



4th International Conference on Financing for Development (FfD4)

WINGS submission for the Elements Paper

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W I N G S
ELEVATING PHILANTHROPY

Introduction

Governments worldwide have shown enormous leadership in addressing social, economic, and environmental issues on all levels of society and across countries since the adoption of the Addis Ababa Action Agenda (AAAA) in 2015. However, there is widespread consensus that more than incremental change is no longer sufficient in the face of domestic and interlinked global challenges. We need to unlock and deploy more catalytic philanthropic capital as an innovative tool to support collaborative programs – this also means strengthening non-financial assets such as networks, convening power, expertise, and reach - at an unprecedented pace and scale.

The AAAA emphasises the importance of mobilising all sources of finance, recognizing the central role and effective use of domestic resources. Philanthropy is a key player working across sectors, able to take more significant risks in funding and financing innovative solutions for the most pressing issues, which can and should be taken to scale by governments or others. Philanthropy is innovative, can de-risk, and has a long history of collaboration with and close ties to local communities. Leveraging philanthropy's potential would require governments to build up their capacity to partner better with the sector and regulate in a way that allows it to achieve a higher impact. Regulatory blueprints, pilot projects, and best practices in partnering with governments exist already across the world. These need to be showcased, piloted and adapted to scale and help inform improved governmental policies and practices to unlock the potential of philanthropy's catalytic capital.

WINGS is a diverse global network of philanthropy support and development organisations, and brings together more than 210 organisations including foundations (both large northern foundations and very small local giving institutions), regional and national thematic networks, think-tanks, and national umbrella organisations. All are united in building a support system for philanthropy in over 60 countries around the world, and as a network of networks, our reach scales to over 100,000+ organisations that are members of our members.

This is a historic moment for the world in terms of the push for the politics of change, with COP29 and COP30 building momentum on funding for a green and just energy transition and the G20 coming to a consensus on reform of the multilateral development bank system and the world's financial architecture to build a more sustainable development model. Yet there are increasing shortfalls in resources to grapple with a series of cascading and intersecting crises of polarisation, climate disaster, authoritarianism, and armed conflict; now is the time to prepare and leverage worldwide philanthropy's involvement in sustainable development financing.



I. A global financing framework (including cross-cutting issues)

The Addis Agenda recognised the need for continued efforts to improve the quality, impact, and effectiveness of development cooperation through Multi-Stakeholder Partnerships, taking into account efforts in other relevant forums, such as the GPEDC, in a complementary manner. WINGS believes in a multi-stakeholder approach that supports evidence-based dialogue and action on effective development cooperation, including the 2005 Paris Declaration on Aid Effectiveness, the 2008 Accra Agenda for Action, and the Busan Partnership for Effective Development Cooperation in 2011. Progress in implementing these commitments has been mixed, and this agenda needs reform and revitalisation.

Key asks

The WINGS worldwide network of philanthropy calls for:

1) Strengthening civil society by investing in “local giving cultures” and infrastructures and improving public policy to promote philanthropic contributions.

By investing in domestic philanthropy support ecosystems, States as donors and national funders can not only help scale local resources, harness local assets, and build the channels and conduits for international funding to reach communities that are on the frontlines of change, but they can also strengthen the sustainability of their funding and resilience of local civil society, in true partnership with local philanthropy. States should work to remove barriers to mobilising philanthropic capital and not obstruct the flourishing of a “culture of giving” at the country level.

2) Ensuring the enabling conditions are in place for governments and their banks to scale their partnerships with philanthropies to blend resources.

This could be realised by supporting match-making platforms to channel the various blended finance opportunities to governments and Public Development Banks, making it easier for them to find appropriate philanthropic and private sector partners while having a more agile flow of information. Additionally, States can reinforce non-financial components to define bankability and secure profitability of multi-stakeholder projects so the impact is sustainable and more attractive for private investors moving towards a more sustainable and responsible investment thesis and creating more straightforward channels, procedures, and pathways for philanthropic and private sector actors to participate in blended finance initiatives. WINGS is vitally alert that these initiatives should centre people and avoid passing private debt onto public institutions.

3) Securing an enabling environment for all of civil society – including philanthropy.

UN Member States should ensure that civil society, including philanthropy, has a safe and enabling environment and freedom of access to resources across their borders.



