Trust Gap

The Troubling Lack of Direct, Flexible Funding for Human Rights in the Global South and East





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Key Findings

Year after year, Human Rights Funders Network (HRFN) and our partners have documented marked differences in the number. size, and type of foundation grants that human rights activists and institutions in different regions receive.¹ Organizations based in the Global North² control the vast majority of human rights grant dollars and largely determine the geographies, issues, and communities that are prioritized and funded to undertake human rights actions around the world. Our findings show that limited funding is reaching communities leading change in the Global South and East despite strong evidence that "self-led organizing," or social justice action led by affected communities themselves, generates longer-lasting and more relevant change.

¹ We conduct our <u>Advancing Human Rights</u> research in partnership with Candid, Ariadne-European Funders for Social Change and Human Rights, and Prospera International Network of Women's Funds. ² For this analysis, the Global North includes Western Europe, Australia, Canada, Japan, New Zealand, and the United States and the Global South and East includes all other countries. We recognize that these terms are not perfect, that people use different terms to define groups and geographies (e.g. "global majority," "majority world"), and that this language is often shaped through the same unequal power dynamics that our research works to bring to light. At HRFN we are considering whether and how to adjust the terminology we use. ³ We use the terms "flexible" and "unrestricted" interchangeably in this report to reflect grants that give recipients discretion over how to use the funding. This includes grants that foundations describe as general support, general operating, general mission, unrestricted charitable contribution, discretionary, and similar terms.

Who has access to and control over funding (including flexible funding that gives recipients discretion over how to best use it) has serious repercussions for human rights movements globally.³ In this report, we explore what we call the "trust gap"—significant regional disparities in human rights funding for groups in the Global South and East versus those in the Global North.

We find:

1. Foundations in the Global North control 99% of global human rights funding and award 88% of that funding to organizations based in the Global North. The remaining 12% of grant dollars go to groups in the Global South and East.

2. Of the human rights funding earmarked for each region, the proportion that directly reaches recipients in the Global North is significantly higher than the proportion that directly reaches recipients in the Global South and East. Only 1% of grant dollars that benefit the Global North go to organizations outside the beneficiary regions. In contrast, 36% of grant dollars that benefit the Global South and East go to organizations outside the beneficiary regions. For example, 40% of the funding meant to benefit the Middle East and North Africa goes to organizations in other regions.

3. Bias and power inform the scale, flexibility, and directness of grants. Many in the field have documented the ways race, gender, and other forms of power inform implicit and explicit ideas about who can be trusted to receive grants—particularly direct, sizable, and flexible funding. Our findings affirm that there is a trust gap in philanthropy in how funding flows on a global scale that exceeds what would be explained by laws and regulations alone.

4. Two thirds of the funding from Global North foundations to benefit the Global South and East that is not granted directly to the beneficiary regions instead goes to Global North-based INGOs and NGOs. Some of this funding is used for advocacy within the Global North that impacts the Global South and East, but much of it is used for projects that are very specific to Global South and East contexts.

5. Large grants are rarely directly reaching organizations in the Global South and East that are leading change in their own contexts. When funding initiatives to benefit the Global South and East, foundations typically give smaller grants to organizations based in the beneficiary regions than to those outside these regions. For example, direct grants to recipients in Asia and the Pacific or Latin America and the Caribbean are more than three times smaller than the grants organizations outside these regions receive to work there.

6. Organizations in the Global South and East have considerably less access to flexible funding. A third of the grant dollars for human rights initiatives focused on North America are awarded to recipients in North America as flexible support, which gives grantees autonomy to decide how to best use the funding to achieve their missions. In comparison, just one in 10 grant dollars for Eastern Europe and Central Asia is granted directly to in-region recipients as flexible support.

7. Local and regional foundations in the Global South and East play an essential role in supporting community-grounded movements. Despite controlling only 1% of global human rights funding, these foundations provide crucial expertise and infrastructure to support grassroots activism and advocacy. Nearly all of their funding stays in the Global South and East, directly benefiting the communities they serve.

8. Women's funds are at the forefront of direct and flexible grantmaking to organizations in the Global South and East. 92% of Global North women's funds fund organizations in the Global South and East directly and half of their direct funding is flexible. This is more than any other type of funder. Among funders based in the Global South and East, women's funds also provide more flexible funding than any other funder type.

9. Our field will not change if we don't address bias, shift power, and close the trust gap in philanthropy. There is hope. A growing number of funders and movements are working to redefine funding relationships through participatory grantmaking, movement-led funds, and direct and flexible funding models. Still others are looking at the systemic change needed to truly grapple with the legacy of wealth, inequality, and power that underpins philanthropy. It is only through this kind of reflection, coordination, and action that we can build a funding ecosystem that centers trust and shifts power to frontline organizations and movements. ■



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Introduction

For more than a decade, Human Rights Funders Network and its partners have mapped the landscape of global funding for human rights. Year after year, we have documented marked differences in the funding that human rights activists and institutions can access based on where they are located.

In this report, we ask questions that echo concerns raised by funders and movements alike: Do these differences signify a gap in trust underlying global funding for human rights? If so, what does this mean for movements, institutions, and funders working to advance justice around the world? What needs to shift in philanthropy—from power dynamics to daily practices—to create true equity in the distribution of funding? We see two concerning trends:

1. Organizations in the Global South and East have considerably less access to funding, including flexible funding.

2. A significant portion of the funding meant to benefit the Global South and East is indirect, provided to or through organizations predominantly based in the Global North.

In the pages ahead, we explore what we call the "trust gap"—significant disparities in funding directed to groups in the Global South and East versus those in the Global North. We also look at different kinds of funding models for inspiration and vision.

In this report, we ask questions that echo concerns raised by funders and movements alike: Do the differences in funding signify a gap in trust underlying global funding for human rights?

How much human rights funding goes to groups outside the beneficiary regions?



Context Setting

A trust gap in philanthropy can manifest in a variety of ways, such as withholding funding, micromanaging activities, or imposing strict reporting requirements. In this report, we focus on what we can measure through the grants data we collect. This includes which organizations receive grants to lead change in their own contexts and how much flexibility they have in determining how to use the funding.

Our most recent <u>Advancing Human Rights</u> analysis shows that almost a quarter of human rights grant dollars are indirect funding: The grants are awarded to recipients based somewhere other than the region the funding is intended to serve. Only 1% of grant dollars that benefit the Global North go to organizations outside the beneficiary regions. In contrast, 36% of grant dollars that benefit the Global South and East go to organizations outside the beneficiary regions.

At the same time, groups in the Global South and East are significantly less likely to have access to flexible funding than groups, for example, in North America. A third of the grant dollars for human rights initiatives to benefit North America are awarded directly to recipients in North America as flexible support. In comparison, roughly one in eight grant dollars to benefit people in Asia and the Pacific, and one in 10 grant dollars for Eastern Europe and Central Asia, is granted directly to groups based in these regions as flexible support.

The result? Very limited funding-including flexible funding-is reaching communities leading change in the Global South and East despite research that shows that self-led organizing generates longer-lasting and more relevant change, and that unrestricted funding strengthens organizations and impacts.^(A) This scarcity of funding also affects the philanthropic infrastructure in the Global South and East as many local and regional foundations struggle to secure the resources they need to fully support and sustain local activists and movements. These substantial and persistent regional disparities in who has access to and control over funding have serious repercussions for human rights movements globally, which require resources to sustain and expand their work.

A bare minimum standard should be that two thirds of human rights funding is granted to those in the region-if not the country-that is meant to benefit from the grants and that a preponderance of the funding is flexible. That is simply not happening.

Movements, funders, and networks (including HRFN) have advocated for years for more direct and unrestricted support for the people, organizations, and communities at the forefront of social justice struggles. A bare minimum standard should be that two thirds of human rights funding is granted to those in the region-if not the country-that is meant to benefit from the grants and that a preponderance of the funding is flexible. That is simply not happening.

Our annual funding analyses have signaled a warning. Now, in this report, we take a deeper dive into the funding flows and their implications. We ask why funders restrict rather than open up resources, where funding goes when it isn't granted to groups in the regions the

funding is meant to benefit, and who philanthropy may be failing to reach. The data point to a trust gap in which both structural forces (legal regulations, financial systems) and embedded practices reinforce assumptions of competence and merit. To put it plainly: We are concerned that bias and power shape field-wide philanthropic culture and structures and determine who is trusted, listened to, and funded.

As always, our goal is to provide evidence to inform funding practices and strengthen resourcing for human rights movements around the world. ■

We are concerned that bias and power shape field-wide philanthropic culture and structures and determine who is trusted, listened to, and funded.

By Funder Type

A Note on Funder Types

The 761 funders in our research include private foundations, public foundations, and donor collaboratives. We use the terms "funders" and "foundations" interchangeably to refer to them.

Private foundations receive most of their funding from a single individual, family, or business. They represent almost three quarters of the funders in our analysis (74%) and account for more than four out of five human rights grant dollars (83%). The largest share of private funding, by far, comes from **independent and family foundations** (80% of all funding), followed by **corporate foundations** (3%), and then **operating foundations** (0.2%).

Public foundations are public charities that generally rely on financial support from private foundations, corporations, governments, and the general public. They account for roughly a quarter of the funders in our analysis (26%) and almost one in five human rights grant dollars (17%). We have added the subcategories women's funds and community philanthropies to differentiate from public foundations in general.

For women's funds, we have followed this definition: "Women's funds are public foundations that aim to support and fund women-led solutions to the root causes of social injustice."^(B) To code for this category, we have included all members of Prospera International Network of Women's Funds and foundations that explicitly identify as feminist funds. We use the term "community" philanthropies" to describe any public foundation that focuses on a defined geographic area to address community needs and is not a women's fund. We recognize that many women's funds are community philanthropies, but have opted to differentiate to explore nuances in funding.

Donor collaboratives are the third funder type in our analysis though, with just two funds represented, this source comprises a very small proportion of the funding (0.1%).⁴ As a mechanism for donor collaboration that has gained traction in recent years—and has been shown to facilitate connections between funders and communities, and emphasize equity and justice^(C)—we expect this area to grow in our research.

Solidarity Funders and Activist Funds

Across the funder types noted above, we have coded for what we are calling "solidarity funders" and "activist funds." Throughout the analysis, we note where these types of funders present models of direct funding to frontline activists and movements.

Solidarity Funders. Solidarity funders represent foundations in the Global North that directly support human rights actions in the Global South and East. The term "solidarity" here specifically refers to solidarity across borders. To be considered a solidarity funder, Global North foundations must make five or more grants annually to benefit the Global South and East and grant at least 75% of their Global South and East funding directly to recipients in the beneficiary regions.

Activist Funds. We recognize that there are also funds that self-identify as "activist funds" that are created by local actors, grounded in social movements, have a unique perspective of where philanthropy is not reaching, and develop local funding structures in response. A number of women's funds and community philanthropies would fall into this category. So would many (though not all) funders based in the Global South and East. While we do not have enough information about all of the foundations in our analysis to comprehensively identify activist funds, we feel it is important to name them here.

⁴ Grants from the Climate Justice Resilience Fund and Red Umbrella Fund are included in this analysis.

