
Advancing Philanthropy in Switzerland

A Vision for a Cooperative
and Recognized
Philanthropic Sector

Preface

In the continuity of my family and personal social commitment to the community on a variety of foundation boards over several decades and through my activity as a private banker, I have, again and again, witnessed the richness and usefulness of the philanthropic sector. However, the world of foundations – and their impact – remain quite unrecognized in Switzerland.

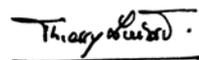
Thus, as our foundation, Fondation 1796, recently joined SwissFoundations, my partners and myself have decided to draw up an overview of the situation. Our purpose was twofold: enhance the philanthropic action in Switzerland and boost the reflection within a sector which we very much care about.

A benchmarking of innovative approaches abroad and a review of efforts underway in our regions led us to propose several actions aimed at putting philanthropy on the map in Switzerland and catalyzing cooperation among foundations and across sectors. We are indeed convinced that solving the complex issues and tackling the many challenges facing our society will require the constructive collaboration of private and public actors alike. Only in this manner will the philanthropic sector realize its tremendous potential and better and more extensively serve our society.

I warmly thank the members of our Steering Committee who genuinely nurtured our initiative providing their experiences and advice. I do hope this document will not be one more report, but “a call to action” to implement change on a subject we all feel strongly about.

In circulating it extensively, we wish to contribute to the debate on how to best deploy and use the exceptional assets of philanthropy for greater impact and for greater good.

We look forward to working alongside you, dear readers, to strengthen the philanthropic sector for the greatest benefit of our society, today and tomorrow.



Thierry LOMBARD
President, Fondation 1796

JUNE 2010

Table of Contents

Executive Summary	4
I. Background	8
Impetus for this Initiative	9
Steering Committee	10
Process	11
II. Towards a Vision for the Sector	12
The State of Philanthropy in Switzerland Today	13
A Vision for Swiss Philanthropy	19
Priorities for Achieving the Vision	20
III. Priority 1: Catalyzing Cooperation	24
What Does It Mean?	25
How Does It Happen?	26
What Can We Learn from Abroad?	28
What Has Been Happening at Home?	34
IV. Priority 2: Putting Philanthropy on the Map	38
What Does It Mean?	39
How Does It Happen?	40
What Can We Learn from Abroad?	41
What Has Been Happening at Home?	46
V. Action Plan	48
Overview of Action Steps	49
> Funder Database	
> Targeted Research	
> Thematic Needs Assessment	
> Resources for Advisors	
> Trustee Engagement	
> Thematic Funder Networks	
> Creation of a Cooperation “Incubator”	
> Public Awareness Campaign	
> “Advancing Philanthropy” Fund	
High-Level Implementation Considerations	50
VI. Getting Involved	52
What Will It Take?	53
How Can You Get Involved?	54
VII. Appendix	56
A Framework for a High-Impact Philanthropic Sector	57
B Stakeholders Consulted	58
C Bibliography of Selected Studies and Articles	59
D Relevant Resources/Links	60

Executive Summary

Over the last decade, efforts to develop the scale and impact of philanthropy in Switzerland have gathered momentum. Examples include the efforts of proFonds, SwissFoundations, Verbandsmanagement Institut (VMI), and ZEWO; the landmark Swiss Foundation Code – the first of its kind in Europe; the creation of the Centre for Philanthropy Studies (CEPS); and the foundation law reforms of 2006, 2008, and most recently, the pending reforms inspired by the motion Luginbühl.

This initiative builds on that momentum – and on a broad recognition of opportunities to further increase the impact of philanthropy across the Swiss Confederation – to develop a prioritised list of action steps to strengthen the philanthropic sector. It was conceived and is supported by the Partners of Lombard Odier Darier Hentsch & Cie through their foundation, Fondation 1796, and guided by a Steering Committee of representatives from the philanthropic sector.

This report is the product of a multi-stage process, initiated at the end of 2009:



The next phase – launching the action steps that have been developed – is meant to be a collaborative process, engaging the dozens of stakeholders who have generously contributed their time and ideas to this initiative to-date, as well as others that are inspired to work toward the vision presented herein.

PRIORITIES: CATALYZING COOPERATION AND PUTTING PHILANTHROPY ON THE MAP

This initiative did not start with pre-conceived ideas about how to achieve the broad goal of developing philanthropy. Rather, it was deliberately structured as an open process, to be shaped and informed by available data and stakeholders' input.

STAKEHOLDERS HAVE IDENTIFIED THE FOLLOWING VISION FOR PHILANTHROPY IN SWITZERLAND :

- › The philanthropic sector continues to be rich and diverse in the size and scope of its actors
- › Current and prospective funders and philanthropists have access to information that helps increase their impact
- › Funders and actors in other sectors are part of thematic cooperative networks that exchange knowledge and work in concert to achieve impact
- › The philanthropic sector is widely recognized and engaged as a key actor and partner in addressing social needs and seizing opportunities

One theme consistently rose to the top as a priority for achieving this vision: **increasing cooperation between funders and foundations, and across sectors.** Cooperation is seen as a way to multiply the impact of philanthropy, by consolidating and focusing resources and enabling learning from peers. It also provides an opportunity to reduce fragmentation within the sector, for example by encouraging greater use of cooperative foundation structures such as umbrella foundations. This report profiles different models of cooperation, as well as the ways such cooperations can be catalyzed and supported. Important elements include raising awareness of the impact of cooperation; collecting and disseminating data and information; developing platforms for cooperation; and providing planning and management support to cooperative initiatives.

Increasing the credibility and visibility of the foundation sector emerged as a second, related priority to achieve the vision. Such recognition is key to catalyzing cooperation: if civil society, private sector, and public servants, or even foundation trustees, do not believe in the potential of foundations and philanthropists to create impact, cooperation between foundations and across sectors will be challenged. Reaching such diverse audiences requires differentiated tactics; recommendations on how to do so are set out in this report.

ACTION STEPS

Analysis of existing domestic initiatives and over 20 international best practices (profiled in this report) yields an initial list of potential action steps:

SPECIFIC PROJECTS IDENTIFIED	CATALYZING COOPERATION	PUTTING PHILANTHROPY ON THE MAP
1 Bring a funder database to scale that captures Swiss funders by thematic area, and develop reports of trends and gaps gleaned from the database	●	●
2 Commission research on: donors' motivations in creating a foundation; the drivers and challenges of cooperation; the legal context for cooperative foundation structures	●	●
3 Conduct a detailed needs assessment in one thematic area to benefit funders in that area and demonstrate the value of such analyses	●	
4 Develop tools and resources to help philanthropic advisors understand and promote the benefits of cooperative foundation structures	●	●
5 Invigorate the Swiss Foundation Code by turning the book into a set of dynamic tools, and by engaging trustees around the code to become ambassadors for the sector	●	●
6 Create thematic networks of funders , potentially by region, to help spur networking, peer learning, and thematic cooperation	●	
7 Resource an existing foundation association to become an “incubator” of cooperation , providing advice and management services to cooperative initiatives	●	
8 Launch a public awareness campaign , starting with media profiles of high-impact philanthropists and culminating in a national roadshow		●

Implementing these action steps will require partners, expertise, ownership and leadership, resources, as well as an adherence to key principles to ensure the process stays true to the Swiss context. The ambition of this report is to trigger debate and highlight action steps, and thereby inspire the sector to come together and jointly mobilize the momentum and resources needed to strengthen and advance the sector. There are several ways for interested stakehold-

ers to get involved. These include: suggesting refinements to the above list; requesting a more detailed “project sheet” on these action steps; joining the next meeting; offering expertise; sharing this report and its ideas with peers and networks; offering funding support; and offering to host and lead an action step. We look forward to engaging with interested parties from across the country on this during the coming months.