Governments should also support the participation of civil society organisations—including philanthropy—as speakers and observers in UN bodies and create structured mechanisms for inclusive participation, including the UN High level Political Forum and the UN General Assembly.

II. Action areas

To see a dramatic shift towards achieving the SDGs, we consider it imperative that the fourth International Conference on Financing for Development addresses the following priority areas and UN Member States take concerted action on:

A. Domestic public resources

In Paragraph 42 of the AAAA, the governments of the world declared: ***“We welcome the rapid growth of philanthropic giving and the significant financial and non-financial contribution philanthropists have made towards achieving our common goals. We recognise philanthropic donors’ flexibility and capacity for innovation and taking risks, and their ability to leverage additional funds through multi-stakeholder partnerships. We encourage others to join those who already contribute. We welcome efforts to increase cooperation between philanthropic actors, Governments, and other development stakeholders.”***

The [Statement on Philanthropy’s vision for the United Nations Summit of the Future and Beyond](#) launched at UNGA shows how private philanthropies’ commitment is evolving towards (i) tackling inequalities and multidimensional development challenges while continuing to amplify and prioritise the voice and experiences of the Global South, (ii) moving from a vertical to a multi-dimensional approach to fighting inequalities and to foster development effectiveness and (iii) leveraging philanthropy’s comparative advantage by adopting and exploring more innovative development finance approaches.

WINGS believes in leveraging philanthropy’s comparative advantage by adopting and exploring more innovative development finance approaches. Philanthropies should be encouraged to play a more prominent leading role in innovative finance, particularly in domestic resource mobilisation, to achieve the Sustainable Development Goals (SDGs).

In Paragraph 42 of the AAAA, States called upon philanthropy to also take steps for localised domestic resource mobilisation: ***“We call for increased transparency and accountability in philanthropy. We encourage philanthropic donors to give due consideration to local circumstances and align with national policies and priorities.”*** Since 2015, philanthropic organisations have increasingly made and implemented towards more non-earmarked, flexible funding, a more catalytic role, and transparency.



Private philanthropies complement the work of governments and other development stakeholders to alleviate poverty and inequality, support human rights, promote racial equity, and meet the SDGs. They are increasingly recognised as key development actors committed to providing financial and non-financial resources to end inequalities and foster sustainable development. In their [2011 Nairobi Declaration](#), the GPEDC countries declared: ***“We acknowledge the essential contribution of philanthropy to development and progress towards the SDGs and the 2030 Agenda, not only through financial support that is often innovative, agile and quick, but also through knowledge and expertise, acting as catalytic agents of resources and relations.”***

By 2022, in its [Geneva Summit Declaration](#), the GPEDC noted important changes in the global architecture of development co-operation that brought philanthropy into the mix: ***“In accordance with the provisions of the Addis Ababa Action Agenda, development co-operation has the potential to unlock and catalyse other sources of finance, including pro-poor sustainable private investments, aid for trade, and domestic resource mobilization, as well as philanthropy (emphasis added).”***

Since the [joint communiqué](#) signed at the Summit for A New Global Financing Pact, in which foundations committed to positively contribute to the climate agenda, WINGS, the Philanthropy Europe Association - Philea and other partners, such as the OECD network of foundations working for development (netFWD), have continued to push foundations to commit themselves to climate at the [#Philanthropy4climate commitment](#) movement and gender equality, education and ending inequalities at both COP28 and the Paris Peace Forum.

In particular, national public development banks and their international multilateral counterparts have a role in building sustainable finance that draws on all possible resource streams. At the 2023 Finance in Common Summit of public development banks in Colombia, participants concluded in the [Final Communiqué](#) that philanthropies should be invited to participate in blended finance mechanisms: ***“Philanthropies were called to ensure that blended-finance mechanisms take into account the local context and the perspective of civil society...”***

The G20 also adopted in 2022 the "G20 Principles to Scale up Blended Finance", which acknowledged "the role played by philanthropies, to engage a wide set of actors and build a global community of support" for "optimal operationalisation and delivery of blended finance in developing countries, including LDCs and SIDS."