The Larger Funding Ecosystem

Our research provides a high-level view of the funding ecosystem, from foundations making one-time human rights grants to those with explicit social justice missions.⁵ We believe that this fuller picture helps us understand the broader landscape of support for human rights work and where there could be opportunities to improve grantmaking practices and mobilize additional funding. Within this landscape, we know from HRFN's members that there are promising models for trust-based global philanthropy, which we highlight through examples in this report.

As described on page 11, we separate funder types into three categories: private foundations, public foundations, and donor collaboratives. We recognize that there are many other funding mechanisms, including donor advised funds, grants made by individuals, loans, and more. However, based on the scope of our data, we have identified categories that generally capture the breadth of foundations included in our analysis.

Examining the funding landscape, we see that indirect funding can take many forms, from vital regranting, to diverting resources from local organizing or self-led movements, to many points in between. For example, women's funds (including the members of Prospera), solidarity funders (like Global Greengrants and the Disability Rights Fund), and activist funds (such as Casa Socio-Environmental Fund) serve as vital conduits to regrant monies to movements and in-region activism. In other cases, funding goes to large international organizations like Human **Rights Watch or Amnesty International that** have offices and staff in many countries. In still other instances, grants are awarded to

organizations with limited ties to local contexts that are nonetheless implementing programs there. In this report, we try to disentangle these types of indirect funding.

We must also look at larger economic flows to locate the power asymmetry within philanthropy. Regional differences in forms of funding occur against the backdrop of the extreme wealth disparity that is also evident in the human rights funding landscape.

- 99% of human rights funding from foundations is granted by funders in the Global North. 88% of that funding (\$3.7 billion) goes to recipients in the Global North and 12% (\$495 million) goes to recipients in the Global South and East.⁶
- 1% of human rights funding from foundations is granted by funders in the Global South and East. Nearly 100% of that funding (\$45 million) remains in the Global South and East and less than 1% (\$151,000) goes to recipients in the Global North.

This imbalance of wealth means that most grant dollars are controlled by funders in the Global North and that much of the funding remains there.

⁵ Human rights grants promote structural change to ensure the protection and enjoyment of the rights enshrined in the <u>Universal</u> <u>Declaration of Human Rights</u> and subsequent human rights treaties. Our data set includes grants from 761 foundations that funded at least one human rights grant in 2019. Almost a quarter of these foundations are members of HRFN or peer donor networks Ariadne or Prospera.

⁶ 355 grants totaling \$14 million, which account for less than 1% of this funding, do not specify a recipient location.

The Global Disparity in Human Rights Funding Flows (2019)

\$ from the Global North ● \$ from the Global South & East



Human Rights Funders Network

The Trust Gap

Finally, we place questions of the trust gap within the regulatory legal frameworks and practical systems of making grants. We know domestic regulations may make it more cumbersome or impossible for foundations to give internationally and make unrestricted foreign grants.^{7(D)} On the flip side, governments are increasingly restricting or prohibiting local groups from receiving foreign funds as a tactic of control, as seen in India's strict rules on foreign aid and Russia's "foreign agents" law.^(E) These restrictions are unquestionably a factor in disparities in direct or flexible funding. However, the scale and scope of the gap far exceeds what should be explained by these factors alone. Indeed, there are foundations-including many HRFN members-that prioritize and carry out grantmaking that delivers direct and unrestricted support to locally-based groups.^(F)■

Overview

Introduction

Funding the Familiar: Holding onto Power

In recent years there have been many vital critiques of the philanthropic sector: that it is overwhelmingly white; that it reinforces colonial structures; that it exacerbates inequalities.^(G) Even among foundations that work globally or have diverse staff, foundation leaders remain largely white.⁸ With money and decision-making held in boardrooms and legal headquarters, regulatory frameworks and the organizational cultures that set norms and shape

⁷ For example, U.S. foundations must ensure their funding is restricted to an agreed upon charitable purpose or evaluate whether intended foreign grantees are the equivalent of public charities. Foundations in France, Germany, and Belgium face restrictions under tax laws when they fund foreign organizations.
⁸ According to a <u>2022 survey</u> by the Council on Foundations of over

⁸ According to a <u>2022 survey</u> by the Council on Foundations of over 1,000 U.S. foundations, people of color account for 31% of full-time foundation staff but just 14% of foundation CEOs. A <u>2017 survey</u> of 111 U.S. foundations by BoardSource found that 85% of foundation board members are white. Though there are fewer accessible statistics for European philanthropy, advocates point to a <u>continued lack</u> <u>of diversity</u> within European foundations. grantmaking practices are often based in Global North contexts.

We are deliberate about using the term "trust gap." In the data presented in this report, we see a gulf in who is trusted to manage money—and at what scale—that far exceeds what would be explained by laws and regulations alone. We recognize, too, that regulatory systems were forged to limit liability and protect funds held largely in the Global North. Restrictions on who can be funded already create a starting point that privileges large, well-established institutions such as international non-governmental organizations (INGOs) over locally-led organizations or those not based in the same or similar legal systems.

There are many signs—in who is funded and how—that bias, power, and assumptions of who can be trusted to lead social change profoundly shape global philanthropy today. While many individual grantmakers and foundation leaders bring a strong sense of justice to their work, the data suggest that field wide, we continue to privilege groups that speak professionalized language (often in English-only proposals), reflect institutional structures familiar to funders based in the Global North, and—most troublingly—embody issues and come from communities that are the least different from the people making the grants.

There are many signs—in who is funded and how—that bias, power, and assumptions of who can be trusted to lead social change profoundly shape global philanthropy today.



Recipients of Grants to Benefit Africa (2010 to 2019)*

A range of research has looked across the field of philanthropy at interwoven factors that reflect and drive bias. Studies in the United States have shown that proposals from male or white applicants are more likely to secure funding, and that women's groups and organizations led by people of color receive fewer and smaller grants.^(H) Black women leaders receive less financial support than either Black men or white women.⁽¹⁾ In a 2015 article, the National Committee for Responsive Philanthropy concluded that bias sits at the center of findings like these and more: "Implicit bias in philanthropy affects not just which groups get funded but also who sits on the boards of philanthropic organizations (mostly white males), how grantmaking foundations set priorities, how decisions are made, who makes those decisions and even who gets hired."(J)

The African Philanthropy Forum and Bridgespan Group explore these trends on a more global scale in their recent analysis about giving to Africa. They maintain that "bias...

drives a lack of trust in local leaders and their organizations" and their data back up this assertion.^(K) Between 2010 and 2019. just 14% of large grants from international funders for work in Africa went to African NGOs while 58% went to INGOs.^(L) The remaining 28% of the grants went to the public sector (20%) and other recipients (8%). In their words, "This distinct preference for funding INGOs has implications beyond statistics and funding flows. It feeds into a negative self-reinforcing mechanism that African NGOs are somehow less capable, less trustworthy, and less accountable than their international counterparts."

At the center of the trust gap, we see precisely this question of *who is considered* capable, trustworthy, and accountable. In their open letter to philanthropy, the Black Feminist Fund stresses what is at stake if philanthropy doesn't act to trust and fund Black feminist organizers. As they put it, "It's time to fund Black feminist movements like we want them to win."

Introduction Overview The Trust Gap By Funder Type By Recipient Type Call to Action About

Our own research suggests that Global North foundations aren't directly funding the people whose lives look the most different from their own. The tone and scale of philanthropy's response in Ukraine-in comparison to crises in Africa or the Middle East-are a case in point.^(M) As one humanitarian aid worker observed of the disparate levels of support, "Those of us who work in the field of humanitarian aid are hoping that people will have a much broader view of human suffering. Our care and concern shouldn't just be for people who look like us or whose skin is the same as ours."^(N) Sadly, if grant dollars are any proxy, philanthropy's care and concern declines abruptly at many borders.

As the demographics we've described about the field of philanthropy suggest, those setting foundation priorities and making decisions are often the furthest from communities experiencing the most oppression. This raises uncomfortable and necessary questions about the role of bias based on race, region, and other intersecting forms of identity in philanthropy at large.

We are not the first to name this. However, with this report we bring evidence to underscore these funding trends and uplift the voices of our many partners, advisors, and members, who for many years have called on philanthropy to center movements, to reckon with its roots in unequal wealth distribution and colonialism, and to understand the ways that power shows up in funding decisions.

With this report we bring evidence to underscore these funding trends and uplift the voices of our many partners, advisors, and members, who for many years have called on philanthropy to center movements, to reckon with its roots in unequal wealth distribution and colonialism, and to understand the ways that power shows up in funding decisions.

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This does not mean that the Global South and East does not have a robust philanthropic history. It does-shining through a growing field of activist and feminist funds that are trailblazing new forms for power and resourcing based on creativity, Global South and East-based visions, and movement-grounded funding practices. These models build on centuries of solidarity and mutual aid, autonomous resourcing by and for movements, and long-standing organizing to recapture money, labor, and other resources extracted over centuries of co-Ionialism. We honor this legacy and work to redefine whose resourcing counts, even as we attempt to lay bare the current flow of grant dollars.

Human Rights Funders Network

South and East

We continue to work to expand the representation of Global South and East-based foundations in our data set to build a more comprehensive picture of the global funding landscape. At the same time, other mappings of philanthropy underscore the considerable imbalance of resourcing and power that means that philanthropy as traditionally defined— as foundation dollars, in particular has been concentrated in the Global North.

A Note on Philanthropy in the Global

The Trust Gap Overview



Human Rights Funding Overview

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Our Research at a Glance

How to read this map

- Global North
- Global South & East
- Number of foundations

North America

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The vast majority of human rights funders in our research are located in the Global North.* This disparity reflects both the challenge of accessing global data and an entrenched history of inequality in the field, where wealth and philanthropic spending are concentrated in the Global North.

Latin America & Caribbean

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* In our research, the Global North includes Western Europe, Australia, Canada, Japan, New Zealand, and the United States, and the Global South and East includes all other countries.

<u>Overview</u>

The Trust Gap By F

Human Rights Funding Overview

Each year HRFN and Candid map foundation support for human rights initiatives globally by collecting and analyzing grants data.⁹ In our <u>latest analysis</u>, based on 2019 funding, we reviewed roughly 170,000 grants and identified almost 27,000 with a human rights focus. These human rights grants were made by 761 foundations located in 51 countries and totaled approximately \$4.1 billion.¹⁰

⁹ Our <u>Advancing Human Rights</u> research is the single most comprehensive analysis of where human rights funding goes and how it is used. It is led by HRFN and Candid, in partnership with Ariadne and Prospera.

¹⁰ This figure excludes 340 grants totaling \$104 million that were awarded by foundations to other foundations included in the 2019 data set. Generally, these awards were made to support regranting programs or build the capacity of the recipient foundations. We removed these grants to avoid double counting of grant dollars. The breadth of our data helps us to contextualize human rights funding within the broader philanthropic landscape. The takeaway? Global funding to advance human rights is growing but still scarce. We estimate that somewhere between 2% and 8% of global foundation giving, in general, supports human rights-related initiatives.¹¹

¹¹ Our most conservative estimate—looking solely within <u>Candid's</u> <u>Foundation 1000 data set</u> for human rights grants versus non-human rights grants—places funding for human rights at 8%. The lowest estimate (2%) comes from comparing all of the human rights grants we found in our research (\$4.1 billion) to Harvard University's <u>Global</u> <u>Philanthropy Report</u> estimate that global foundation expenditures exceed \$150 billion annually.



