session by summarizing some of the main needs identified in earlier sessions by conference participants, including the development of philanthropic organizations and human resources; internships for exchange of staff and experiences; increased accountability and transparency of NGOs; facilitation of national-level conferences, seminars, and workshops on philanthropy and increased cooperation and collaboration at the sub-regional and international levels; the need to develop benchmarks and disseminate best practices; the need for criteria and benchmarks for NGO assessment; increased engagement with the mass media; efforts to promote increased corporate philanthropy; and the facilitation of multi-sectoral collaboration.

Finally, the discussion of APPC's future agenda was opened up to the conference participants for comments and suggestions. Although a large number of specific recommendations were offered by conference participants, they generally fell within APPC's current program categories, described above. Legal and regulatory issues, resource mobilization training, organizational development, increased outreach to the media for both fundraising and public education purposes, forging closer relationships with other international organizations sharing similar goals, and fostering corporate citizenship were the main agenda items offered. Three areas new to APPC's agenda were also suggested and will be taken up in APPC's developing workplan beginning next year:

- < APPC household surveys in India, Indonesia, Philippines, and Thailand (referred to above) and participants at the Bali conference noted that religious organizations across Asia successfully raise much larger amounts of charitable and philanthropic donations

than development-oriented NGOs. It was suggested, therefore, that development-oriented NGOs may be able to benefit from studying the reasons and strategies that make religious organizations much more successful than development organizations in fundraising from the general public. It may be that these are simply separate charitable “markets,” but it may also be the case that NGOs would benefit from focusing more of their attention on public education and on addressing issues of accountability, transparency and effective leadership to make themselves more attractive to relatively generous local communities that give to others but not to them.

- < The internal governance of philanthropic organizations and other nonprofits in Asia also received some attention from conference participants, particularly the issues of accountability and transparency. There are wide variations in the practice of nonprofit governance across Asia, and the widely-touted governance models drawn from the United States may not be appropriate in the varied cultural and political contexts of Asia. Yet as increased public attention to nonprofit organizations also calls forth increased attention to how they are governed, to whom they are accountable, how they manage funds raised from the public and from donor organizations, and how they make decisions, the character and quality of their internal governance becomes increasingly important.
- < Participants also considered the potential role of Asian immigrant populations living abroad as sources of support for philanthropic endeavors in Asia – “diaspora philanthropy.” Various initiatives have recently been launched to solicit and manage charitable contributions from diaspora populations living in Europe and the United States, raising many new issues, including technical and legal issues involved in cross-border philanthropy, the absence of uniform standards of certification governing organizations located in many countries that are attempting to solicit funds in the U.S., the absence of uniform standards of due diligence required to be applied to potential grantees in Asia, the limited availability of oversight mechanisms to govern international financial transactions, and the absence of agreed standards for donor reporting and stewardship.

APPC believes that all three of these “new” issues would benefit from increased comparative research, documentation of best practice, policy dialogue, and public discussion. In addition, APPC will continue to explore ways to promote corporate engagement in Asia, although we are still trying to identify our comparative advantages and niche. With the recent addition of two corporate CEOs to the Governing Council, we hope to identify over the coming year areas in which we can make a distinct contribution.

APPC also faces a number of organizational challenges as we move forward. Our own internal governance was improved by expanding what we now call the Governing Council from its original six members to eighteen, representing thirteen countries and territories. The Council is self-selected and self-perpetuating, meaning that it is not formally accountable to any other body. In practical terms, the Council is keenly aware of its need to develop more regular and

sustained links to philanthropic discussions, activities, and perhaps organizations at the country-level across Asia. Those linkages may eventually result in new mechanisms for the selection and rotation of Governing Council members.

The nature of APPC's internal governance is directly related to its origin as an informal network of researchers and practitioners committed to strengthening indigenous philanthropy in Asia. APPC is not an incorporated entity; The Asia Foundation currently serves as its financial agent and is legally accountable for the receipt and management of funds raised on behalf of APPC. As APPC explores the feasibility of legal incorporation in Asia, including assessing whether its mandate and programs are sufficiently distinct from other regional entities to warrant separate incorporation, issues of internal governance, its relationship and value-added to in-country activities, and its potential financial sustainability will need to be very closely examined.

Conference Program

July 15, Sunday

2:00 - 8:00 Registration in the secretariat room and pick up conference packet

July 16, Monday

9:00 - 10:00 Opening Session

Welcoming Remarks by Noke Kiroyan, Rio Tinto Indonesia, PT

Opening Remarks by Barnett F. Baron, The Asia Foundation

Reporting of the Conference Background Paper:

“Overview: Recent Developments and Future Challenges for Philanthropy in Asia”

Maria Aurora F. Tolentino, Ayala Foundation, Inc.

