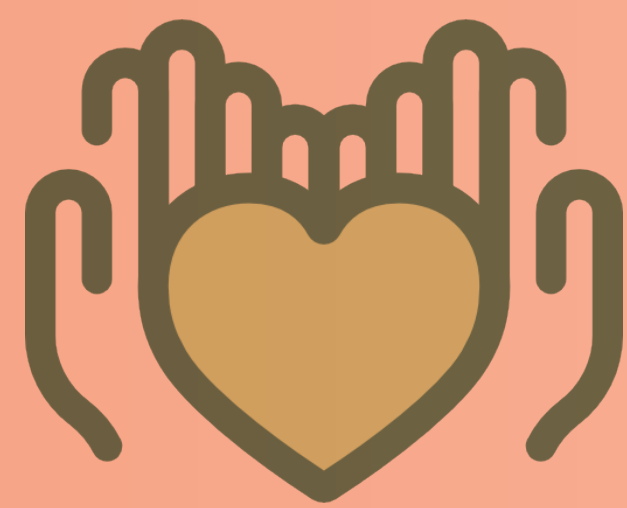


Community Philanthropy & Large-Scale Assets: A Tale of Two Foundations



Thoughtful, holistic, democratic stewardship of natural resources has never been more critical.

Community philanthropy can play a big role in this, but how? Two foundations are exploring this question.

Newmont Ahafo Development Foundation (NADeF) - Ghana



US\$13 million endowment from gold revenue, established through an agreement between Newmont Mining and ten communities in Ghana's Brong-Ahafo region.

Shire River Basin trust (SRB) - Malawi



New trust forming with US\$5 million investment from US government in cooperation with the Malawian government to manage conservation of Malawi's largest reservoir.

Decision-making



Unlike institutions funded and managed by corporations, in these examples communities are principal decision-makers from the outset.

NADeF

- 6 of 9 board members are elected community representatives.
- 40+ member social responsibility forum represents all stakeholders, approves budget & development strategy.
- 10 community-led sustainability committees identify funding priorities.

SRB Trust

- 24 stakeholders (from grassroots leaders to elected officials) designing by-laws & operating procedures.
- Trust will be supervised by an elected board of individual rate-payers, smallholder farmers, corporate water users, government officials & institutional donors.

The act of investing instills a sense of shared ownership, regardless of the size of the contribution.

Small donor investing



Even if communities are key decision-makers, one large investor can still unduly influence the foundation's direction.

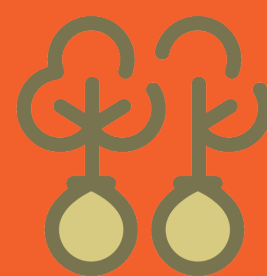
NADeF

- Special investment fund for past scholarship recipients to give back to foundation
- Donor-advised fund for Ghanaians abroad

SRB Trust

- Small ecosystems service fee from individual households and farmers as a joint community investment.

Sustainability



Big budgets can create competition for resources.

Cross-cutting grants and multi-community projects unite people around a common objective and build trust.

NADeF

- 2 grants for education in all ten communities.
- Multi-community bamboo bicycle plant requires teamwork and provides jobs.

SRB Trust

- Stakeholders are having vigorous discussions about whether sustaining the watershed means investing only in direct conservation or also supporting other community priorities.

Community philanthropy, an age-old practice, reflects the *human impulse to help others in one's own community*¹ and "casts givers and recipients as equal in the philanthropic act."²

Although it is often informal, more international development funders, practitioners, and communities themselves are exploring how formal structures may *strengthen community capacity and voice, build assets, and increase social capital.*

Q: How can community philanthropy gain traction in large-scale asset management?

A: Strategic partners

Conventional environmental trusts raise the profile and credibility of the model. The model increases the trusts' relevance and benefit for communities.

Environmental defense and human rights NGOs help communities hold corporations accountable and ensure equity. Community philanthropy is another tool for promoting community self-determination and self-advocacy.

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Sources

¹"The Case for Community Philanthropy," Global Fund for Community Foundations, 2014

²"Philanthropy and Resource Governance," Shauna Mottiar, 2015

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A large community-managed trust provides structure and visibility for these conversations.