Foundation funding to support human rights in North America is two and a half times greater than foundation funding to support human rights in all other regions of the world combined.



Distribution of Human Rights Funding by Beneficiary Region (2019)*

* These figures are based on 24,630 human rights grants totaling \$3.6 billion that specify the countries or regions meant to benefit from the funding. They include regranting.

* Human Rights grants generally benefit people in a specific country or region. However, because grants that focus on multiple regions do not specify how much money goes where, the full value of these grants is counted in the totals for each region. In 2019, 249 grants totaling \$66 million named two or more regions. These figures are lower than in our <u>annual report</u> (page 20) because in this analysis we have combined Latin America and the Caribbean. Human rights grants where the beneficiary region is missing, or reported as global or "developing countries," are not reflected in these figures. This includes 2,278 grants totaling \$630 million.

* These figures are slightly higher than those in our <u>annual report</u> (pages 21-22) because we have included 340 grants totaling \$104 million that were awarded by foundations to other foundations in the 2019 data set. We generally remove these grants in our analysis to avoid the risk of double counting of grant dollars. However, in this instance we believe it is helpful to include them to reflect every grant that is earmarked for a specific location.

Overview The Trust Gap

By Funder Type

Funding by Region

Our findings indicate that there are considerable disparities in which regions benefit from human rights funding and which do not.¹² As you can see on the previous page, over 60% of the \$4.1 billion human rights grant dollars we have mapped support initiatives focused on North America.¹³ This is in part because the majority of the funders in our data set (85%) are based in the United States, and reflects the challenges in accessing global data. However, it also reflects an entrenched history of inequality in the field, where wealth and philanthropic spending is concentrated in the Global North.¹⁴ In our analysis, foundation funding to support human rights in North America is two and a half times greater than foundation funding to support human rights in all other regions of the world combined.

This is not to suggest that human rights work in North America is overfunded. People in all regions of the world need more resources to do the critical work of social change. Instead, we are making this comparison to underscore the many contexts where resourcing for human rights appears to be significantly lacking and additional investment may have considerable impact. ■

Funding by Population Size

The regional disparities are even more acute when we consider the distribution of wealth based on population size. Four out of five human rights grant dollars are earmarked for work to benefit people in the Global North, home to just 12% of the world's population. The remaining fifth of the funding is intended to address human rights concerns in the rest of the world, where approximately nine out of 10 people live. Again, this is not to say that the level of human rights funding in the Global North is high: It averages just \$3 per person per year. Yet, when we compare that to the paltry amount of funding to protect and promote human rights in the rest of the world, the imbalance is stark.

¹⁴ In Harvard University's <u>Global Philanthropy Report</u>, researchers estimate that foundation assets globally exceed \$1.5 trillion and are heavily concentrated in the United States (60%) and Europe (37%).

This is not to suggest that human rights work in North America is overfunded. People in all regions of the world need more resources to do the critical work of social change.

Introduction **Ove**

 ¹² In our analysis, we focus on regions rather than countries. We recognize that there may also be imbalances in who receives and controls funding within regions that we are failing to capture.
¹³ In our analysis, North America includes Canada and the United States. We include Mexico in the category Latin America and the Caribbean.

Distribution of Human Rights Funding by Population Size (2019)*

Region 🔵 Global North 🛑 Global South & East



* These figures are based on 24,630 human rights grants totaling \$3.6 billion that specify the countries or regions meant to benefit from the funding. They include regranting. The funding percentages do not add up to 100% because grants may benefit multiple regions.

* We used the World Bank's 2021 population data to calculate population totals for each country.



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The Trust Gap

Access to Direct Funding

Knowing the volume of human rights funding that has been allocated for each region is important as we consider human rights needs and opportunities globally. It is also critical to understand how much of that funding actually reaches people based in each region to design and lead locally-rooted responses. These are not idle questions: Who has access to and control over these resources has significant implications for social justice movements and their outcomes around the world.

Two of the <u>six core principles</u> of human rights philanthropy are:

1. Power sharing and shifting; and

2. Centering local movements and self-led organizing.

Funders challenge inequitable power structures when they resource those whose rights are under attack to build and exercise their own power. Community-grounded movements must lead in developing human rights responses not only because we want to shift power, but because it is strategic: They know their contexts and possibilities for change better than anyone else. As the international women's fund Mama Cash has observed, "[S]upporting self-led activism catalyses change effectively because activists know from personal experience what needs to change and have a deep stake in securing social transformation."⁽⁰⁾

Yet, our findings show that the proportion of human rights funding directly reaching organizations in the Global North is very different than in the Global South and East. For grants focused on the Global North, 99% of the funding is awarded to recipients based in the regions the grants are intended to benefit, also known as the "beneficiary regions." In sharp contrast, of grants to benefit the Global South and East, just 64% of the funding is granted to recipients based in the beneficiary regions. The other 36% of the funding goes to organizations outside these regions to do work impacting them. This sizable imbalance suggests that there is more than philanthropic practice at play in who receives funding for human rights initiatives.

The regional comparison of funding flows, displayed in the chart on page 30, is particularly telling. Consider that 91% of the human rights funding meant to benefit people in Western Europe and 100% of the funding for North America is granted to groups based in those regions. In contrast, organizations based in Eastern Europe and Central Asia receive 72% of the grant dollars meant to benefit their region. The other 28% of the funding goes to organizations based elsewhere to do work that impacts people in Eastern Europe and Central Asia. Our snapshot on page 31 of philanthropy's response to the humanitarian crisis in Ukraine illustrates this imbalance. Similarly, recipients based in the Middle East and North Africa (MENA) receive 60% of the funding for human rights work in their region. The remaining 40% is granted to organizations based outside of MENA that will either regrant the funding or implement their own initiatives there.¹⁵

The upshot? Almost every grant dollar for North America and Western Europe reaches North America and Western Europe. In contrast, between 28% and 40% of the grant dollars for every other region of the world go to people elsewhere to decide how to use and manage them.

We are by no means saying that human rights funding should only be granted to people based in the beneficiary regions. There are many parts to a strategic and effective funding ecosystem to advance human rights globally-including actors working at local, national, regional, and international levels -and they all require deliberate, sustained support. Yet, the enormous regional disparities we see in which groups are entrusted to design and lead human rights interventions call into question funders' approaches at best, and biases at worst. When does indirect funding signify a matter of legal or administrative limitations and when does it indicate a gap in trust?

Almost every grant dollar for North America and Western Europe reaches North America and Western Europe. In contrast, between 28% and 40% of the grant dollars for every other region of the world go to people elsewhere to decide how to use and manage them.

¹⁵ One factor in the regional disparities we see is related to the geographic breadth of the grants. Some grants focus on one world region while others may focus on two, three, or more. For example, almost all of the funding for North America (99%) focuses solely on North America. In comparison, just 89% of the funding to benefit people in Eastern Europe and Central Asia and 71% of the funding to benefit MENA focuses exclusively on these regions. However, as this report goes on to show, this alone does not account for the considerable regional differences in who receives funding.

Disparities in the Percentage of Direct Human Rights Funding and Grants by Beneficiary Region (2019)*

The proportion granted to in-region recipients • Grant • Grants



* The funding totals are based on 24,491 human rights grants totaling \$3.6 billion that specify the countries or regions meant to benefit from the funding and include recipient locations. They include regranting.

* The totals for direct funding to Sub-Saharan Africa differ from those in our <u>annual report</u> (page 24) because the programming we used in our 2018 and 2019 analyses erroneously excluded grants to recipients based in three countries when calculating direct funding for Sub-Saharan Africa. Several other figures differ slightly from those in our annual report because we have included 340 grants totaling \$104 million that were awarded by foundations to other foundations in the 2019 data set. We generally remove these grants to avoid the risk of double counting of grant dollars. However, in this instance, we believe it is helpful to include them to reflect every grant that is earmarked for a specific location. How much of the philanthropic funding in response to the crisis in Ukraine goes to groups based in Ukraine?



Country Snapshot: Ukraine

In May 2023, HRFN published an <u>analysis</u> of philanthropy's response to the humanitarian crisis stemming from Russia's invasion of Ukraine. At the time, foundations and private individuals had donated approximately \$1.6 billion, according to a <u>database</u> compiled by Candid, and <u>broken records</u> in philanthropic giving.

Research on funding for crises in general suggests that <u>less than 2%</u> of humanitarian funding goes directly to locally-based organizations, despite their deep ties to communities and the essential role they play in delivering faster, less costly, more culturally-grounded interventions.^(P) The crisis in Ukraine is no exception. We found that just 11% of philanthropic funding was granted directly to Ukraine-based recipients.¹⁶

What's more, the data show that just 25 grants, equal to 1% of the funding, incorporated a human rights lens—a critical step in any crisis response for enabling long-term, durable solutions that leave no one behind. That this funding is falling short of its potential, and failing to reach local communities directly, marks a problem for the field of philanthropy and, more importantly, for civil society in Ukraine. As our present research shows, the lack of direct funding is a concern that extends well beyond Ukraine's borders.

¹⁶ This figure is based on the 1,332 grants totaling \$920 million in Candid's data set that include information about recipient locations.

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Differences in Grant Size

The amount of money directly reaching each region is one part of the story. The total number of grants directly reaching them is another. Here, the gap is narrower as the chart on page 30 indicates, from a high of 28% of grants not reaching recipients in MENA to a low of just 1% of grants not reaching recipients in North America.

For the Global South and East, the proportion of grant dollars that go directly to the beneficiary regions is significantly lower than the proportion of direct grants. This tells us that the direct grants that are reaching recipients based in these regions are smaller, on average, than the indirect grants that are going elsewhere. For example, of grants to benefit people in Asia and the Pacific, direct grants average \$69,000 while indirect grants average \$267,000. This means that funders are awarding grants to organizations in Asia and the Pacific that are more than three times smaller than the grants they are giving to recipients based outside the region to work there.

We would expect grants to be smaller as funding gets closer to grassroots levels. However, as the chart on page 33 shows, in North America and Western Europe, direct grants are typically larger than indirect grants. This is the inverse of the trend we see in other parts of the world. The implication? Large grants are rarely directly reaching organizations in the Global South and East that are leading change in their own contexts. The marked difference in the size of direct and indirect grants for human rights initiatives in the Global South and East suggests that funders are supporting a field of organizations based outside their target regions at a scale that is disproportionate to their support for in-region groups. It elicits the questions: Who are the organizations that are absorbing this funding and where are they located? Are they groups that funders know well that have the kind of infrastructure they trust and value?

We suspect that many of these organizations are large INGOs in North America and Western Europe and that they are especially present in regions where we see the greatest differences between direct and indirect funding. Based on our decades in the field and critiques by funding advocates, we know that INGOs play an important role in the human rights funding ecosystem, but can also take a disproportionate amount of funding that could be reaching local initiatives. We posit that these organizations likely represent two aspects of trust: the legal structures that most easily meet Global North funders' requirements and organizational cultures that limit the perception of risk. Though our data cannot explain the intentions behind the funding, we question the lopsided scale of resourcing and what it means for human rights infrastructure and movements at regional, national, and local levels.