10:00 - 12:00 Session I

Current Assessment and Future Challenges of Civil Society Development

Chair: Barnett F. Baron, The Asia Foundation

10:00 - 10:45 Presentation

1. Report of Research on NGO Responses to the Asian Economic Crisis
Ku-Hyun Jung, Yonsei University
2. Nonprofit Sector in Public Affairs
Danilo A. Songco, Caucus of Development NGO Networks (CODE-NGO)
Zaim Saidi, Public Interest Research and Advocacy Center (PIRAC)
3. Civil Society and Women’s Empowerment
Mashuda Khatun, Nari Uddug Kendra (Centre for Women’s Initiatives)

10:45 - 11:00 Break

11:00 - 12:00 Discussion

12:00 - 1:30 Lunch

2:00 - 5:15 Session II

Broad Analysis of the Present Situation of Philanthropy:
“Recent Developments, Future Challenges”

2:00 - 4:00 Breakout Sessions on Country-Specific Issues

A. Northeast Asia:

Chair: Darwin Chen, United Way International
China, Hong Kong, Japan, Korea, Taiwan

B. Southeast Asia:

Chair: Juree Vichit-Vadakan, National Institute for Development Administration
Indonesia, Philippines, Thailand, Australia

C. South Asia:

Chair: Iftekhar Zaman, Bangladesh Freedom Foundation
Bangladesh, India, Pakistan

4:00 - 4:15 Break

4:15 - 5:15 Plenary Session to Report Back
Chair: Maria Aurora F. Tolentino, Ayala Foundation, Inc.

6:30 - 8:00 Informal Networking Dinner

July 17, Tuesday

9:00 - 12:00 Session III

Innovations in Philanthropy in the Asia Pacific

9:00 - 10:00 Plenary Panel Discussion
Chair: Paiboon Wattanasiritham, Community Organizations Development
Institute

1. Individuals
Jaime Faustino, Venture for Fund Raising
2. Corporate
Kook-Hyun Moon, Yuhan-Kimberly, Ltd.

3. Other Private Donors and Organizations
Christopher Harris, The Ford Foundation

10:00 - 10:15 Break

10:15 - 12:00 Breakout Sessions

- A. Individuals
Chair: JureeVichit-Vadakan, National Institute for Development Administration
- B. Corporate
Chair: Pissmai Khanobdee, Shell Company of Thailand, Ltd.
- C. Other Private Donors and Organizations
Chair: Suzanne Siskel, The Ford Foundation

12:00 - 2:00 Lunch

Panel Discussion: “Corporate Philanthropy Partnership Development in Indonesia”

Chair: Noke Kiroyan, Rio Tinto Indonesia, PT

Panelists: Taufiq Ommar Malik, Rio Tinto Foundation
Soepardi, Dharma Bhakti Astra Foundation
Eka Budianta, Friends of Aqua Foundation
Ditta Amahorseya, Citibank, N.A.
Yanti Anwar, Matsushita Gobel Education Foundation

2:15 - 5:15 Session IV

Agenda for Future Regional Cooperation in Philanthropy:

Assessment of the Past Accomplishments and Future Actions of APPC

Chair: Tadashi Yamamoto, Japan Center for International Exchange

2:15 - 3:00 Report on the Past Accomplishments

1. Improving the Legal, Regulatory, and Fiscal Framework for Philanthropy and the Nonprofit Sector
Barnett F. Baron, The Asia Foundation
2. Increasing Public Awareness of and Support for Philanthropy and the Nonprofit Sector
 - 1) Asia Pacific Philanthropy Information Network
Mark Lyons, University of Technology, Sydney
 - 2) Institution Building and Improving Public Awareness

Tadashi Yamamoto, Japan Center for International Exchange

3. Facilitating Resource Mobilization in and to Asia
NGO Resource Mobilization Project: Investing in Ourselves: Giving and Fund Raising in Asia
Jaime Faustino, Venture for Fund Raising
4. Development of Organizational and Human Resources for Philanthropy
Eugenio M. Caccam, Jr., Philippine Business for Social Progress

3:00 - 3:15 Break

3:15 - 5:15 Future Agenda: Objectives of APPC and Next Steps

Opening Remarks:

Peter F. Geithner, Harvard University
Pissmai Khanobdee, Shell Company of Thailand, Ltd.

5:15 - 5:30 Closing

Barnett F. Baron, The Asia Foundation
Maria Aurora F. Tolentino, Ayala Foundation, Inc.

6:30 - 8:00 Concluding Dinner with Balinese dance performance

List of Participants

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