I. Background

IMPETUS FOR THIS INITIATIVE

Switzerland has a rich tradition of philanthropy, dating back hundreds of years. One of the oldest registered foundations, the Inselspital in Bern, was founded in 1354 and is still operating today, more than 650 years later. The Zürich foundation law of 1835, and the federal law that followed it in 1907, made Switzerland one of the most welcoming places to establish a philanthropic foundation in Europe for most of the 20th century. In addition, Switzerland's preeminent position in humanitarianism and international cooperation has led to many well-respected NGOs being headquartered here, from WWF International to Médecins Sans Frontières International. Switzerland also hosts dynamic and groundbreaking global initiatives such as the World Economic Forum, the Global Fund fighting AIDS, Tuberculosis and Malaria, and the Global Alliance for Vaccines and Immunisation, among many others.

Over the last decade, efforts to develop the scale and impact of philanthropy in Switzerland have gathered momentum. Examples include the efforts of proFonds, SwissFoundations, Verbandsmanagement Institut (VMI), and ZEWO; the landmark Swiss Foundation Code – the first of its kind in Europe; the creation of the Centre for Philanthropy Studies (CEPS); and the foundation law reforms of 2006, 2008, and most recently, the pending reforms inspired by the motion Luginbühl.

This initiative builds on that momentum – and on a broad recognition of opportunities to further increase the impact of philanthropy across the Confederation – to develop a prioritised list of action steps to strengthen the philanthropic sector. It was conceived and is supported by the Partners of Lombard Odier Darier Hentsch & Cie through their foundation, Fondation 1796, and guided by a Steering Committee of representatives from the philanthropic sector. FSG, an international consulting and research nonprofit, are managing the project process on behalf of Fondation 1796.

A Note on the Term “Philanthropy”

The term philanthropy is generally used to describe any private voluntary action for the public good. It can encompass donations and investments of time, money, expertise, connections, and many other types of assets. Often it can have connotations of referring only to the efforts of wealthy individuals, but “rather than being a privilege of the rich, each individual has his or her own philanthropic biography” (CEPS). For purposes of this initiative, philanthropy is defined as engagement by both individual donors and grantmaking foundations.

STEERING COMMITTEE

The Steering Committee for this initiative consists of the following members:

Beate ECKHARDT
General Manager, *SwissFoundations*

Philipp EGGER/Pascale VONMONT
Director/Deputy Director, *Gebert Rüf Stiftung*

Katja GENTINETTA
Deputy Managing Director and Head Strategic Planning, *Avenir Suisse*

Michel GLAUSER
President, *Fondation Leenaards*

Dominique JAKOB
Director, *Centre for Foundation Law, University of Zürich*

Karin JESTIN
Secretary General, *Fondation 1796*

Charles KLEIBER
Former State Secretary for Education and Research

Thierry LOMBARD
President, *Fondation 1796*

Georg VON SCHNURBEIN
Director, *Centre for Philanthropy Studies (CEPS)*

As discussed in more detail in section VI of this report, the hope is that in the coming months this group can be expanded to include further stakeholders who are interested in implementing elements of the action plan presented herein.

PROCESS

This report is the product of a multi-stage process:



1 Review of Studies

In order to understand the context for philanthropy in Switzerland, more than 20 studies and articles on the sector were analyzed (*see Appendix for complete list*). This stage enabled the collection of the most relevant publicly available data on the sector and an understanding how scholars and experts are framing the successes, challenges and opportunities for philanthropy.

2 Stakeholder Consultation

In parallel, more than 50 actors and thought leaders were interviewed or surveyed about the successes, challenges, and opportunities for philanthropy, and asked to recommend priorities for the initiative (*see Appendix for the list of stakeholders consulted in this step, and as part of step 5*). Their input, and the findings from the review of studies were discussed by the Steering Committee, who identified two key priorities for this initiative: “catalyzing cooperation” among funders and other actors, and “putting philanthropy on the map”.

3 Interim Report

The findings and conclusions of the first two steps were summarized in an interim report, which was sent to over 100 stakeholders across Switzerland, and has been incorporated into this final report.

4 Best Practices Benchmarking

More than 20 organizations and initiatives from around the world were analyzed in order to identify concrete ideas and best practices to catalyze cooperation and increase the credibility and visibility of philanthropy. In addition, some of the most promising domestic initiatives were studied. Many of these examples are featured in this report.

5 Stakeholder Consultation

A second round of stakeholder consultation took place in order to gather reactions to the interim report and ideas for potential action steps. The Steering Committee discussed these in light of the benchmarking work, in order to narrow down the list of suggestions.

6 Final Report

This report attempts to summarize how and why the Steering Committee identified “catalyzing cooperation” and “putting philanthropy on the map” as priorities for this initiative, what those priorities mean in detail, and which action steps can bring them to fruition. It aims to inspire other stakeholders to participate in implementing its recommendations: more details on the next steps and how to get involved are set out in section VI of this report.

German, French and English versions of the report can be downloaded at www.fondation1796.org/initiative

II. Towards a Vision for the Sector

The recommendations set out in this report draw on the guidance and expertise of key actors from across the Confederation, through both a literature review and an extensive consultation process. The initiative did not start with pre-conceived ideas about how to achieve the broad goal of developing philanthropy. Rather, it was deliberately structured as an open process, to be shaped and informed by available data and stakeholders' input. In spite of this wide remit, a clear consensus emerged around the conclusions and priorities for action.

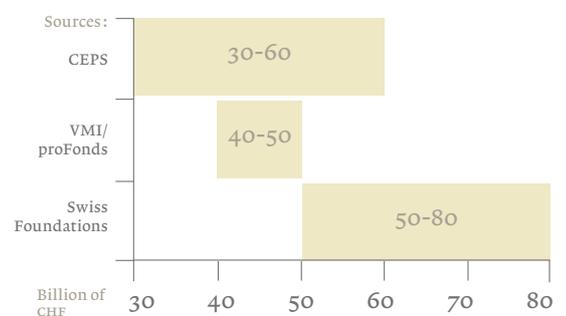
THE STATE OF PHILANTHROPY IN SWITZERLAND TODAY

Today, Switzerland ranks among the most generous nations in Europe. Excluding church taxes, private giving in the Confederation amounts to an estimated 1.2% of annual disposable income – more than in either the UK or the Netherlands.¹ Over two thirds of households give regularly;² while a typical Deutschschweizer donates twice as much per year as a Romand (400-500 CHF vs 200 CHF),³ both are around four times more generous than their nearest neighbours (Germany and France, respectively).⁴ The international philanthropic response to the tsunami of December 2004 underlines this point: the Swiss gave around 45 CHF per head, the most of any nation.⁵ In particular, Switzerland donated twice as much per capita from private funds as second-ranked Norway, nearly four times as much as France and Germany, and more than twelve times as much as the US.

Giving by established foundations also appears healthy overall. Foundations represent a large philanthropic resource in Switzerland: estimates for total assets vary from 30 to 80 billion CHF (see chart 1) – double the amount per capita found in England and Wales, and around three times the level in Germany.⁶ These foundations pay out an estimated 1-2 billion CHF per year in grants and

charitable operating expenses, around 2-3% of assets⁷ – this is comparable with payout rates in other European countries, and indeed with the US if the lower interest rates and more conservative investment style found in Switzerland are taken into account.⁸ In addition, half of federally-registered foundations give internationally⁹ (although only 15% of total capital is dedicated to this purpose¹⁰). The lack of a comprehensive, publicly available data source that lists all of Switzerland's foundations, their assets, and their activities makes it challenging to arrive at an overall estimate for key data points, hence the discrepancy in the three asset estimates shown below. In addition, while there are several studies and data sources that list the thematic focus areas of foundations (for example, ~40% of foundations fund social issues, ~35% fund education and science/research, ~25% fund culture, and ~20% fund health)¹¹, there is no comprehensive data available on the actual amount of annual giving to each focus area.