We question the lopsided scale of resourcing and what it means for human rights infrastructure and moveme**nts at** regional, national, and local levels.



* The funding totals are based on 24,491 human rights grants totaling \$3.6 billion that specify the countries or regions meant to benefit from the funding and include recipient locations. They include regranting. Of these grants, we omit 14 entries totaling \$33 million where the funding was reported as a lump sum for multiple recipients.

* One factor in the regional disparities we see is related to the geographic breadth of the grants. Some grants focus on one world region while others may focus on two, three, or more. However, whether we include or exclude multi-region grants in our analysis, we see a similar trend: Grants made directly to the Global South and East are, on average, considerably smaller than grants awarded to organizations based elsewhere to lead initiatives focused on the Global South and East.

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Where Funding Goes Instead

We look again at the data to understand where grants go when they don't go directly to the region they are intended to benefit. We focus on the more than 24,000 grants, (90% of human rights grants and 83% of grant dollars), where funders have identified a single beneficiary region, excluding grants for multiple or unspecified regions. This narrower focus is why the percentages of direct grant dollars in the chart on page 35 differ from those on page 30.

As the chart on page 35 shows, funding to organizations based in the beneficiary region ranges widely, from just 66% of grant dollars directly reaching in-region groups in MENA, to 73% in Latin America and the Caribbean, to nearly 100% in North America.

Examples of direct funding include the Ford Foundation's grant to Fundación Foro Nacional por Colombia in Bogotá "for general support to promote citizen participation and the consolidation of democracy in Colombia," the Oak Foundation's grant to the Socio-Legal Information Centre (SLIC) in New Delhi "to support the SLIC's efforts to increase access to justice and legal redress for the poor in India," and the African Women's Development Fund's grant to Ntengwe in Victoria Falls to "advocate for women and girls' equal rights to land and property" in Zimbabwe.

Of grants to benefit the Global South and East (that have just one beneficiary region), between 21% and 34% of the funding is granted to recipients outside the beneficiary region. For instance, if we look at grants to benefit people in Sub-Saharan Africa (SSA), we see that more than 27% of the funding goes to organizations based elsewhere. This funding is granted predominantly to organizations based in North America (21%) and Western Europe (6%) to lead initiatives focused on Sub-Saharan Africa. An example of indirect funding for SSA includes this grant to DKT International in Washington, D.C. "to raise awareness, improve access to services and information, and increase uptake of modern contraceptive methods in the university population of Kinshasa, Democratic Republic of Congo." Here, we see a very local intervention held by an organization headquartered in the Global North. Though this might be implemented with local partners, it raises a fundamental question: Why isn't this kind of funding going to an organization based in Africa?

Of the funding granted to recipients based outside the beneficiary region, 97% goes to groups based in the Global North: North America receives 75% and Western Europe 22%. Organizations in Western Europe receive 18% of the funding for Eastern Europe and Central Asia and 13% of the funding for MENA. Similarly, groups in North America are granted between 21% and 25% of the funding for Asia and the Pacific, Eastern Europe and Central Asia, Latin America and the Caribbean, and Sub-Saharan Africa. In contrast, people in the Global South and East manage less than 3% of the funding intended for human rights work in other locations.

These findings underscore the tremendous imbalance in who receives and controls funding for human rights actions around the world. Funders are placing their trust not in local or even regional actors in the Global South and East, but in Global North organizations. While there may sometimes be legitimate reasons, the scale of this imbalance compounds across individual grants and institutions, painting a disturbing global picture of systemic disparities. ■

Human Rights Funding by Beneficiary Region and Recipient Location (2019)*

The proportion of funding that is 📕 Direct \$ 📒 Indirect \$



* The funding totals are based on 24,186 grants totaling \$3.5 billion that specify the countries or regions meant to benefit from the funding, focus on one region, and include recipient locations. They include regranting.

* The percentages have been rounded so the totals may not equal 100%.

At its heart, flexible funding is about establishing trust and shifting powerproviding the money organizations and movements need to do their work and getting out of the way.

Access to Flexible Funding

Flexible grants give grant recipients discretion over how to best use the funding to achieve their missions. Unlike grants that are earmarked for specific projects, flexible grants can be applied to anything from core expenses like office rent or salaries, to unforeseen needs, to emerging opportunities or innovations. Flexible funding allows grantees to set their own priorities, fosters stability and sustainability, and is especially critical for human rights activism where activists depend on agility to safely and strategically respond to rapidly changing circumstances. While some funders may worry about possible risks in loosening control, a growing number perceive greater risks in hamstringing their grantees by not providing flexible support.^(Q)

At its heart, flexible funding is about establishing trust and shifting power—providing the money organizations and movements need to do their work and getting out of the way. It also is a step towards confronting the colonial legacy and paternalism so deeply intertwined with philanthropy. The call for flexible funding isn't new. For decades, activists have demanded it and funders have discussed it, yet change has been slow—until the COVID-19 pandemic. Prior to 2020, flexible funding in philanthropy in general remained largely static: Approximately 20% of U.S. foundation grants were awarded as unrestricted support.^(R) The proportion of flexible funding has been higher in human rights philanthropy, and has gradually increased over time from 22% in 2015 to 26% in 2019—yet even this represents just one in four grant dollars.^(S)

In 2019, the Center for Effective Philanthropy (CEP) explored the obstacles foundations face in providing multiyear general operating support. Finding no major barrier, they concluded "that a majority of foundation leaders simply have not felt it fit with their approach or important enough to prioritize shifting their funding practices."^(T) Others have put it more bluntly: Foundations do not want to give up power by moving from focused, project-specific grants to flexible support.
But in the wake of the pandemic, funding practices changed. More than 800 foundations signed a pledge committing to loosening or eliminating restrictions on grants. In 2021, further CEP research found that, "A little more than 60% of [almost 300 U.S.] foundation leaders reported that their foundation is providing a higher percentage of unrestricted grant dollars compared to pre-pandemic giving levels. Of these, almost two thirds plan to continue these new, higher levels in the future."(U) In 2023, the Trust-Based Philanthropy Project found that 71% of the nearly 400 U.S. grantmakers it surveyed had introduced or increased unrestricted funding since 2020 and planned to sustain these changes.^(V) These shifts in funder practice show that flexible funding is possible and are reason for optimism, even as new research suggests that some funders will regress.(W)

While our data predates the pandemic, it points to significant differences in who has access to flexible funding that have ongoing relevance for philanthropy. We would hope to see flexible support more evenly distributed. However, our analysis and other research finds that recipients based in North America are considerably more likely to have access to flexible funding than recipients in other locations.^(X) As the chart on page 39 exhibits, a third of the grant dollars for human rights initiatives in North America are awarded to recipients in North America as flexible support. In comparison, roughly one in eight grant dollars to benefit people in Asia and the Pacific is granted to groups based in Asia and the Pacific as flexible support. The proportion is even lower for Eastern Europe and Central Asia, where just a tenth of the funding for the region reaches in-region groups as flexible funding.

The scale of the difference is especially striking when we compare the total volume of flexible grant dollars for each region, as shown on page 38. While recipients in North America have access to \$825 million in flexible support for human rights initiatives, recipients in Sub-Saharan Africa receive just \$34 million in unrestricted funding, and those in Eastern Europe and Central Asia receive barely \$9 million flexible dollars-the equivalent of just 1% of the North American total. The continued and pervasive restrictions on foundation funding for the Global South and East have grave implications for human rights organizations and activists. UHAI EASHRI's experiences in Eastern Africa, described on page 40, offer an illustration of what is at stake.

> Our analysis and other research finds that recipients based in North America are considerably more likely to have access to flexible funding than recipients in other locations.

Disparities in the *Amount* of Flexible Human Rights Funding Directly Reaching Each Region (2019)*



* These figures are based on 24,630 human rights grants totaling \$3.6 billion that specify the countries or regions meant to benefit from the funding. They include regranting.

Disparities in the *Percentage* of Flexible Human Rights Funding Directly Reaching Each Region (2019)*



* These figures are based on 24,630 human rights grants totaling \$3.6 billion that specify the countries or regions meant to benefit from the funding. They include regranting.

* The totals for direct funding to Sub-Saharan Africa differ from those in <u>our annual</u> report (page 24) because the programming we used in our 2018 and 2019 analyses erroneously excluded grants to recipients based in three countries when calculating direct funding for Sub-Saharan Africa. Several other figures differ slightly from those in our annual report because we have included 340 grants totaling \$104 million that were awarded by foundations to other foundations in the 2019 data set. We generally remove these grants to avoid the risk of double counting of grant dollars. However, in this instance, we believe it is helpful to include them to reflect every grant that is earmarked for a specific location. After years of restricted, projectonly grants, activists have internalized the line-by-line approval and top-down funder requirements mandated by many foundations.

Rebuilding Trust

UHAI EASHRI is an activist-led fund that makes core and general support grants to protect and promote the rights of LG-BTQI and sex worker communities across Eastern Africa. Though UHAI operates from a model of trust and explicit partnership, its staff must regularly contend with the long-standing impacts of tightly controlled funding for the region.

After years of restricted, project-only grants, activists have internalized the line-by-line approval and top-down funder requirements mandated by many foundations. UHAI has taken deliberate steps to undo this dynamic. One of the grant types it funds through its peer-led grants program is purely core support and can be used to pay for salaries, office space, and other fundamental operating expenses. UHAI reiterates the openness of this funding at every opportunity.

Still, the extent of the power dynamic has been especially and painfully clear since the increase in violence in the region—particularly in Ethiopia, Burundi, Tanzania, Kenya and Uganda—after the government of Uganda passed yet another harsh anti-LGBTQI law, including the death penalty. Activists have gone into hiding, fled their countries, and faced imprisonment and death. Even in this dire context, grantee partners have come to UHAI before reallocating funds, concerned that they need prior approval to pay for emergency support, relocation, or other lifesaving activities not included in their initial proposals.

As a team deeply embedded in the movements and committed to providing core and general support, UHAI's experience shows the extent to which activists have been conditioned by years of interactions with funders to assume they are not trusted. ■

Direct and Indirect Flexible Funding

To deepen our understanding of flexible funding, we look to see whether there are differences in how flexible the grants are that go directly to the beneficiary regions as compared to the indirect grants that go elsewhere.

We find that when funders do fund organizations based in the Global South and East directly, those grants tend to be more flexible than when they fund recipients in other locations to work in these regions.

As the chart on page 42 illustrates, 31% of the grant dollars that go directly to groups based in Latin America and the Caribbean (LAC) are flexible. In comparison, just 13% of the grant dollars to benefit LAC that are awarded to recipients outside the region are flexible. We see similar differences in the levels of flexible support when we compare direct versus indirect funding for Sub-Saharan Africa (21% vs. 9%), Asia and the Pacific (22% vs. 7%), and Eastern Europe and Central Asia (15% vs. 9%). This suggests that funders are placing fewer restrictions on grants that go directly to the beneficiary region than on indirect grants that go elsewhere, which may be to ensure that indirect funding reaches its ultimate target.