B. Domestic and international private business and finance

The OECD provides insights about how philanthropic financing is on the rise, with domestic foundations playing an increasingly important role. Private philanthropy for development



identified in the OECD report “Philanthropy for Development Vol. II” foundations amounted to USD 42.5 billion between 2016 and 2019, an annual average of USD 10.6 billion. Most of these funds are cross-border flows, with more than half coming from the United States (USD 24.3 billion).

Domestic foundations in emerging countries provide substantial local support. A total of 116 out of 205 foundations from the sample are based in emerging markets. Together, they provided USD 7.9 billion, or 19% of total philanthropic flows for development over 2016-19. In some countries in the sample, like India, the People’s Republic of China, and Mexico, domestic philanthropic financing surpassed the flows from cross-border philanthropy. To fully unpack philanthropy’s contribution to development, it is essential to consider the growing domestic philanthropic sector in the Global South.

Improving regulations

Effective, inclusive, sustainable, and locally-led development can realise the SDGs if governments can better align their regulations and oversight legislation of the philanthropy sector to enhance partnership. This does not mean foundations and philanthropic entities should be unregulated but regulated to be accountable and transparent while effectively avoiding unintended negative consequences that restrict the voice and operations of civil society and hinder its contributions to development in a country-led national platform.

Favourable, flexible, proportional, and purpose-driven sector regulation should align with how CSOs and their funders can operate and grow along their own needs without imposing ‘regulatory overkill.’ Unlocking capital for local-level action means governments must reduce bureaucracy while ensuring compliance, transparency, and due diligence, which builds trust in the sector. Philanthropy has a role to play to increase government trust in communities and community philanthropy to manage funds and bring locally appropriate solutions.

WINGS recommends that States should:

- a. Address bank de-risking policies, anti-money laundering regulations, and other regulatory barriers faced by accountable, legalised, transparent, and effective CSOs and local philanthropies. Governments should work with financial service providers, the Financial Action Task Force (FATF) and the civil society platform the [Global NPO Coalition on FATF](#) to ensure that CSOs and local philanthropies can set up accounts and process donations and payments in a transparent and accountable way.
- b. Reduce regulatory burden, simplify administrative processes, and create organisational and legal forms that facilitate a broad spectrum of CSO funding and social purpose activities.
- c. Invest in upskilling programs for national administrations, increasing government capacity, particularly on the subnational level, to apply existing laws and regulations and feed into regulatory simplification efforts.



d. Co-develop strategies with philanthropic actors to widen access to funding and investment to small and non-formalised entities and movements, allowing them to benefit from diverse options to strengthen their work and experiment with various paths to impact at the beginning of their journey.

Cross-border giving

States should also facilitate tax-effective cross-border funding and “patient philanthropic capital” investments in country-owned, co-designed development projects to close the SDG financing gap. Unhindered civil society access to resources, including international donations, is an inherent part of the human right to freedom of association. States should create tax incentives for philanthropic organisations / foundations and local and cross-border international giving in favour of public projects, using peer encouragement, helping pool finance, and creating innovative funds.

The UN Human Rights Committee has consistently held that freedom of association includes “accessing foreign funding and that limitations to it may constitute violations of the right to freedom of association.” Among the reports of the UN Special Rapporteur on the rights to freedom of peaceful assembly and association are the [general principles and guidelines for ensuring civil society organisations' right to access resources](#).

Consider innovative financial instruments and partnerships with different sectors/philanthropy

This can include, for example, a Public-Private Social Fund, bonds, and other innovative financial instruments. The philanthropic sector urges the G20 that this is done by providing sustainable, affordable, accessible, and predictable development finance and effective means of implementation to developing countries along the lines of the Development Effectiveness Principles promoted at the multistakeholder platform of the Global Partnership for Effective Development Cooperation (GPEDC); while investing in technical assistance, capacity building, and South-South and Triangular Cooperation. The GPEDC development [co-operation effectiveness principles](#) (Country Ownership, Focus on Results, Inclusive Partnerships and Transparency and Mutual Accountability) and the principles of South-South co-operation have been recognized in the AAAA (in OP 58 and 57 respectively).

C. International development cooperation

Localisation/ Locally Led and resourced development

Philanthropy doesn't just happen at a global or national level. Due to their flexibility, philanthropies are also well placed to support local communities in catalysing local/community philanthropy efforts with an aim to support communities in elevating their own assets and agency to address their self-defined needs and with a long term view



towards sustainability, innovative finance models and philanthropy's role in supporting and elevating philanthropic movements and initiatives at a community level.