CHART 1 – ESTIMATED ASSETS OF PUBLIC INTEREST FOUNDATIONS IN SWITZERLAND



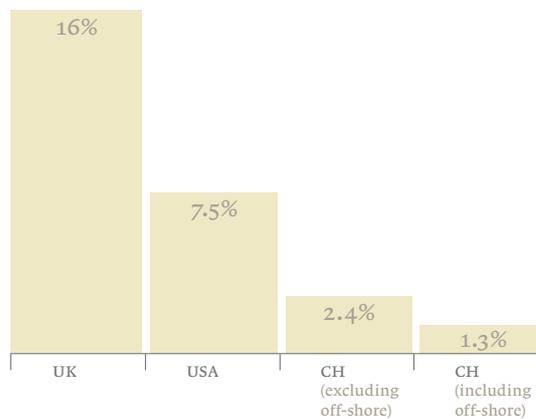
1 *Gesellschaftlichen Wandel gestalten: Drei Ansätze für mehr Philanthropie in Deutschland*; McKinsey & Company; 2008
 2 *Spendenmonitor 2008*; gfs-zürich; 2009
 3 *Spendenmonitor op. cit.*
 4 Parmary Vakaridis; *Les 20 philanthropes qui font la Suisse*; Bilan; 4 Nov 2009. FSG interviews.
 5 International Committee on Fundraising Organizations; *Tsunami Donations: An International Comparison*; 2005
 6 Dr. Benno Schubiger; *In Acht Schritten zu einem effektiveren Stiftungswesen in der Schweiz*; SwissFoundations; 2006
 7 Niklas Lang, Peppi Schnieper; *Professionelles Management von Stiftungen*; Universität St. Gallen; 2006
 8 FSG analysis
 9 Prof. Dr. Robert Purtschert, Georg von Schnurbein, Claudio Beccarelli; *Visions and Roles of Foundations in Europe – Länderstudie Schweiz*; VMI; 2003
 10 Lang, Schnieper *op. cit.*
 11 Dr. Philipp Egger, Prof. Dr. Bernd Helmig und Prof. Dr. Robert Purtschert; *Stiftung und Gesellschaft: Eine komparative Analyse des Stiftungsstandortes Schweiz*; Herausgeberreihe Foundation Governance; 2006

Swiss companies are also highly engaged. More than three quarters engage in corporate citizenship (giving and/or employee volunteering)¹² – among larger companies, with more than 1,000 employees, this figure rises to 93%.¹³ The country hosts a number of world leaders in corporate philanthropy, including the efforts of many private banks. Moreover, corporate engagement looks set to expand further: fully 95% of companies intend to maintain or increase their activity in 2010.¹⁴

However, given the concentration of wealth in the country, there is a sense that, despite doing well in comparison to European countries, Switzerland still has room to improve – particularly in terms of inspiring wealthy people to give. Due to the tradition of banking secrecy, reliable data on high net-worth (HNW) giving is harder to find than for other sectors. Nevertheless, a crude indicator – comparing foundation assets to total HNW assets under management – suggests that Switzerland’s wealthiest residents could do more: total foundation assets represent around 1/6 the size of total HNW assets under management in the UK, but the equivalent ratio in Switzerland is just 1-2% (see chart 2).¹⁵ The survey and interviews conducted for this initiative reinforce this point. When asked to select priorities for this initiative, more than half of respondents identified spurring philanthropic activity by HNW donors as a priority – the third most popular choice selected.

In addition, many respondents and interviewees felt that donors could do a better job of managing their giving more strategically, expressing concern that donors “lack a strategic focus,” that “there is no demonstrated impact,” and that “funding is not always allocated to the most effective and sustainable projects.” 55% identified improving the availability of information, knowledge and practices on foundation management as a priority – the second most popular choice. The available data backs up this viewpoint: only 16% of foundations frequently analyse project portfolios¹⁶ and 72% of companies don’t evaluate their corporate citizenship activities.¹⁷ Moreover, HNW individuals often have poor knowledge of how to engage in philanthropy, and although a nascent (and growing) pool of advisors exists, many find it hard to access information and guidance.¹⁸

CHART 2 – FOUNDATION ASSETS AS % OF HIGH NET-WORTH ASSETS UNDER MANAGEMENT

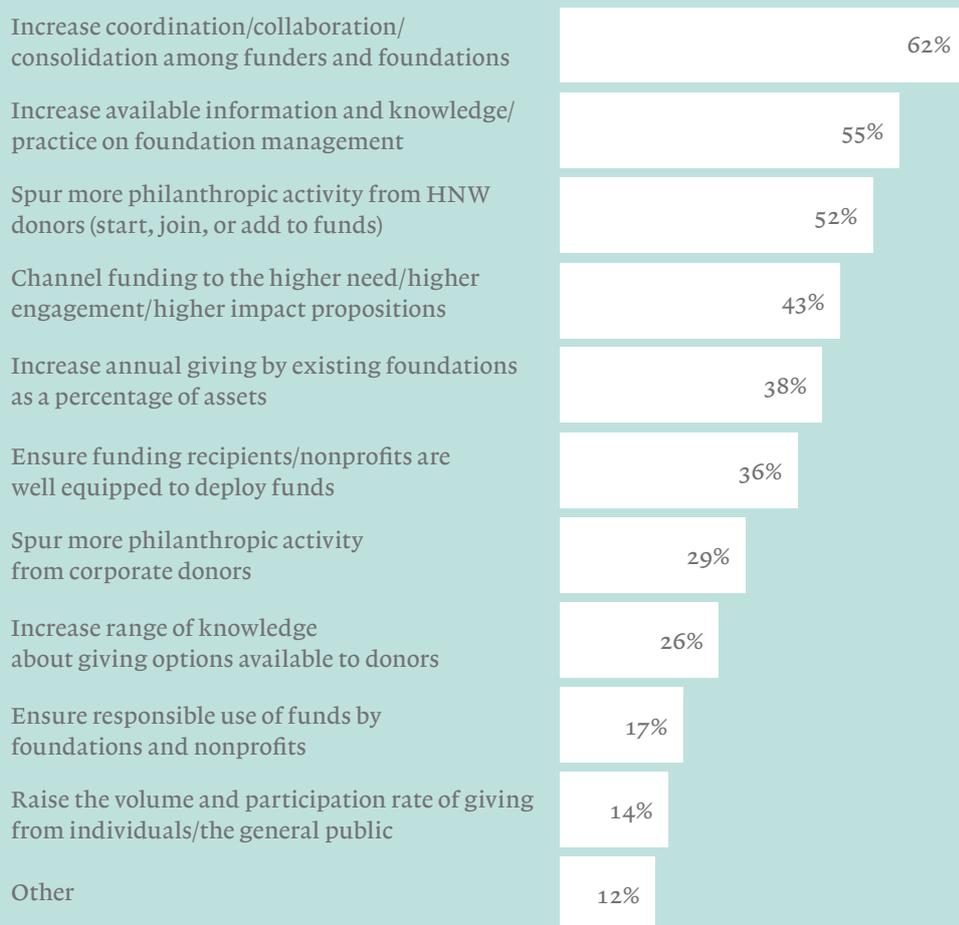


12 Prof. Theo Wehner; *Corporate Citizenship Survey*; ETH; 2009
 13 *ibid.*
 14 *ibid.*
 15 FSG analysis (data from EFC/CAF, Foundation Center, Swiss Bankers’ Association/BCG, IFSL)
 16 *Fachzeitschrift für Verbands- und Nonprofit-Management: Der Stiftungssektor im Aufbruch – neu entdecktes Potenzial*; VMI; 2007
 17 Wehner, *op. cit.*
 18 Scorpio Partnership; *Philanthropy among UHNWs and family offices in Europe*; developed for Zürcher Roundtable der Philanthropie; 2008

A NOTE ON PRIORITIZATION OF GOALS FOR THIS INITIATIVE

All participants in this initiative – both those that filled out the online survey, and those who were interviewed in person – were asked to identify up to 5 potential goals to be prioritised in the Swiss context (or to suggest others). 42 responded to this particular question, representing a broad range of perspectives that included funders, nonprofits, intermediaries and other actors, from both of the main linguistic regions. The results of this prioritization are shown below.

Overview of Prioritization Results



The overall conclusions based on the review of studies were aligned with the responses expressed by stakeholders.