Although it is encouraging that funders are granting groups based in these regions a higher rate of flexible funding than the external groups working in these regions, it is a small consolation. The proportion of flexible funding reaching recipients in the Global South and East remains low, making up close to a third of direct grant dollars for LAC at best, and less than a sixth of the direct grant dollars for Eastern Europe and Central Asia at worst. Research has shown that "[m]ost funders provide inadequate coverage of their grantees' administrative costs, contributing to a starvation cycle with significant negative organizational impacts."^(Y) We suspect that this is especially true for grantees based in the Global South and East.

Interestingly, funding for MENA and Western Europe shows the inverse trend: Funding granted to organizations based inside MENA and Western Europe tends to be less flexible than funding to recipients based elsewhere to undertake work that impacts these regions. For MENA (19% vs. 26%), where the level of human rights funding is comparatively low and individual grants can have an outsized impact, the difference is predominantly due to a large, flexible grant from the Ford Foundation to a U.S.-based women's fund for work in MENA and three other regions. For Western Europe (17% vs. 23%), the variance is related to the low levels of unrestricted funding from Western European foundations, a trend we explore further on page 43.

The proportion of flexible funding reaching recipients in the Global South and East remains low, making up close to a third of direct grant dollars for LAC at best, and less than a sixth of the direct grant dollars for Eastern Europe and Central Asia at worst.

Flexible Human Rights Funding: A Comparison of the Percentage of Direct and Indirect Funding by Beneficiary Region (2019)*

- Of \$ granted to recipients **inside** the region, % granted as flexible \$
- Of \$ granted to recipients outside the region, % granted as flexible \$



* These figures are based on 24,491 human rights grants totaling \$3.6 billion that specify the countries or regions meant to benefit from the funding and include recipient locations. They include regranting.

[†] We have not included indirect funding for North America because nearly 100% of the funding to benefit North America goes directly to recipients based there.

By Funder Type

Funding Comparison: North American and Western European Foundations (2019)*

Of \$ to benefit the Global South & East...



[•] These figures include 171 North American foundations and 45 Western European foundations that made human rights grants in 2019 to benefit the Global South and East.

A Note on Funding from Western Europe

In much of our analysis we group "Global North" funders together in recognition of the large wealth disparities in global philanthropy where the majority of human rights grant dollars (99%) are granted by foundations based in North America and Western Europe. However, it is worth exploring where their practices diverge.

When making grants focused on the Global South and East, foundations in North America and Western Europe grant a similar proportion of their human rights funding directly to recipients in the beneficiary region: 68% for North America and 75% for Western Europe. The differences emerge when we look at how much of their funding is flexible.

In general, foundations in Western Europe provide flexible funding at less than half the rate of North American foundations: Just 14% of their funding is unrestricted in contrast to 30% of the funding from North American foundations. Consequently, the proportion of flexible funding granted directly to Global South and East recipients is lower from Western European foundations (15%) than from North American foundations (28%). This lower rate of flexible support from Western European foundations also explains why we consistently see comparatively low levels of unrestricted funding (15%) for organizations based in Western Europe: 60% of the human rights grant dollars for groups in Western Europe comes from Western European foundations.



Funding by Funder Type

Global North Funders–Direct Funding	\rightarrow	48
Global North Funders—Flexible Funding	\rightarrow	53
Models of Trust: Women's and Feminist Funds	\rightarrow	55
Global South and East Funders	\rightarrow	56
Models of Trust: Casa Socio-Environmental Fund	\rightarrow	59

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Funding by Funder Type

Our findings suggest that the differences we see in funding directed to groups in the Global South and East versus those in the Global North do signify a gap in trust underlying global funding for human rights. This trust gap is evident across a range of funding decisions and practices, from where organizations are based that are funded to lead human rights work, to the size of the grants they receive, to the extent they have the flexibility to decide how to use the funding. Yet, we also know that there are funders bucking this trend by working to understand and address bias, shift power, and close the trust gap in philanthropy.

We turn now to explore the various types of foundations and funding models—referred to as "funder types" in our analysis—to look for patterns in their grants. For instance, are certain funder types more or less likely to fund human rights initiatives focused on the Global South and East? To fund organizations based in the Global South and East directly? To provide flexible funding? In essence, we want to understand how funder types differ in whether and how they resource communities leading change in the Global South and East, including the local and regional philanthropic infrastructure that is so critical in supporting and sustaining local activists and movements.

We know that there are funders bucking this trend by working to understand and address bias, shift power, and close the trust gap in philanthropy.

Human Rights Funding by Funder Type Based on All Human Rights Funders (2019)*

Private Foundations

\$3.5B	83% of \$	$560_{\rm funders}$
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Subcategory	Funders	Grant \$	% of all \$
Independent & Family Foundations	495	\$3.4B	80%
Corporate Foundations	63	\$131M	3%
Operating Foundations	2	\$8M	0.2%

Public Foundations

\$708M 17% of \$		19	9 funders
Subcategory	Funders	Grant \$	% of all \$
Community Philanthropies	96	\$331M	8%
Women's Funds	44	\$62M	2%
Other Public Foundations	59	\$316M	8%

Donor Collaboratives

\$5M 0.1% of \$ 2 funders

* These figures are based on our full data set: 26,908 grants totaling \$4.2 billion. They include regranting.

* Due to rounding, some totals may not agree with the sums of their parts.

<u>By Funder Type</u> By Recipient Type Call to Action

Global North Funders—Direct Funding

Of the 761 foundations that made human rights grants in 2019, 715 (94%) are based in the Global North.¹⁶ Nearly a third of them—217 foundations—make grants focused on the Global South and East.¹⁷ Their funding accounts for 94% of roughly \$782 million in annual foundation grant dollars to protect and promote human rights in the Global South and East.

Looking at the 217 foundations shows us distinct funding approaches within the framework of the trust gap:

1. Indirect Funding: 43% of these foundations fund human rights initiatives to benefit people in the Global South and East solely through recipients based in the Global North.

2. Direct Funding: 57% of these foundations fund at least some organizations based in the Global South and East directly.

Of the 217 funders, only 23% are solidarity funders, as described on page 11. These are Global North funders that show a strong commitment to direct support for groups in the Global South and East. They represent just 7% of all Global North funders that support human rights work and are listed on pages 51 and 52.

The bottom line? Even of those funders that support human rights initiatives focused on the Global South and East, more than three quarters do not provide enough grants (at least five per year) or a large enough percentage of direct funding (75% minimum) to be considered a solidarity funder. By segmenting the data, we can see patterns in which funder types tend to fund initiatives focused on the Global South and East, which make grants to organizations in the Global South and East directly, and which support organizations in the Global South and East so consistently that they meet our criteria as solidarity funders.

Almost half (49%) of the public foundations in the Global North fund initiatives focused on the Global South and East as compared to just a quarter (25%) of the private foundations. What's more, of these foundations making grants focused on the Global South and East, over two thirds of the public foundations fund recipients in the Global South and East directly as compared to just half of the private foundations.¹⁸

Of public foundations, global and regional women's funds (like Mama Cash and Calala Fondo de Mujeres) and large public foundations (like American Jewish World Service and the Fund for Global Human Rights) are at the forefront of directly resourcing human rights activists and movements in the Global South and East. Among Global North funders, 92% of the women's funds and 87% of other public foundations (those that are not women's funds or community philanthropies) make at least some of their grants directly to organizations based in the Global South and East.¹⁹ These two funder types (women's

¹⁶ These 715 foundations include funders in North America (650), Western Europe (64), and Japan (1).

¹⁷ We have not included 20 foundations whose grants indicate that they are meant to benefit "developing countries" but don't specify a specific country or region.

¹⁸ The scale of this difference may partly reflect our methodology: All of the public foundations in our analysis are members of HRFN, or our research partners Ariadne and Prospera, and have opted to share their data for this analysis, while much of the data from private foundations was collected by Candid from public sources so may not be as detailed. Yet, when we look only at Global North foundations that are members of HRFN, Ariadne, or Prospera, we see a similar trend: A higher proportion of public foundations than private foundations 1) make grants focused on the Global South and East, and 2) fund organizations based in the Global South and East directly to lead this work.

work. ¹⁹ Community philanthropies in the Global North do not feature as strongly here because almost all of them—like the San Diego Foundation or the Chicago Community Trust—primarily focus on funding the communities where they are based.

Global North Foundations: Comparison of Funding for the Global South and East Based on Funder Type (2019)*

making or ants #ofsolidarity #of BN funders funding Independent, 11 Family, & Operating 494 124 60 Foundations 8 3 14 Corporate 63 Foundations 12 13 11 13 Women's Funds 19 3 Community 89 Philanthropies **Other Public** 45 39 24 54 Foundations Donor 2 2 2 1 Collaboratives

Type of foundation 🔵 Private 🔵 Public 😑 Donor collaborative

* These figures are based on 24,215 grants totaling \$4.16 million made by foundations based in the Global North. They include regranting.

funds and other public foundations) are also noticeably more likely to qualify as solidarity funders than private foundations. Among foundations supporting human rights initiatives in the Global South and East, public foundations are more than five times more likely than private foundations to be solidarity funders, and women's funds are more than eight times more likely. Similarly, the two donor collaboratives in our analysis fund organizations in the Global South and East directly, though just one does so at a rate that qualifies as a solidarity funder.

These findings reinforce what we already know: Women's funds, public foundations, and donor collaboratives in the Global North play an important role in resourcing activists and movements in the Global South and East. These funding models are also a valuable resource for private foundations looking to move money to local contexts. While women's funds, public foundations, and donor collaboratives make up just 10% of the Global North foundations in our analysis, they represent seven out of every 10 solidarity funders and provide 71% of the direct human rights grants that organizations in the Global South and East receive from Global North foundations. These funds show us that more responsive, direct, and trust-based philanthropy is possible. Out of their values, they have institutionalized practices that center trust and flexibility. And they have advocated with their own funders (often private foundations) to shift funding practices.

Though a lower percentage of the funding from private foundations for the Global South and East reaches organizations in these regions directly, there are private funders like the Ford Foundation, Wellspring Philanthropic Fund, and Sigrid Rausing Trust that have dedicated significant resources to this funding model. The volume of their funding makes private foundations critical in resourcing human rights actions in the Global South and East. On average, their direct grants to the Global South and East are roughly four and a half times larger than the grants from public foundations and they account for almost two thirds of the grant dollars reaching activists and movements in the Global South and East directly. A few actors modeling trust goes a very long way. These models are critical if we are going to address (and redress) the trends found in this report.