Unlocking catalytic finance for sustainable development and just transitions means that States and their development agencies, as well as other financing actors including philanthropies, need to cooperate not just to mobilise more significant funds but also to ensure that resources broadly are accessible, adapted to the needs of local communities, helping to protect their rights, and meaningfully engage implementers including entrepreneurs, civil society, and historically marginalised communities. For this, philanthropies have demonstrated their ability to mobilise funds and spark an economic multiplier effect.

The [USAID-initiated Donor Statement on Supporting Locally Led Development](#) aims to shift and share power. It has been endorsed by 20 other bilateral donors and (by 2024) more than 20 major international foundations. Most recently, the Funders Forum on International Cooperation Partnerships, hosted by the Philanthropy Europe Association-Philea, [committed to supporting locally-led development](#) in May 2024.

Reform of public development banks

WINGS recommends that states reform their financial institutions, multilateral and national development banks, and other funders to ensure a continuum of capital is invested while guided by shared values. MDBs should enable small, non-formalized entities and individuals to obtain different funding and finance to allow experiments in various paths to impact. This means increasing the availability of concessional funding and blended finance and reforms to democratise decision-making governance by guaranteeing more voice and participation in and from the Global South in decision making processes.

Finance in Common, the worldwide network of public development banks, published a 2023 paper "[Public Development Banks and Philanthropies: No Longer Strangers](#)" that explored the potential of some tools, such as blended finance, to align the objectives of philanthropy organisations and development banks in mobilising investments towards sustainable development in emerging economies. WINGS along with Grupo de Fundaciones y Empresas (GDPE) of Argentina, Innpactia of Colombia, Latimacto regional impact investment network, and other partners, highlighted and exemplified how these partnerships allow leveraging the strengths of each actor to create a robust framework for attracting additional private investment.



Climate

In 2015, the AAAA made a visionary call on climate finance, noting the **“critical importance of biodiversity and the sustainable use of its components in poverty eradication and sustainable development.”** Taking climate action is the responsibility of all foundations, regardless of mission, status or geographic location. The growing climate emergency presents a serious risk to the pursuit of philanthropic aims everywhere and in every area. Therefore, the philanthropic sector, at all levels - national, regional and global, must coordinate and collaborate to play a role in addressing the climate emergency. The philanthropic sector-wide approach must go beyond grantmaking; foundations must leverage their influence, networks, endowments and assets and governance to act on climate. WINGS encourages commitment to urgent climate action among all foundations, regardless of their mission, status or geographic location, by signing the [International Philanthropy Commitment on Climate Change \(International Commitment\)](#). The movement now has 800 foundations that have already committed to act on climate in the funding work.

D. International trade as an engine for development

The AAAA had noted that States should **“promote a universal, rules-based, open, transparent, predictable, inclusive, non-discriminatory and equitable multilateral trading system.”** WINGS sees the need for a global partnership between governments and philanthropy in the relationship between philanthropy and trade.

By leveraging the philanthropic sector's risk-tolerance, flexibility, and commitment to social good, trade may be an engine of growth that can promote practices that contribute positively to global challenges such as sustainability and equity. The philanthropic contribution could be to help centre local communities in the trade and investment by European and North American corporations.

E. Debt and debt sustainability

When addressing debts and the increase of sovereign debts through new ways of doing **“development/SDGs work at the global level”**, WINGS notes the legitimate concern about how public-private-philanthropic partnerships have the potential to increase debts in a global context. Attention must be paid to ensure that when designing blended finance models where public and philanthropic and private actors blend, that public interest is not prioritised over private profit. WINGS recognises the need to ensure that risks and potential gains are not equally allocated in one-sided arrangements and leave governments with hidden debts.

F. Addressing systemic issues

Public Private Philanthropic People partnerships (PPPPPs) can enable CSOs and communities to ensure that solutions are well-designed to the context, appropriate, just and fair. It is not philanthropy to provide all the financial resources to change the system. It is



only one of many tools that can be used to align stakeholder interest across sectors along common goals to achieve sustainable development. In the [Policy Brief](#) produced by the Civil 20 Working Group Philanthropy For Sustainable Development, the philanthropic sector called on governments to strengthen the quality and scale of existing Multi-Stakeholder Platforms (MSPs) networks with the philanthropic sector, and invest in the establishment of new partnerships through government authorities at all levels.