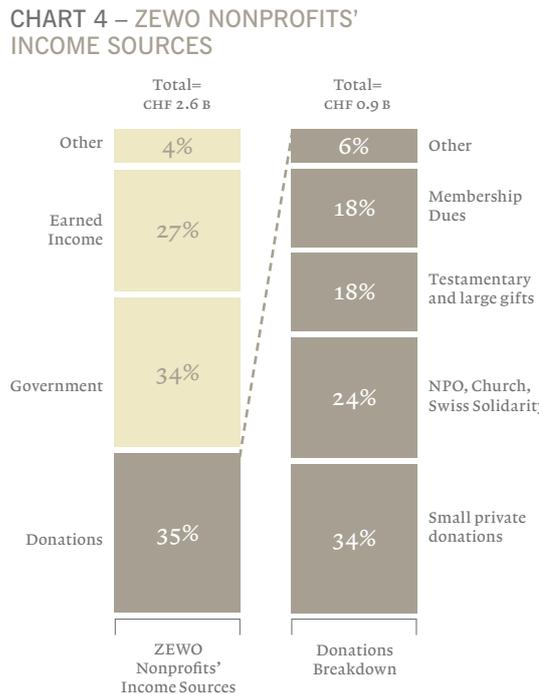
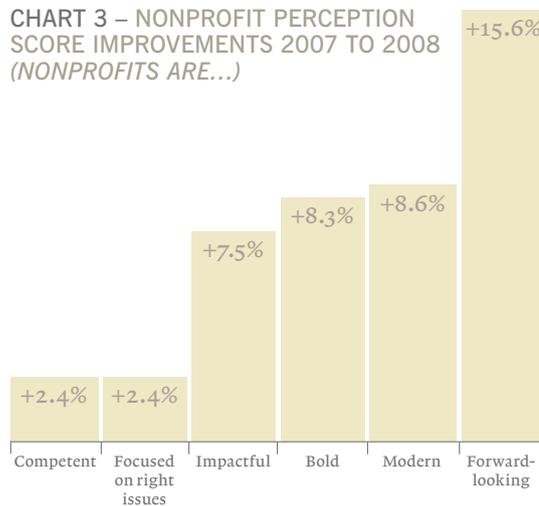
QUALITY OF NONPROFITS

The philanthropic activity of funders can benefit from the high quality of the Swiss nonprofit sector. Most nonprofits are professionally run: 70% of nonprofit directors have a university degree.¹⁹ The ZEW0 certification program, among the first of its kind in Europe, is increasing in popularity both among nonprofits and among donors – last year, ZEW0-registered associations and foundations had around 2/3^{rds} market share of donations.²⁰ Earned income – an indicator of more sophisticated nonprofit management – is the fastest growing segment of revenue, increasing at an annualised rate of nearly 5% in 2008 among ZEW0 nonprofits.²¹ They are also becoming more efficient: income devoted to projects increased from 75% in 2005 to 78% in 2008.²²

Nonprofits are also effective at communicating their value to donors and potential donors. Just 9% of non-givers say they don't trust nonprofits.²³ Moreover, between 2007 and 2008, nonprofits successfully improved perception scores on a range of criteria – notably being seen as more bold, modern, and forward-looking (see chart 3).²⁴

Perhaps reflecting this relative sophistication, philanthropy represents only a third of ZEW0 nonprofits' income, with legacies and major gifts accounting for only some 6% of the overall total (see chart 4).

Interestingly, there is a perception that donors are lagging behind nonprofits in terms of professionalisation and sophistication. As Purtschert, von Schnurbein and Beccarelli²⁵ put it, "later than NPOs, foundations are recognising that management and public interest are not mutually exclusive."



19 Prof. Dr. Georg von Schnurbein; *Der Schweizer Stiftungssektor im Überblick: Daten, Tätigkeiten und Recht 2009*; CEPS; 2009
 20 ZEW0; *ZewoForum 3*; 2009
 21 *ibid.*
 22 *Vakaridis, op. cit.*
 23 Ruth Wagner, Claudio Beccarelli; *Studie Spendenmarkt Schweiz 2008*; onemarketing; 2009
 24 *Spendenmonitor, op. cit.*
 25 Purtschert et al, *op. cit.*

STRUCTURE OF THE FOUNDATION SECTOR

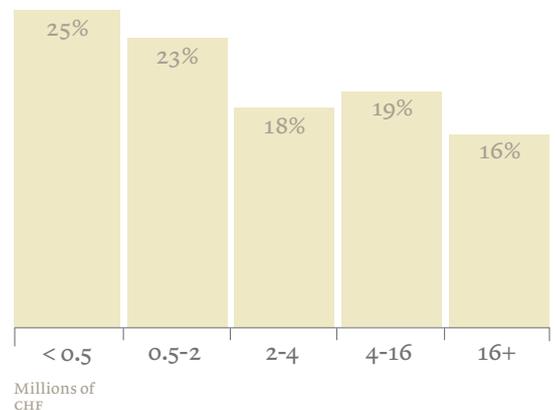
The Swiss foundation sector is diverse, numerous and growing in number, although foundations are mostly small. There are over 12,000 foundations in Switzerland,²⁶ with one new one being started nearly every day.²⁷ Among these, around 3,000 are operating foundations,²⁸ and an estimated 3,000 are inactive,²⁹ meaning there are at least 6,000 active grantmaking foundations. Around 3,000 are registered at the federal level³⁰, and this number is growing faster than cantonally-registered foundations (6% vs. 2% annualised rate).³¹

In part, this is a function of the favourable legal environment for Swiss foundations. Foundations are simple to set up: they require only a founding document that includes a defined purpose (which does not necessarily have to be for public benefit); and to be listed on the Register of Commerce. Moreover, little capital is needed to do so – 50'000 CHF for foundations that register at federal level, and as low as 10'000 CHF for those that do so at canton level. They are also flexible; Switzerland is among the few countries in Europe that allows – under certain conditions – foundations to be repurposed after having been established. Survey respondents and interviewees celebrate this, citing “strong acceptance of the role of foundations in the social fabric,” “generous and liberal” tax laws and an “efficient,” “straightforward” and “stable” legal system.

However, foundations are often small, and the landscape is somewhat opaque. More than a third have assets of less than 1 million CHF³² (see chart 5), and 80% have no paid staff.³³ In addition, SwissFoundations’ dictionary of the Swiss foundation sector lists more than a dozen different types of foundation,³⁴ of which only some qualify as public interest.

While the light regulatory structure is welcomed, some studies and respondents worry that oversight could be stronger. Only larger foundations need to conduct a full audit³⁵ and data disclosure requirements are minimal³⁶ – while this reduces the administrative burden on small foundations, it also reduces their accountability to wider society. Authorities have limited powers of intervention³⁷ and are perceived as reluctant to initiate sanctions against inactive foundations, as required by current legislation³⁸. Finally, several respondents commented that too many foundations are controlled by banks and lawyers – a point echoed by Benno Schubiger of SwissFoundations³⁹ – and particularly noted their financial interest in having many small foundations, rather than fewer, larger ones. As one interviewee put it, “philanthropy is the hostage of bankers and lawyers.”

CHART 5 – FOUNDATION ASSETS DISTRIBUTION (BASED ON SAMPLE OF 275 FOUNDATIONS)⁴⁰



26 von Schnurbein, *Der Schweizer Stiftungssektor...*, op. cit.
 27 Prof. Dr. Georg von Schnurbein; *Das Paradies holt auf: Soziale Investitionen von Stiftungen in der Schweiz*; CEPS; 2009
 28 von Schnurbein, *Der Schweizer Stiftungssektor...*, op. cit.
 29 von Schnurbein, *Das Paradies...*, op. cit.
 30 von Schnurbein, *Der Schweizer Stiftungssektor...*, op. cit.
 31 von Schnurbein, *Das Paradies...*, op. cit.
 32 Prof. Bernd Helmig und Beat Hunziker; *Stiften in der Schweiz - Ergebnisse einer explorativen empirischen Studie*; Universität Freiburg; 2006
 33 Dr. Hans Lichtsteiner, Vanessa Lutz; *Honorierung von Stiftungsräten*; VMI; 2008
 34 SwissFoundations, *Wörterbuch zum Schweizer Stiftungssektor*; 2009
 35 von Schnurbein, *Der Schweizer Stiftungssektor...*, op. cit.
 36 von Schnurbein, *Das Paradies...*, op. cit. Steinert, op. cit.
 37 *ibid.*
 38 Dr. Hans Lichtsteiner, Dr. Christoph Degen, Jens Jacobi; *Steigerung der Attraktivität...*, op. cit.
 39 Schubiger, op. cit.
 40 Dr. Hans Lichtsteiner, Dr. Christoph Degen, Jens Jacobi; *Steigerung der Attraktivität des Stiftungsstandortes Schweiz - Grundlagenbericht zur Motion von SR Werner Luginbühl vom 20. März 2009*; VMI, proFonds; 2009

SELECTED FACTS ON SWISS FOUNDATION SECTOR

The foundation sector is diffuse...