Of Global North Foundations Funding Initiatives to Benefit the Global South and East...

	ependent	Family, 8 roundations coundation corporate corporate	Nomen'st	und ⁵ Community Philanthro	pies Other Public Other ndation	ns Donoratiorati	Ne ⁵
	Inderiat	Corrunor Found	Wome	Con Philant	Othe hound	Douglape	
Proportion funding directly	48%	57%	92%	16%	87%	100%	
Proportion that are solidarity funders	9%	21%	85%	0%	53%	50%	

Global North Solidarity Funders (2019)*

Type of foundation
Private
Public
Donor collaborative

Foundation Na	me	Location	\$ for GS&E	% Dire	ect \$
1 Ford Foundation	on [†]	United States	91 M		81%
2 Wellspring Phil	lanthropic Fund [†]	United States	26 M		78%
3 European Endo	owment for Democracy †	Belgium	26 M		100%
4 EEA and Norwa	y Grants [†]	Belgium	20 M		100%
5 UN Trust Fund t	to End Violence Against Women [†]	United States	17 M		84%
6 Sigrid Rausing	Trust [†]	United Kingdom	16 M		86%
Open Society F	Policy Center [†]	United States	16 M		91%
8 New Israel Fun	d	United States	15 M		92%
9 American Jewi	ish World Service [†]	United States	13 M		85%
10 Foundation for	r a Just Society [†]	United States	13 M		90%
1 Susan Thomps	on Buffett Foundation	United States	10 M		100%
12 Freedom Fund	t	United Kingdom	9.2 M		83%
13 Fund for Globa	l Human Rights [†]	United States	9.1 M		91%
(14) Global Fund fo	r Women [†]	United States	8.9 M		98%
		Netherlands	7.6 M		97%
16 Alliance for Op	en Society International [†]	United States	6.6 M		100%
🕧 Global Greengi	rants Fund [†]	United States	4.9 M		98%
18 Mama Cash [†]		Netherlands	4.6 M		89%
19 Coca-Cola Fou	ndation	United States	4.3 M		94%
20 Women Win [†]		Netherlands	2.6 M		78%
21 Astraea Lesbia	In Foundation for Justice [†]	United States	2.4 M		93%
22 Empower-Eme	rging Markets Foundation [†]	United States	2.1 M		95%
23 Madre [†]		United States	2.1 M		90%
24 Levi Strauss Fo	pundation [†]	United States	1.9 M		86%
25 Disability Right	ts Fund [†]	United States	1.9 M		96%

* These foundations provided recipient locations and beneficiary regions for their grants.

⁺ Members of HRFN, Ariadne, and/or Prospera. Members include any foundations that contribute membership dues or submit data directly for this research.

Global North Solidarity Funders (2019)* (continued)

Type of foundation
Private
Public
Donor collaborative

Foundation Name		Location	\$ for GS&E	% Direct \$
26 Norwegian Human	Rights Fund [†]	Norway	1.5 M	95%
27 Firelight Foundatio	n [†]	United States	1.5 M	99%
28 Abilis Foundation [†]		Finland	1.4 M	91%
29 Open Society Initiat	tive for Europe ^{\dagger}	Spain	1.4 M	79%
30 Dreilinden GmbH [†]		Germany	1.2 M	79%
31 KIOS-The Finnish NG Human Rights [†]) Foundation for	United Kingdom	959 K	84%
32 Anonymous [†]		United States	957 K	100%
33 Thousand Currents	t	United States	931 K	95%
34 Access Now [†]		United States	829 K	87%
35 Red Umbrella Fund		Netherlands	818 K	88%
36 Disability Rights Ad	vocacy Fund [†]	United States	816 K	100%
37 Open Society Instit	ute ^{*†}	United States	756 K	100%
38 Sage Fund [†]		United States	675 K	84%
39 Calala Fondo de Mu	jeres [†]	Spain	514 K	100%
40 Equality Fund [†]		Canada	431 K	80%
41 Charities Aid Found	ation of America [†]	United States	368 K	100%
42 Filia die Frauenstift	ung [†]	Germany	291 K	77%
43 Women First Intern	ational Fund ^{\dagger}	United States	255 K	100%
44 David and Elaine Po	tter Foundation [†]	United Kingdom	244 K	87%
45 Goldman Environm	ental Foundation [†]	United States	170 K	79%
46 Mediterranean Wor	men's Fund [†]	France	163 K	88%
47 Abbott Fund		United States	75 K	80%
48 Digital Freedom Fu	nd [†]	Netherlands	73 K	90%
49 Heart and Hand Fur	nd [†]	United States	54 K	100%
50 United Methodist W	lomen [†]	United States	49 K	84%

* These foundations provided recipient locations and beneficiary regions for their grants.

[†] Members of HRFN, Ariadne, and/or Prospera. Members include any foundations that contribute membership dues or submit data directly for this research.

Global North Funders—Flexible Funding

Just over a quarter of the human rights grants (28%) made by Global North foundations are flexible. When we segment the data, we find notable variations among funder types in their levels of flexible funding. In the chart below, we see three rough groupings: foundations that make flexible grants half of the time (women's funds), a third of the time (private foundations and community philanthropies), and just under an eighth of the time (other public foundations). The two donor collaboratives in our data set are significantly more likely to provide flexible grants than any other funder type. Commendable as it is, this finding is not generalizable with such a small sample.

The data show that 47% of all human rights grants awarded by women's funds are unrestricted funding. We are not surprised to see women's funds as a leader in flexible grantmaking given their approach in viewing grantees as partners and providing holistic support-a model we explore in more detail on page 55. What does give us pause is the relatively low proportion (12%) of flexible grants made by public foundations in general. Their reliance on fundraising may mean they are passing on restrictions that they themselves face from funders, but it is worth noting that women's funds face the same constraints and have a dedicated model based on flexible and direct support.

About

Global North Foundations: Proportion of Flexible Funding Based on Funder Type (2019)*



* These figures are based on 24,215 grants totaling \$4.16 million made by foundations based in the Global North. They include regranting.

Global North Foundations: Number of Direct and Flexible Grants for the Global South and East Based on Funder Type (2019)*



* These figures are based on 24,215 grants totaling \$4.16 million made by foundations based in the Global North. They include regranting.

When we look specifically at human rights funding from Global North foundations for organizations based in the Global South and East, we find that one in four grants is flexible (25%). This rate is slightly lower than the rate of flexible grants from Global North funders in general (28%) and reflects a lower proportion of flexible grants from private foundations and community philanthropies for recipients in the Global South and East.²⁰ Here, women's funds stand out as the vanguard of the movement for more flexible funding, with 52% of their direct grants to Global South and East recipients provided as unrestricted support. ■

²⁰ Because there are so few Global North community philanthropies in our research that are funding initiatives in the Global South and East, community philanthropies have little impact on this percentage. In some contexts, women's and feminist funds are the main—if not the only—source of support for organizations, including groups that are often not registered.

Models of Trust: Women's and Feminist Funds

Prospera International Network of Women's Funds is the world's leading global network of women's and feminist funds with 48 members around the world, based mostly in the Global South and East. Women's and feminist funds often come from the movements they serve, and play a critical role in moving resources to women's rights and feminist movements. From 2011 to 2021, Prospera's members mobilized \$1.2 billion to 172 countries. Most of this funding is raised from private foundations, individuals, corporations, and governments, then regranted. This model aims to channel resources that would not otherwise reach activists and movements directly into the hands of those leading change.

Members of Prospera are uniquely positioned to support movements led by women, girls, trans, intersex, and non-binary people. Members practice feminist funding principles, placing activists at the center of their work. Because of their affinity and proximity, funds understand local contexts and can reach groups and populations that are structurally marginalized and traditionally underfunded. In some contexts, women's and feminist funds are the main-if not the only-source of support for organizations, including groups that are often not registered. In addition, Prospera members prioritize flexible, core support, multiyear, and emergency response funding. Their funding model combines financial resources with a range of other assistance, including accompaniment, movement-building, capacity strengthening, and other amplifying efforts. Their model aims to support feminist and social movements to fully focus on their activist and advocacy work, instead of struggling to secure funding year after year.

Global South and East Funders

Of the 761 foundations that made human rights grants in 2019, 46 (6%) are based in the Global South and East.²¹ They include three private foundations and 43 public foundations, comprising women's funds (31), community philanthropies (7), and public foundations in general (5). We know many of these foundations are also activist funds that were created by local actors and are grounded in social movements. While this is not an exhaustive list of Global South and East foundations that fund human rights work, they represent a diverse array of geographies and experience and their grants data suggest notable trends.

The grants from these foundations—which totaled just over \$45 million in 2019—account

Other Public Foundations

Independent, Family, &

Operating Foundations

Corporate

Foundations

for 6% of all annual foundation funding to protect and promote human rights in the Global South and East. Almost 100% of this funding is granted directly to Global South and East recipients based in the beneficiary regions. While the level of funding is relatively small in comparison to grant dollars from Global North foundations, Global South and East funders play a pivotal role in the human rights funding ecosystem with their knowledge of local contexts, strong networks, and ability to reach local human rights activists and community-grounded movements. This special role-and its strategic value-is illustrated on page 59 where we highlight the work of Casa Socio-Environmental Fund, an activist fund based in Brazil.

Donor O Collaboratives * These figures are based on 24,215 grants totaling \$4.16 million made by foundations based

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* These figures are based on 24,215 grants totaling \$4.16 million made by foundations based in the Global North. They include regranting.



5

3

Number of Global South and East Foundations (2019)*

Global South and East Foundations: Number of Direct and Flexible Grants for the Global South and East Based on Funder Type (2019)*



* These figures are based on 24,215 grants totaling \$4.16 million made by foundations based in the Global North. They include regranting.

While Global South and East Funders are instrumental in reaching local contexts, their grants tend to be more restricted. When we look at direct human rights funding for recipients in the Global South and East, just 18% of the grants from Global South and East funders are flexible in contrast to 25% of the grants from Global North funders. In our <u>annual funding analysis</u>, we hypothesized that some of this difference may relate to the funder type. Many of the Global North funders in our research are large private foundations, while the majority of Global South and East funders are smaller public funds that may have fewer discretionary resources, limiting their ability to provide unrestricted support. However, when we segment by funder type, this explanation unravels. It appears that the disparity is less about funder type and more about funder location.

²¹ These 46 foundations include funders in Asia and the Pacific (11), Eastern Europe and Central Asia (10), Latin America and the Caribbean (14), the Middle East and North Africa (1), and Sub-Saharan Africa (10).

What is limiting local and regional funders in the Global South and East from providing more unrestricted grants? It may be reflective of a trust gap within the funding ecosystem itself.

With the exception of Global North community philanthropies,²² Global North foundations across the board are more likely to provide flexible funding than their Global South and East funder-type counterparts. For example, for women's funds-the most prolific provider of direct, flexible grants from either context-Global North women's funds provide flexible grants at more than twice the rate of Global South and East women's funds (52% vs. 20%). That women's funds are providing comparatively more flexible grants than other funder types is little surprise given that many of them have been at the forefront of advocacy to push for unrestricted funding. Yet, what is surprising, is the gap we see in the proportion of flexible grants from women's funds in these two contexts. While there are too few Global South and East funders in most funder-type categories to attempt similar comparisons, the findings in general are reason for pause.

What is limiting local and regional funders in the Global South and East from providing more unrestricted grants? It may be reflective of a trust gap within the funding ecosystem itself, in which restricted grants from foundations in the Global North to foundations in the Global South and East are limiting the flexibility of locally-led philanthropy.

For example, in Eastern Africa, UHAI EASHRI's ability to fund in the transformative, move-

ment-centered way it does is contingent on securing grants, often from Global North foundations. This is a complicated dance of receiving and regranting funding that would not otherwise reach East African LGBTQI and sex worker communities. Global funding practices, including short-term restricted grants, have constrained UHAI's ability to resource movements. Only last year was it able to make all of its peer-led grants as multiyear grants, thanks to a partnership with the Dutch Ministry of Foreign Affairs through the Love Alliance Consortium. This is a significant development for the movements in the region: A large number of nascent organizations have received flexible, multiyear grants for the first time ever and can now determine their own priorities and needs. However, the fact that UHAI-a foundation with strong institutional structures and 14 years of experience-has faced these challenges again calls into question where grantmaking practice ends and bias and power dynamics begin.