In that brief, a group of some 400+ philanthropy and civil society participants called for States to encourage and incentivise the meaningful participation of diverse philanthropies, including community and corporate foundations, to improve and increase private catalytic capital mobilisation for systematic, collective and plurilateral action. aware of the need for creating adequate safeguards to ensure transparency, accountability, and clear alignment to prioritise public interest avoiding any hidden debts for governments in these arrangements.

Such partnerships allow system actors themselves to change systemic issues. To unlock investment in infrastructure, for example, through blended finance for net-zero energy production, philanthropy plays a role in ensuring that transitions are just by raising standards in education and health through innovative finance mechanisms that maximise the impact of public funds, enabling more equitable, resilient, and sustainable supply chains by bringing actors together from across a sector to deliver a system change together; extending access to vital services and livelihood opportunities by de-risking investment in the infrastructure that is required; and providing start-up funding to show how small innovative projects can be scaled commercially, in situations where a company or investor had assumed it would not be possible.

As a systemic issue, States can invest in the partnership infrastructure that enables this collaboration and coordination between sectors, including the local and national foundations and other philanthropic actors. States can strengthening their national resource mobilisation ecosystems to deliver the SDGs by developing national philanthropy support ecosystems by creating frameworks, guidelines and knowledge to lift up philanthropy; promoting local and regional initiatives to build a community of ecosystem champions; and making the case for meaningful investments to unlock the potential of philanthropy.

III. Emerging issues

The importance of protecting civic space, including philanthropic space

The consensus-held view by many States and most CSOs is that civic space is closing, with civic freedoms being curtailed in many countries: severe attacks on civil society in 118 of 198 countries and territories, according to CIVICUS in 2023. But also, civil society's human right to access resources and space for philanthropy shrank in one-third of the 79 economies



studied by the Global Philanthropy Environment Index researched by Indiana University's Lilly School of Philanthropy and released in 2024.

States should commit to just, accessible and equitable finance by proposing new models responsive to marginalised communities in need. Philanthropies can support good practice and help achieve this aim. While philanthropy remains a vital part of civil society, it also stands outside it as a funder and conduit of assistance to civil society, with ties internationally and to the private sector. Therefore, it can serve as a convener of actors across sectors. Thus, WINGS believes States should meaningfully and consistently engage with civil society, recognising their role in fostering democratic governance and building fair, more sustainable societies, ensuring input into policymaking from diverse civil society, which includes youth-led organisations and movements, local communities, grassroots movements and volunteers, indigenous peoples, traditional communities, afro-descendant peoples, and other racial and ethnic minorities.

By partnering with philanthropic actors, who have a convening role across sectors, States can strengthen their engagement with civil society, with particular regard to historically marginalised populations, notably by simplifying communities' and grassroots organisations' access to the necessary networks, resources, mentoring, and capacity building that can enhance the impact of civil society organisations' work. This requires facilitating more long-term, flexible financing — particularly grant-making — and investing in an infrastructure and ecosystem for local giving to grow local resources for locally-led development.

IV. Data, monitoring and follow-up

The AAAA declared that “High-quality disaggregated data” ...should be supplemented with data and analysis from civil society, academia and the private sector.”

WINGS asks States to invest in evidence and data infrastructure to enhance philanthropic involvement in public policy and strengthen evaluation mechanisms. Resources like publicly available databases with examples of successful partnerships between philanthropic foundations and public authorities in formulating and implementing public policies could inspire more effective and collaborative partnerships that can promote more inclusive and efficient public policy.

V. Overarching reflections

When adopted in 2015, the AAAA called for a global partnership based on “(m)ulti-stakeholder partnerships and the resources, knowledge and ingenuity of the private sector, civil society, the scientific community, academia, philanthropy and foundations, parliaments, local authorities, volunteers and other stakeholders”.



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WINGS renews its call on the global community of States to join in a worldwide partnership with international, national, and local philanthropic actors to achieve sustainable development.