- > There are over 12,000 foundations in existence today
- > This implies 1 foundation per 650 Swiss inhabitants, compared to 3,000 in the US and 5,000 in Germany
- > In 2008 a new foundation was founded almost every day
- > ~36% of foundations start with assets of less than CHF 1M; 1/6 with assets of less than CHF 250K
- > Most foundations stay small: at least 50% of foundations have assets of less than CHF 2M

...and could lean naturally toward cooperation...

- > 80% of grantmaking foundations don't have any paid staff; which means that cooperation could be helpful for joint learning and co-investing
- > More than 50% of local and national politicians are on foundation boards; which means that cooperations with the government could be forged

...yet cooperation is minimal...

- > Only 18% of foundations cite that they frequently cooperate with other foundations
- > Less than 3% of foundations are part of a foundation association such as proFonds or SwissFoundations

...while philanthropy lacks credibility and visibility

- > According to a Neue Zürcher Zeitung article: *"the profile of the Swiss foundation sector is blurred"*
- > While Bilanz has reported on Swiss foundations a few times in the last five years, it is typically in their role of *"tax-saving-vehicles"*

A VISION FOR SWISS PHILANTHROPY

Based on the stakeholder consultation and literature review, a clear vision for Swiss philanthropy emerged, grouped around four key areas:

The philanthropic sector continues to be rich and diverse in the size and scope of its actors

While this effort makes recommendations about the broad landscape of philanthropy, it is not implying that the sector should be homogenous or “one size fits all.” Rather, the sector should continue to have a range of funders of all:

- › **Sizes** (small, mid-sized, large)
- › **Scopes** (local, regional, national, international)
- › **Types** (grantmaking, operating, advocacy, research, etc.)

Current and prospective funders and philanthropists have access to information that helps increase their impact

Certain types of information, that are key for increasing the sector’s impact, are publicly accessible and used:

- › **Who:** Funders by **thematic area**
- › **What:** **Needs** and **opportunities** where philanthropy can drive impact
- › **How:** **Vehicles** through which philanthropists can channel resources

Funders and actors in other sectors are part of thematic cooperative networks that exchange knowledge and work in concert to achieve impact

Around key thematic areas (for example Arts and Culture, Education, Environment, Health, International Giving, Migration, Poverty, Science, Youth, etc.) funders and other actors:

- › Have an opportunity to **interface** regularly to share learnings
- › Engage in **projects and initiatives** together
- › Can access **tools and resources** to help them initiate and sustain cooperations

The philanthropic sector is widely recognized and engaged as a key actor and partner in addressing social needs and seizing opportunities

Specifically:

- › The **general public** understands and appreciates the value and impact of the Swiss philanthropic sector
- › The **media** regularly highlights examples of high-impact philanthropy by Swiss philanthropists and foundations
- › **Foundation trustees** appreciate the potential of their foundation and the sector overall and hold themselves accountable for impact
- › **Civic, private sector leaders, and public servants** view foundations as important partners and seek them out for cooperative initiatives
- › **International peers** look to Switzerland for ideas and best practices on high-impact philanthropy

PRIORITIES FOR ACHIEVING THE VISION

Two priorities for achieving this vision emerged from discussion within the Steering Committee, and with stakeholders: catalyzing cooperation and putting philanthropy on the map.

CATALYZING COOPERATION

There was broad consensus that the current degree of fragmentation in the philanthropic sector poses a major challenge to foundations' collective ability to achieve their potential. By working in isolation – and often without knowing what others are doing – donors may miss opportunities to build sufficient resources and influence to have a meaningful impact, and risk wasting time and money repeating the mistakes of others.

“Efforts are too fragmented to have biggest impact, and there are too few attempts to find synergies.”

“The 1,000s of tiny foundations are a missed opportunity for impact.”

This challenge was widely recognised by stakeholders. Increasing collaboration, coordination and consolidation among funders and foundations was the most frequently selected priority for this initiative, being chosen by 62% of respondents. Interviewees voiced concern at the “lack of concerted efforts to really make a difference on specific topics,” that “the atomization of the landscape means that donors are inefficient,” and that “there is too much fragmentation in the sector, and it is getting worse.”

“More and more people are creating their own foundations with very limited resources. This does not make sense, but unfortunately no one is advising against this.”

Efforts are already underway to address this, through organizations such as SwissFoundations and proFonds, and progress has already been made: SwissFoundations, for example, already represents ~20% of annual foundation giving. However, there is room to expand these efforts further: less than 3% of foundations are members of either SwissFoundations or proFonds⁴¹ and just 1 in 5 foundations report frequently cooperating with other foundations.⁴²

As a result, **catalyzing cooperation** has been identified as a key priority for developing the sector. It is seen as a way to multiply the impact of philanthropy, by consolidating and focusing resources and enabling learning from peers. It also provides an opportunity to reduce fragmentation within the sector, for example by encouraging greater use of cooperative foundation structures such as umbrella foundations.

“There is not enough collaboration in the sector today. I'd like to see a platform where different organizations can exchange ideas and do things together.”

⁴¹ Schubiger, *op. cit.*

⁴² Purtschert et al, *op. cit.*

PUTTING PHILANTHROPY ON THE MAP

Addressing philanthropy's perceived lack of credibility and visibility deficit was also identified as a priority for this initiative. Demonstrating relevance is critical for foundations for several reasons:

First, there is strong international evidence that prospective philanthropists can be inspired by and learn from the successes of their peers, but only if these successes are openly shared. However, few donors publicise their activities widely, reflecting a widely-held "sense of modesty and privacy; people do not want to show off their wealth." There is broad agreement that high profile examples and role models are essential to developing philanthropy further – particularly in order to spur more philanthropic activity from high net worth donors (identified as a priority by 52% of stakeholders).

"There is not enough promotion of role models in philanthropy – there is probably no foundation in Switzerland that is a household name."

"The sector is acting too much behind the scenes."

Second, if other actors, particularly in the public sector, aren't aware of the potential of philanthropy to address social issues, they will not consider working with foundations and opportunities for impact will be lost. In Switzerland, there is already a strong basis from which to build such public-philanthropic partnerships: more than 50% of local and national politicians are on foundation boards.⁴³ Yet such connections rarely translate into cross-sectoral initiatives.

"There must be better communication that foundations are a social force. It is just not understood how foundations can contribute to society. Foundations could have real impact, but people just don't know that this is possible."

Finally, foundations benefit from tax and legal advantages that are granted because they are seen to be working in the wider public interest. Although Switzerland offers a relatively friendly fiscal and regulatory environment for foundations, this should not be taken for granted.

If the general public and public servants do not understand the value of foundations to society as a whole, they may question maintaining these advantages.

"We need more visibility for the sector... especially in light of the increasingly bad reputation the sector has."

The media can play a significant role in shaping how society views the sector: if they understand and embrace the role of the sector, they can be an important ally in building support. In Switzerland, however, there is a concern that the media either ignores philanthropy or focuses excessively on negative stories. According to a *Neue Zürcher Zeitung* article: "the profile of the Swiss foundation sector is blurred"⁴⁴, and while Bilanz has reported on Swiss foundations a few times in the last five years, it is typically in their role of "tax-saving-vehicles."⁴⁵

"Foundations are not well-regarded by the media – this needs to change."