About

As a future step in our research, we will look to those knowledge holders in the field—local and regional foundations in the Global South and East themselves—to help guide and sharpen a deeper understanding of the constraints and possibilities they face as they work to drive sustainable resources to movements in their distinct contexts. ■

²² The Global North community philanthropies in our research do not fund significantly in the Global South and East.

Models of Trust: Casa Socio-Environmental Fund

Casa Socio-Environmental Fund is the first fund in South America created by South American activists to focus on the intersection of societies and the environment. In partnership with local communities, it develops strategies to recover and preserve regional biomes and human diversity, continually reinforcing the role of local groups and their rights in its quest to preserve the planet.

Casa reaches communities that have never had access to grant funding. They do the outreach and community-building required to reach a vast array of groups, many of which had not even thought of external funding as a possibility. As Maria Amália Souza, Casa's founder, explains, "We knew we couldn't copy existing funding models, since most by default have been inspired by conventional philanthropic structures. We had to start from the ground up, creating a system that is not only capable of reaching local communities, but that is reachable by them, accessible to them, meeting them where they are."

Since 2018, Casa has made over 3,100 grants to grassroots communities protecting biomes across South America. In Brazil, in the last four years alone, Casa has made 550 direct grants to Indigenous associations of 177 ethnicities. "This has never been done before, by anyone, and it is not by chance, it's by design" Amália remarks, reflecting on what Casa has achieved. She adds, "Today we work with four other activist-led funds across South America that we helped inspire, thus reaching even further."

Despite its efficiency, Casa has rarely received flexible funding from its donors. "We have been treated by most funders as 'one more grantee' rather than partners in the field who are set up to do a type of funding that they value but cannot do themselves." Amália recounts how it was not until 2019–14 years after Casa's inception-that it received its first unrestricted grant. Since then, they have still only received a handful of flexible grants, including one in 2022 from Mac-Kenzie Scott. "In the Global South, we do have solid and robust grant management structures that can receive and disburse a lot more money than we have been getting. We have been doing this work for decades, have all the necessary audits that demonstrate our management impeccability, and still we need to prove ourselves every day over and over again. It's due time for philanthropy to revisit its ways."



Funding by Recipient Type

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Funding by Recipient Type

The vast majority of our report looks at how and where funders make grants. This section is a snapshot of who receives those grants and, especially, where they go when they're not directly reaching groups in the beneficiary countries and regions.

After reviewing the thousands of grants at hand, we find that the data has limitations. We can't, for example, readily see if a grantee is led by activists or movements across the full data set of over 15,000 grant recipients. Similarly, while we know which organizations are receiving funding and where they are located, we can't always tell whether they have close ties to communities and movements in the contexts where they are working. This level of detail requires individually researching each recipient—a potential next step and something we hope to do with partners in the future.

However, for the sake of this research to understand the trust gap specifically, we are homing in on groups in the Global North that receive funding from Global North foundations to undertake human rights initiatives to benefit the Global South and East. We do not do parallel analysis on funding from Global South and East funders because nearly all of their grants go to groups in the beneficiary countries and regions. In short, this section explores the types of grant recipients in the Global North that are funded to lead human rights work in the Global South and East in order to understand who receives funding when it isn't granted to locally and regionally-based groups.■

In short, this section explores the types of grant recipients in the Global North that are funded to lead human rights work in the Global South and East in order to understand who receives funding when it isn't granted to locally and regionally-based groups. ap By Fun

By Funder Type

Recipient Overview

In 2019, Global North foundations funded roughly 4,500 recipients to undertake human rights initiatives to benefit the Global South and East.²³ Of these recipients, 18% are based in the Global North and they received a third of all foundation funding to benefit the Global South and East.

Here, we explore the types of Global North organizations that are funded to lead this work. We categorize grant recipients into six groups: INGOs and NGOs (which receive 67% of the funding), foundations (22%), schools, universities, and research institutions (4%), networks and coalitions (3%), governmental and intergovernmental agencies (2%), and others (3%).²⁴

²⁴ The "others" category includes recipients for whom we could not find any information, as well as recipients that appear to be passthrough entities, receiving money on behalf of organizations based in the Global South and East.

²⁵ We were unable to segment the "INGOs and NGOs" category further due to time and resource constraints. We believe this is an important area for future research in human rights philanthropy. As we anticipated, the majority of human rights funding (67%) that isn't granted directly to recipients in the Global South and East goes to Global North-based INGOs and NGOs.²⁵ While some of this funding is for advocacy within the Global North that impacts the Global South and East, much of it is for projects rooted in Global South and East contexts, like supporting women's economic empowerment in India, educating youth on reproductive rights in El Salvador, and deepening corporate accountability in the mining sector in Southern Africa.

Many of these Global North INGOs and NGOs do not appear to have proxies based in the Global South and East, meaning that they are managing the funding themselves. Some may have local partners, but having local partners is not the same as giving a grant to a local group that decides how to use it. We are not alone in our concern. The Oak Foundation's recent call for proposals, highlighted on page 65, reflects broader and needed recognition within philanthropy of the need to directly resource organizations and infrastructure in the Global South and East.

How much of the human rights funding meant to benefit the Global South and East goes to groups based in the Global North?



²³ This figure excludes 589 grants totaling \$41 million made by Global North foundations to benefit the Global South and East where the recipient is listed as "anonymous" or "unknown" or the recipient location is not specified.

Introduction Overview The Trust Gap By Funder Type <u>By Recipient Type</u> Call to Action About

Our findings on recipient types again point to assumptions within philanthropy about who should receive funding for human rights work and lead change. Our data suggest that human rights funders often favor formalized nonprofits. These organizations are frequently based in the Global North and have the language, structure, and access to engage donors. They do important work. However, when these organizations receive funding to benefit other regions of the world, they often define the goals, hire the people, and hold the contracts. This forces local actors to fit into their framework and gives them a great deal of power that comes at the expense of regional and local organizations and infrastructure. This is the trust gap.

After INGOs and NGOs, Global North foundations receive the next largest share of funding (22%) for initiatives to benefit the Global South and East. While some of this funding will be regranted to regional and local groups, our findings suggest that much of it will remain in the Global North.

In the previous chapter we saw the number of Global North foundations drop significantly when we moved from those that support human rights work in the Global South and East at all (217), to those that fund organizations in the Global South and East directly (124), to those that qualify as solidarity funders (50). We would expect to see a similar pattern in the grantmaking of these Global North foundations that received human rights funding meant to benefit the Global South and East.²⁶ ■

Our data suggest that human rights funders often favor formalized nonprofits. These organizations are frequently based in the Global North and have the language, structure, and access to engage don**ors**.

²⁶ 75 Global North funders in our analysis received grants to benefit the Global South and East. 0f these, 22 contributed grants data to our research and 10 qualify as solidarity funders.

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By taking steps to channel more resources directly to the Global South, and support regional and local infrastructure, Oak is setting an example in how to move from commitment to action.

In Search of Global South Funding Partners

At Oak Foundation, a commitment to centering local communities has prompted internal reflection about whether and how Oak can channel more resources directly to the Global South. Roughly one in five grants awarded by Oak goes to an intermediary partner that provides regranting or programmatic support.^(Z) As it explains, "Oak understands that our current position in the philanthropic ecosystem means that many relevant and effective organisations, both based and led in the global south are not on our radar."(AA) This awareness spurred Oak to undertake a scoping in 2023 to identify more Global South partners that would be able to play this role.

Oak's actions are rooted in both conviction and strategy: "One of the driving forces for our grant-making is that solutions driven by local communities, especially those rooted in the global south, will accelerate transformative change. We believe that regional and local intermediaries have a more indepth understanding of the context and stakeholders. Partnering with these actors that are firmly rooted in the global south will lead to more nuanced and impactful subgranting and strategic support for local- to regional-scale food and energy systems and climate work."(BB) By taking steps to channel more resources directly to the Global South, and support regional and local infrastructure, Oak is setting an example in how to move from commitment to action.



A Call to Action

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A Call to Action

HRFN offers this analysis to deepen our understanding of regional disparities in human rights funding and strengthen resourcing for human rights movements globally. Our findings bring field-wide evidence that reinforces what many funders and advocates working to advance human rights have known for years: There is a trust gap in philanthropy in how funders in the Global North are resourcing organizations and movements in the Global South and East.

Some funders (women's funds, donor collaboratives, a select group of private foundations, and many of the funders based in the Global South and East) are modeling what trust can look like: They are making a relatively high percentage of flexible, direct grants, including for human rights initiatives in the Global South and East. Unfortunately, they represent a much smaller share of grant dollars than the majority of funders that continue to restrict funding and provide grants through organizations in North America and Western Europe for human rights actions meant to benefit other regions. Embedded practices, small decisions, and big assumptions add up to field-wide trends in which activists and human rights actors in the Global South and East can expect that a third of the funding for their contexts will be granted to organizations in the Global North.

As a result, human rights funders are not adequately supporting communities in the Global South and East to lead change and win human rights struggles. What is stopping us? And what would be possible if we did?

This research points to the need for honest reflection on when, how, and where trust informs funding for long-term social change, especially on a global scale. That reflection requires all of us who are committed to transforming philanthropy to recognize bias and actively grapple with how we center movements in our work, reckon with philanthropy's roots in unequal wealth distribution and colonialism, and understand the ways that power shows up in funding decisions. This is not about one individual institution. but about philanthropy's trend toward restricted, indirect funding that inhibits human rights movements from reaching their potential, including in the Global South and East.

Our findings suggest that the differences we see in funding directed to groups in the Global South and East versus those in the Global North do signify a gap in trust underlying global funding for human rights.

This trust gap is evident across a range of funding decisions and practices, from where organizations are based that are funded to lead human rights work, to the size of the grants they receive, to the extent they have the flexibility to decide how to use the funding. Overview The Trust Gap

We urge you to consider what you can do within and beyond your institution—individually, collectively, and systemically—to effect change.

Our research is on a global scale. However, we believe this kind of reckoning-paired with an honest analysis of funding practices and dollar allocations-is likely to unearth a pervasive trust gap even in more localized contexts or thematic areas of funding. At the outset of the report, we cited a National Committee for Responsive Philanthropy article showing that women's groups and organizations led by people of color receive fewer and smaller grants in the United States. The call to "fund us like you want us to win" has been echoed by movements for Black lives, activists on the frontlines of climate justice, LGBTQI and feminist movements, and others working in areas from peace and security to Black feminist action. This repeated appeal is borne of years of frustration watching large, flexible grants reach more mainstream groups, compared to small, restricted grants for many of the groups leading change in their own communities. We hope that the framework and methodology presented in this report will serve those looking at where and why a trust gap might be part of the equation.

In this call to action we aim to move from reflection to change—as individuals and as a funding ecosystem that could more deeply and effectively support movements for justice and change around the world. We urge you to consider what you can do within and beyond your institution—individually, collectively, and systemically—to effect change.