Stakeholders also see a clear link between putting philanthropy on the map and catalyzing cooperation. Working with other donors is challenging for foundations, and can be resource-intensive; without clear evidence of the value of cooperating, they will be unlikely to invest in doing so.

"We need more stories of philanthropic impact, including ones where impact did not mean starting a new foundation."

The other key priority of this initiative, therefore, is to enhance understanding and appreciation of the sector and its potential to contribute to wider society, by **putting philanthropy on the map.**

⁴³ von Schnurbein, *Der Schweizer Stiftungssektor...*, op. cit

⁴⁴ Neue Zürcher Zeitung; *Europas erster Code für Förderstiftungen*

⁴⁵ Bilanz.ch

OTHER POTENTIAL AREAS OF ACTION

In order to gain traction and build momentum, it is essential for this initiative to identify and pursue clear priorities. However, this does not mean that the two priorities set out above are all that can be done to develop philanthropy in the Confederation. Rather, they represent two priority areas of a larger framework for a high-impact philanthropic sector (*see Appendix A for additional details*).

In particular, other important ideas that can also contribute to a stronger sector were brought up by multiple stakeholders. While we do not seek to address these explicitly in this report, they also represent potential fields of action for others:

Professionalization of individual foundations

Both the stakeholder consultation, and the prevailing opinion in much of the literature about the sector, raise the issue of improving professionalization of foundations. This includes developing strategies, conducting evaluations, consulting experts, thinking and acting beyond the grant, enhancing management and governance, and other related notions. We also see this is an important priority but have chosen not to focus on it because 1) this initiative was designed to think holistically about the sector and not necessarily about individual foundations and 2) there are already many efforts underway on this topic, including the work of the Verbandsmanagement Institute (VMI), the Centre for Philanthropy Studies (CEPS), the landmark Swiss Foundations Code, and many others. While professionalization of foundations is not a core focus of this initiative, some of the actions steps noted in section V of this report in fact would also enrich individual foundations.

Changes to the tax/ legal/regulatory environment

Several stakeholders expressed a need for harmonizing the tax codes for philanthropy across the different cantons, clarifying and refining the legal context for foundations, strengthening the mandate of foundation oversight bodies, and ensuring that Switzerland does not lose competitive ground in light of pan-EU efforts around foundation statutes. We agree that these are very important considerations, but do not see this initiative as the right vehicle to push these forward. We hope that the stakeholders that have the expertise and relationships needed to create action around these issues will embrace the current momentum and attention around Switzerland's positioning as a haven of philanthropy. Further, we hope that this initiative can serve as a resource and partner in such efforts.

Increasing philanthropic engagement

Many stakeholders see room for improvement in the level of philanthropic engagement among three types of funders:

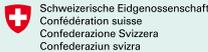
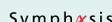
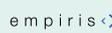
- 1) Foundations – in particular, the ideas of instituting pay-out rates or at least intervening when foundations are not active;
- 2) Companies – in particular, many NGOs find that companies could increase the scale and scope of their philanthropy;
- 3) High-Net-Worth-Individuals – in particular, a feeling was expressed that this group is not giving at the rates that it could.

While there is no comprehensive data source that can validate the hypotheses that underlie these sentiments, the research and analysis conducted for this initiative do agree directionally with these notions. However, we believe that the best way to spur more philanthropic engagement is not to mandate it, but rather, to inspire it through demonstrating impact. Indeed, hope is that by catalyzing cooperation and putting philanthropy on the map, the overall level of philanthropic engagement from all sectors and actors will increase in the coming years.

III. Priority 1: Catalyzing Cooperation

WHAT DOES IT MEAN?

In order to understand how to catalyze cooperation, it is first necessary to define what is meant by ‘cooperation’ in the philanthropic sector. Our research and discussions with stakeholders revealed a range of approaches to cooperation. While cooperative initiatives cannot necessarily be put into straightforward categories, these approaches can nevertheless be grouped into four different models: knowledge sharing and peer learning; joint funding or action on a specific project; cross-sectoral initiatives focused on a specific issue or theme; and cooperative foundation structures, such as umbrella foundations. While the first three tend to build on each other, the last one represents a different approach.

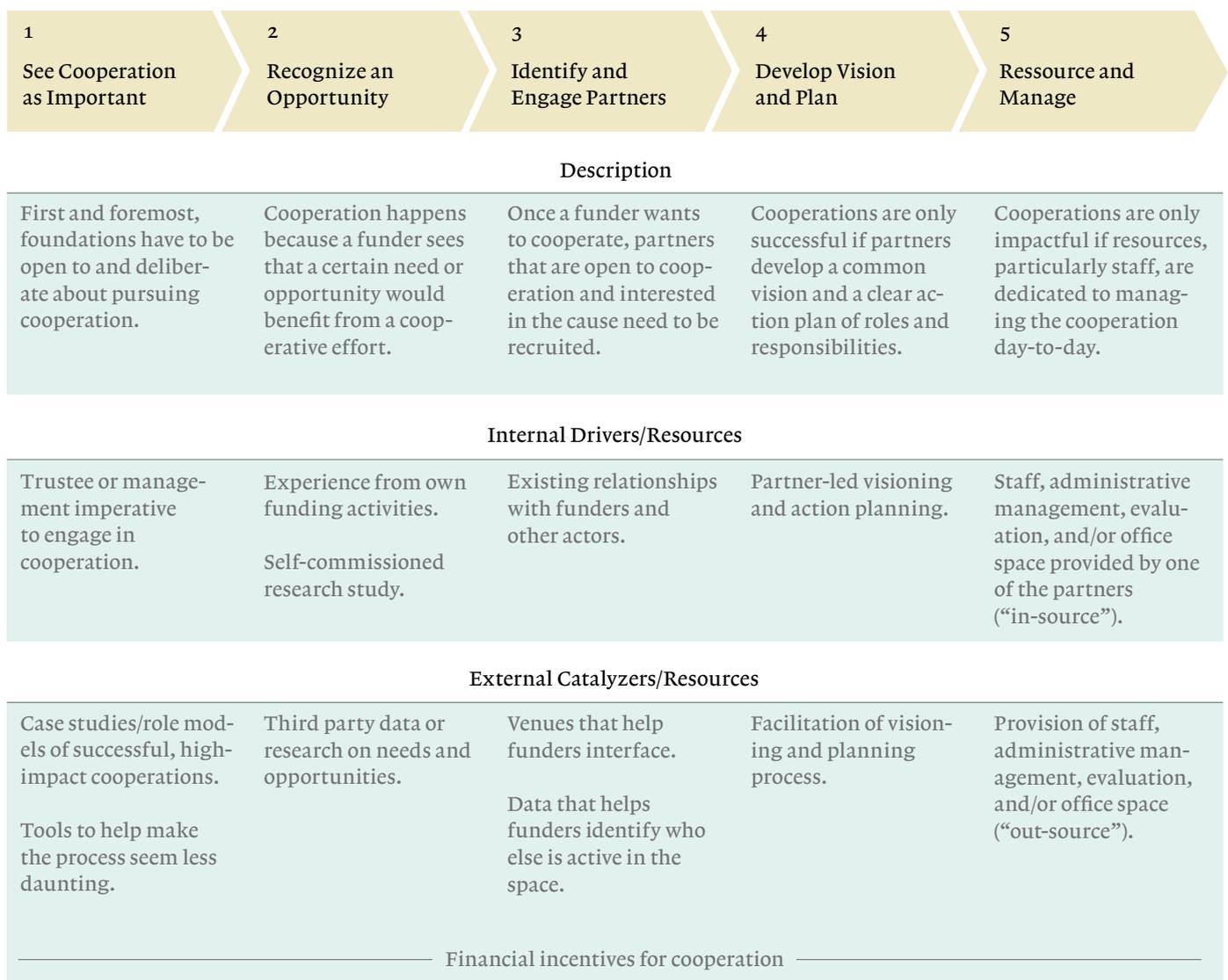
Cooperation Models					
KNOWLEDGE SHARING AND PEER LEARNING	+	JOINT FUNDING OR ACTION ON SPECIFIC PROJECT	+	CROSS-SECTORAL THEMATIC INITIATIVE	COOPERATIVE FOUNDATION STRUCTURES
What is it?					
Funders regularly exchange knowledge and learning, both physically and virtually, typically around a specific theme (for example education, health, environment, etc.)		Funders decide to act together on a specific project or issue – either by co-funding it, or by engaging in other activities together, for example advocacy or research.		Actors from different sectors work together on a larger thematic issue with a common vision, but individual contributions depend on what each party can best contribute.	Funders are able to pool resources into a single organizational entity through individual project support, sub-foundations, funds, or direct contributions to the endowment.
Why does it matter?					
Foundations can benefit greatly from the activities, successes and lessons of their peers, and thereby avoid reinventing the wheel or duplicating efforts.		By coordinating and pooling resources or activities, funders can have a greater impact than by acting alone, and spread the investment costs.		Addressing large-scale social issues (for example migration or poverty) requires concerted action among private and public actors.	It is often neither efficient nor effective to start a new foundation – cooperative foundation structures can help reduce fragmentation.
International examples*					
Grantmakers’ East Forum 	European HIV/Aids Funders Group 	Roma Education Fund 	In many countries, community foundations (of which there are nearly 1,500 around the world) play this role.		
Swiss examples*					
Network builders:    	Joint funding of:    	Public-Private Partnership on Child Protection by:    	Umbrella Foundations:          		