What Funders Can Do

We join a long list of partners, advisors, members, and movements calling for philanthropy to provide more direct, flexible funding to organizations leading change. Our recommendations build on the critiques and exhortations that have come before, including by the Trust-Based Philanthropy Project, Ariadne and EDGE Funders Alliance (through Funding for Real Change), Prospera, Black Feminist Fund, Nonprofit AF, Institute for Voluntary Action Research, and Nonprofit Finance Fund. They are also grounded in research findings we believe are new that are presented in this report: evidence of differential funding practices that substantially constrain access to flexible, direct resources in the Global South and East.

We know funders are operating under differing constraints. Boards, leadership, and institutional priorities shape what is possible. We urge you to reflect on how to take actionable steps based on where there is the most potential for change. Identify your positional power and sphere of influence where you can make changes toward a bigger-picture goal. What barriers do you face in making direct and flexible grants? What constraints are set-in-stone and which are cultural practices or assumptions? Where can you push, pull, or partner to strengthen trust-based support? We hope this report can be a tool for you.

Recommendations to Funders to Address the Trust Gap in Philanthropy

1. Take stock of your grants to identify potential gaps and biases. Start with your own grants data. Use this simple table to assess your portfolio or institution. Even using your best guesses will quickly paint a picture of your grantmaking. <u>Download</u> this table.

	All Grants	Grants to Groups head- quartered in the Global North ²⁷	Grants to Groups head- quartered in the Global South & East
Number of grants (#)			
Total funding (\$)			
•••••••••••••••••••••••••••••••••••••••			•••••
Direct funding ²⁸ (\$)			
Indirect funding ²⁸ (\$)			
	•••••••••••••••••		•••••
Flexible funding (\$)			
Project funding (\$)			
Direct funding (%)			
Flexible funding (%)			
Average grant size (\$)			

²⁷ In our research, the Global North includes Western Europe, Australia, Canada, Japan, New Zealand, and the United

States and the Global South and East includes all other countries. ²⁸ Grants can be classified as either direct or indirect funding. Direct funding is granted to recipients in the region where the grant is intended to benefit. Indirect funding is granted to recipients outside of the region where the grant is intended to benefit. To be included in the "direct" and "indirect" totals, your grants must specify at least one country or region that is meant to benefit from the funding.

2. Establish goals for your direct and flexible funding. A bare minimum standard should be that at least two thirds of human rights funding is granted to those in the region—if not the country—that is meant to benefit from the grants and that a preponderance of the funding is flexible. Use the table on page 71 to establish your baseline and work with your team or institution to set future goals and a timeline to track

change.

3. Prioritize flexible funding. As one foundation trustee put it, "Instead of asking 'What is the risk in being more flexible?'" we should be asking, "'What and who benefits from restricted funding?'"^(CC) Probe what prevents you or your institution from making unrestricted grants and brainstorm the steps you can take to address the barriers you identify. Consider what is at stake if you don't provide flexible funding to the activists and movements on the frontlines of human rights struggles.

4. Invest in and partner with local and regional funders with strong community ties. These funders are a critical resource within human rights philanthropy. They are rooted in the communities they serve, understand local contexts, have extensive networks, and can move money directly to frontline activists and movements. Talk to them. Engage them as partners, not simply as regranters or implementers, so that you can learn from their expertise and work together to advance human rights around the world.

5. Be accountable and responsive. In considering power, recognize the invaluable resources your grantees hold, like skills, expertise, and networks. Be transparent and responsive in your communication and decision making. Solicit and act on feedback. Fund organizations that are grounded in and accountable to the communities they serve. See this <u>tool from WINGS</u> for inspiration.

6. Explicitly address power imbalances and biases. First, look at if and how your funding reaches historically marginalized communities in the regions where you work, including but not limited to Black people, Indigenous Peoples, migrants, LGBTQI people, women of color (especially trans and queer women of color), and persons with disabilities. Second,

ap By Fund

By Funder Type By F

countering bias and shifting power requires that funders take steps to identify and mitigate bias, create funding processes that are transparent and equitable, and build accountability that centers movements. Is there a pattern of approval or funding modalities that indicates larger assumptions, biases, or practices that limit direct and flexible support to particular communities or contexts? What can you do to respond?

7. Revise grant processes to be more accessible. Simplify grant applications and reports by paring them down to the essentials and considering when conversations could serve as an alternative to written requirements. Make materials accessible in more languages and don't discount applicants based on minor errors or omissions.

8. Place your grants into the context of the larger funding ecosystem. Take time to reflect on where you can shift power. If you are already modeling direct, flexible funding, continue to advocate with your peers and funders. If your levels of direct, flexible support are mixed, consider what kind of influencing can be done within your institution. If you are currently providing little direct, flexible funding, join us in learning more about how you can deepen your impact through trust.

9. Join the conversation. Be part of HRFN's global network where you can meet peers, ask questions, share grants data, and strategize with a community on how to shift resources and power to those most affected by injustice and inequality. Visit our website to learn how to <u>become a member</u> or <u>sign up</u> for our newsletter.



Overview The Trust Gap

By Funder Type

A Call to the Field as a Whole

The recommendations above provide a roadmap for change for individual funders. However, this report is not about one institution. It is about the compounding effect that small decisions and forms of trust have across the field. Our field will not change if we do not address bias, shift power, and close the trust gap as a field.

Here, there is hope. A growing number of funders and movements are working to redefine funding relationships through participatory grantmaking, movement-led funds, and direct and flexible funding models. Feminist and activist funds have for decades offered regional and local structures that powerfully move resources to the frontlines of social change. The call is getting louder for the systemic change needed to truly grapple with the legacy of wealth, inequality, and power that underpins philanthropy.

Across the funding landscape, we see possibilities when funders honestly reflect on their power and practices in order to build a funding ecosystem designed to establish trust and shift power to frontline organizations and movements.

In Recognition of Movements

This report is directed at funders. Our findings affirm that different types of funders are using models that either counteract or reinforce a marked divide in whether and how actors in the Global South and East are resourced to lead change in their own contexts.

However, the purpose and motivation behind our research is not about funders alone. It never is. Human rights philanthropy exists in service of those leading change to protect and promote human rights around the world. We especially hope this report can provide the backdrop to deepen relationships that center movements.

This overview of funding is one step, but it does not stand in for the needs or voices of movements themselves. Much of this critique has been articulated—and will continue to be-by movements advocating for a more just and equitable funding ecosystem.^(DD) The real work is listening; honoring movements' commitment, insights, and visions; and, as many activists and allies have called for, boldly resourcing movements like we want them to win.

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About Advancing Human Rights

Methodology

Our research aims to incorporate all human rights grants in a given year. To do so as comprehensively as possible, we collect grants data from three networks of global human rights donors and review individual grants housed by Candid, the leading source of information about foundation funding. For 2019, the most recent year of comprehensive data available, we identified 761 foundations in 51 countries that gave \$4.1 billion for human rights.

For our data analysis, we use a combination of machine learning techniques, rules-based search strategies, and extensive data review to identify grants that meet our definition of human rights funding. In total, we reviewed approximately 170,000 grants, roughly 90% of which came from Candid's data set of grants of \$10,000 or more made by 1,000 of the largest private and community foundations in the U.S.²⁸ The remaining grants were collected directly from human rights funders, including 182 members of the three global networks (HRFN, Ariadne, and Prospera).²⁹ Across all four sources, 26,908 grants met our definition of supporting human rights.

To avoid "double counting" grant dollars, we generally exclude grants that were regranted from one foundation to another within our data set. These accounted for 340 grants totaling \$104 million (1% of human rights grants, 2% of grant dollars) and were mostly from private foundations to public foundations which raise funds from a range of sources to support their grantmaking. However, in this report, we have included these grants in several of our calculations in order to reflect every grant that is earmarked for a specific location.

In the course of our research, we have to make some hard choices about how to categorize grants. For example, a single human rights grant may focus on multiple regions. Because most grants do not specify the share of funding for each region, we count the full value of each grant in the totals reported for each region. For example, we would include the full \$20,000 for a grant that supports reproductive rights in Poland and Brazil in each of the totals for Eastern Europe and Central Asia and Latin America and the Caribbean. While this approach is instrumental in helping us understand the relative funding flows by region, the drawback is that it may inflate the actual funding for each region.

As with any research, there are limitations. We may not capture very small grants (those under \$10,000 through Candid), and we continually strive to bring in more global data. We also rely on funders to share their grants data and the quality of their submissions varies. Still, through our data collection, research methodologies, and regular engagement with the field, our *Advancing Human Rights* research provides a well-grounded understanding of the allocations and trends shaping human rights philanthropy around the world.■

Dig Deeper into the Data

The findings in this report are just a starting point.

1. Use our <u>research hub</u> to explore funding over time by regions, issues, populations, and strategies.

2. Dive into the <u>grants database and mapping</u> <u>platform</u> to see grant-level details and find peers.

3. Follow our <u>blog series</u> where we showcase diverse perspectives to contextualize the numbers.

4. Learn from our additional <u>reports and analyses</u> of the field of human rights funding. ■

²⁸ Candid's Foundation 1000 data set represents over half of all U.S. private and community foundation grantmaking that Candid collects in a given year.

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Acknowledgements

The authors wish to thank our colleagues at Candid: Anna Koob and Mantin Diomande for their research insights and programming skills; Michele Dilworth and Cesar Del Valle for their valuable support for Advancing Human Rights; and Matthew Ross, Naomi Henry, and Barbara Kristaponis for their work on the processing and coding of human rights grants data. We thank our partners at Ariadne-European Funders for Social Change and Human Rights, and Prospera International Network of Women's Funds. At Ariadne, Julie Broome and Molly Mathews go to great lengths to ensure that European donors' grantmaking is captured accurately in this research. At Prospera, Sofia Karakaidou ensures the critical role of women's funds in supporting human rights is fully represented. We are grateful for the guidance and enthusiasm of our research advisory committee: Masa Amir, Amy Bisno, Shaady Salehi, Valeria Scorza, and Maria Amália Souza. We also wish to thank Alexandra Garita, Kika Frisone Barrera, and Chhavi Doonga from Prospera, and Mukami Marete from UHAI EASHRI for sharing their experiences to inform this report. In addition, we appreciate the valuable contributions of our HRFN colleagues Brenda Salas Neves, Debbie Zamd, Divina Lama, and Haley DeLoach, and Evelina Judeikyte's work to bring the data to life through her design. Finally, we thank all of the foundations who have reported their data to inform this analysis, our peers and partners who share our commitment to transforming philanthropy, and the movements and activists boldly working to advance human rights every day around the world.

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About Human Rights Funders Network

Human Rights Funders Network (HRFN) is a network of funders from the Global South, East, and North dedicated to resourcing human rights actions around the world. For nearly 30 years, HRFN has brought funders together to collaborate, strategize, and advance the field of human rights philanthropy. Since our inception, our community has grown into a global network of almost 450 institutions across 70 countries. We are committed to advancing human rights through "open philanthropy," an approach and ideal through which resources are distributed ethically in a way that is abundant, justice-centered, open in knowledge and power, and informed by movements. Learn more at <u>hrfn.org</u>.

Designed by Evelina Judeikytė at Parabole Studio

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