* See appendix for links to more information about these examples.

HOW DOES IT HAPPEN?

In order to determine the specific actions steps that can help catalyze and sustain cooperation, it is important to understand how it comes about and what factors are critical for success. Knowledge sharing and peer learning, joint funding or action on specific projects, and cross-sectoral thematic initiatives follow a different pattern than umbrella funding vehicles, and are therefore treated separately below.

For the first three of these models, there are **five keys to develop cooperation**. These are of course not always part of a linear process, but the sequence below can help identify key opportunities to catalyze cooperation.



For each element, catalyzing cooperation can either entail helping foundation management develop the internal drivers and resources described above through capacity building (for example tools and trainings), or directly providing the external catalyzers and resources. The external catalyzers and resources do not have to be provided by one organization or entity alone. However, there are cases of such “incubators” that provide services along the whole spectrum. Examples from around the world are provided later in this section of the report.

For **catalyzing cooperative foundation structures**, there is, as mentioned, a different process, which is not sequential. Specifically, stakeholder input points to three important dimensions that are needed in Switzerland:

DIMENSIONS	CATALYZERS
Strengthen the Field	
<ul style="list-style-type: none"> › Ensure that existing cooperative foundation structures are sound and effective › Clarify the legal context for these types of funding structures 	<ul style="list-style-type: none"> › Capacity building for existing cooperative foundation structures › Research on the legal context, including actionable recommendations for improving the context
Educate Advisors	
<ul style="list-style-type: none"> › Ensure that financial advisors, in particular bankers and lawyers, are aware of the existence and benefits of cooperative foundation structures 	<ul style="list-style-type: none"> › Tools and training on cooperative foundation structures for bankers, lawyers, and other advisors that help philanthropists
Develop Incentives	
<ul style="list-style-type: none"> › Think of creative ways to make cooperative foundation structures more attractive financially 	<ul style="list-style-type: none"> › Matching funds for giving to cooperative foundation structures (tax incentives are actually government matching funds and should be presented as such)

Efforts to catalyze cooperation around cooperative foundation structures can draw lessons from analogous international examples.

WHAT CAN WE LEARN FROM ABROAD?

Several international efforts to catalyze philanthropic cooperation have been identified, both by stakeholders and through the research. A selection of these, grouped by objective, is described in more detail below:

CATALYZING COOPERATION FOR JOINT LEARNING, PROJECTS, OR INITIATIVES

- › **See Cooperation as Important:** For example, Grantcraft publishes reports, toolkits and surveys that demonstrate the value of foundations and other donors combining forces to address key social issues, and offer suggestions on how to do so successfully.
- › **Recognize Opportunities:** For example, New Philanthropy Capital publishes analysis reports that identify successful approaches and organizations around specific issues and suggest ways for philanthropists to impact the issue. In Canada, Vital Signs provides a 360-degree assessment of the needs of communities across Canada, providing a basis of information for local funders.
- › **Identify Partners:** For example, entities such as the Foundation Center and the European HIV/AIDS Funders Group provide detailed analysis of funding flows around different issues, enabling funders to identify potential partners.
- › **Engage Partners:** For example, in the US a series of thematic donor platforms (“Grantmakers in/for...”) provide opportunities for funders to share learning and engage with partners to build a common vision for change.
- › **Resource and Manage:** For example, bodies such as the Network of European Foundations (NEF), Public Interest Projects (PIP) and Assifero act as platforms and service providers to help funders develop and operate joint initiatives.

CATALYZING COOPERATION THROUGH COOPERATIVE FOUNDATION STRUCTURES

- › **Strengthen the Field:** For example, the Initiative Bürgerstiftung (IBS) has worked to build up community-based philanthropy in Germany, playing a role in the development of nearly all of Germany’s 166 community foundations.
- › **Educate Advisors:** For example, the Community Foundations of Canada have developed an online toolkit to educate financial advisors on the mechanisms and benefits of giving.
- › **Develop Incentives:** For example, innovative match-funding schemes for cooperative initiatives have been developed in the US state of Michigan, including the Michigan Community Foundation Tax Credit (which harnesses government funds) and the Community Foundation for Southeastern Michigan Matching Fund.

The aim in providing these examples is to stimulate ideas and possibilities, rather than to imply that all or any of these should be adopted in Switzerland exactly as described.

Catalyzing Cooperation for joint learning, projects, or initiatives – selected examples from abroad

GRANTCRAFT REPORT ON FUNDER COLLABORATIVES



Objective

See cooperation as important

Successes

- > Tools
- > Case studies
- > Grantee and funder survey

Description

This guide shares strategies for structuring a collaborative to fit its purpose, building strong relationships and resolving conflicts, and figuring out if a collaborative is working. Contributors also offer proof that collaboratives are leading the field in bringing the voices of nonfunders – grantees, intended beneficiaries, experts, and others – into the process of making grants.



NEW PHILANTHROPY CAPITAL (NPC)



Objective

Recognize opportunities

Successes

- > 1,800 reports downloaded each month

Description

NPC is a consultancy and think tank dedicated to helping funders and charities achieve greater impact. To support its mission, NPC conducts research on specific thematic issues as well as structural challenges facing the sector, allowing funders to identify key issues on which they can act. The research is also used by NGOs, policy-makers, and journalists. The media frequently reports on the insights and recommendations developed in the reports.



VITAL SIGNS



Objective

Recognize opportunities

Successes

- > Grown to 15 cities
- > Used actively by media, donors, students, and local politicians
- > Adopted in other countries

Description

Vital Signs is a community-driven approach to assess local needs and opportunities. Managed by Community Foundations of Canada, Vital Signs is conducted across Canada each year to assess how communities are performing on several dimensions, such as safety, health and wellness, arts and culture, financial well-being, natural environment, work, and housing. The assessment is based on data and citizens' reactions to this data, allowing funders to focus their efforts on high-impact areas.



FOUNDATION CENTER



Objective

Identify partners

Successes

- > Used by 1,000s of people each day
- > Philanthropic support from 550 foundations
- > Self-sustaining revenue model for the database

Description

The Foundation Center is a nonprofit that provides access to detailed information about more than 98,000 US funders and 1.9M grants. Funders, NGOs, researchers, policymakers, the media, and the general public use the data to understand philanthropic funding flows by thematic area, by geography, and many other dimensions. The Foundation Center also publishes reports on the trends and themes that emerge from its continually growing data set, allowing funders to spot gaps and opportunities.



EUROPEAN HIV/AIDS FUNDING FLOWS ANALYSIS



Objective

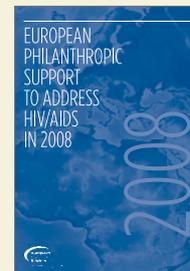
Identify partners

Successes

- > Data gathered from 31 funders for the 2008 report
- > Represents EUR 91 million in grant and project flows

Description

The European HIV/AIDS Funders' Group is a knowledge-based network dedicated to strengthening European philanthropy in the field of HIV/AIDS. One core activity of the Group is to map philanthropic funding for HIV/AIDS efforts in Europe, and to publish these results for the benefit of all funders in the space. The report includes analyses by geography, intervention, target population, and other dimensions. In addition, the group also creates tools and resources to help funders present the findings to their boards and stakeholders.



GRANTMAKERS IN/FOR [...]



Objective

Engage partners

Successes

- > Each platform has developed an array of tools, events, and resources for its members

Description

Grantmakers in/for [...] are thematic platforms for funders to learn from each other, share best practices and challenges, discuss trends in their fields, access theme specific resources, and identify partners for cooperation. In the US, the platforms exist in several thematic areas, including arts; health; education; aging; film and electronic media; and children, youth and families.



NETWORK OF EUROPEAN FOUNDATIONS (NEF)



Objective

Resource and manage

Successes

- > 14 current projects, including the Roma Education Fund, the HIV/AIDS Funders Group and Euro-Programme for Integration and Migration

Description

NEF acts as an operational platform to develop projects/initiatives between foundations and other types of organised philanthropy and other funding initiatives by corporate and public entities; and to develop programmes related to Europe and the role of Europe on the global stage. NEF acts as a broker, an intermediary that supports the development and launch of transnational partnerships/joint-ventures engaging foundations and, where appropriate, other partners.

Each of the 12 members of NEF contributes to the organization's infrastructure each year, which includes a staff of 2.



PUBLIC INTEREST PROJECTS (PIP)



Objective

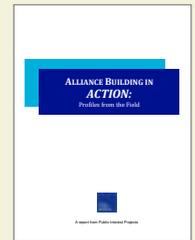
Resource and manage

Successes

- > 3 cooperative funds have become standalone entities

Description

Public Interest Projects (PIP) is a US charity that manages cooperative initiatives between philanthropic institutions, nonprofit groups and other public interest organizations focused on human rights, social justice and civic participation. It currently manages 6 cooperative funds addressing issues of immigration, racial equality, human rights and education reform.



ASSIFERO



Objective

Resource and manage

Successes

- > TBD – still in pilot phase

Description

Realizing that in-person meetings are not always feasible, Assifero, the association of Italian foundations, is implementing a unique resource to allow its members to manage joint projects: an online portal powered by we+. This portal allows project partners to share documents, view a joint calendar, participate in online meetings, etc.



Food for Thought

Individually and collectively these examples create interesting ideas and considerations for catalyzing cooperation in Switzerland around joint learning, projects, or initiatives:

- > Could a book or multi-media versions of tools and case studies of cooperations in Switzerland help inspire more funders to cooperate?
- > Could needs assessments, either created by a research institute or a local stakeholder engagement process, help funders identify opportunities to have impact through cooperation?
- > Could a database that lists foundations by thematic funding area be useful to help the sector identify cooperation partners?
- > Could a comprehensive analysis of funding flows in one thematic area help funders to identify trends, gaps, and potential partners?
- > Could thematic funder platforms around key areas, such as arts, education, health, environment, social, etc. be helpful in enabling knowledge sharing, as well as venues to engage partners?
- > Could an entity be resourced to provide planning and administrative support to funder cooperations?
- > Could technology platforms be helpful in coordinating funder cooperations?

Catalyzing Cooperation through Cooperative Foundation Structures – selected examples from abroad

INITIATIVE BÜRGERSTIFTUNG (IBS)

Objective

Strengthen the field

Successes

- > IBS has played a role in the development of nearly all of Germany's 166 community foundations

Description

IBS is the association of German community foundations, which provides its members with learning and networking opportunities, capacity building, project and best practice exchange platforms, management and planning resources, as well as a seal of approval to those who qualify. It also conducts public awareness on behalf of the sector. Within IBS, geographic affiliations among community foundations have also formed to deepen knowledge sharing.



PROFESSIONAL ADVISORS eRESOURCE

Objective

Educate advisors

Successes

- > TBD – new undertaking

Description

In an effort to help financial advisors better understand the mechanics and benefits of giving to and through community foundations, Community Foundations of Canada has developed an online tool kit to help advisors guide their clients.



MICHIGAN COMMUNITY FOUNDATION TAX CREDIT

Objective

Develop incentives

Successes

- > Donations increased 77% between 1988-1990

Description

Originally signed into law December 29, 1988, the Michigan Community Foundation Tax Credit was designed to encourage individuals and businesses to build the permanent endowments of community foundations across the state. The State of Michigan provides a state tax credit for gifts to certified community foundations in Michigan.



COMMUNITY FOUNDATION FOR SOUTHEASTERN MICHIGAN MATCHING FUND

Objective

Develop incentives

Successes

- > USD 33 million raised: USD 24M contributed plus USD 9M matched

Description

The tax credit described above is technically the same as a matching funding from the government. Another form of matching funding can come directly from the foundation sector. For example, the Kresge Foundation provided the Community Foundation for Southeastern Michigan with USD 5 million of matching funds for contributions to the foundation.



Food for Thought

Individually and collectively these examples create interesting ideas and considerations for catalyzing cooperation in Switzerland around cooperative foundation structures:

- › Could capacity building resources developed especially for Cooperative Foundation Structures be helpful?
- › Could tools and resources for financial advisors help them steer more prospective philanthropists toward Cooperative Foundation Structures rather than creating their own foundation?
- › Could matching funds, either from the government or from private sources, entice more people to give to and through Cooperative Foundation Structures?

WHAT HAS BEEN HAPPENING AT HOME?

There are numerous efforts underway in Switzerland related to catalyzing cooperation; a few of these are highlighted below. Many more such examples exist, however; we look forward to further suggestions from the readers of this report. For links to further information on these efforts, please see the appendix.

Selected Information Sources and Tools in Switzerland



Identifying funders in a certain geography: Basel

FoundationFinder is a public interest association based in Basel founded in March 2009 with the goal of connecting those that are seeking grants and those that make grants. It is funded by the “Präsidialdepartement” of the canton Basel Stadt and by Gesellschaft für das Gute und Gemeinnützige, GGG Basel. FoundationFinder is also supported on content by the Centre for Philanthropy Studies (CEPS). Under www.foundationfinder.ch the public can access information about which funders are funding in their interest area. Information is based on publicly available sources and funders can log in and access/augment their specific information. Currently, the database has 800 funders in it, including those in Basel as well as members of SwissFoundations.

This type of database is a first step in allowing foundations and other types of funders to find cooperation partners.

culturalpromotion.ch

Identifying actors in a certain theme: Culture

culturalpromotion.ch is an address database for people active in the field of art and culture. It contains addresses of private and public cultural promotion (former “Handbuch der öffentlichen und privaten Kulturförderung in der Schweiz”) as well as addresses concerned with cultural networking and communication (e.g. stages, festivals, museums, press and studios). The aim of culturalpromotion.ch is to create an interface between culture-promoting organizations and people involved in the cultural sector. Partners include Schweizer Buchhändler- und Verleger-Verband (SBVV), Association Suisse des Diffuseurs, Editeurs et Libraires (ASDEL), Migros culture percentage, Kulturbüro Zürich, Pragma Music and SwissFoundations. Initially operated by the Swiss cultural Office, the updating of the information has been transitioned to be based on feedback from users. The directory contains today more than 5,000 addresses and 4,000 registered users.

This example shows that it is possible to capture a whole thematic sector in an online database.



Providing a tool-kit: Cooperation among nonprofits and corporations

The **Philias Humagora Online Partnership Guide** includes resources, tools, and best practices, available in both French and German, related to partnerships between corporations and nonprofits organizations.

This type of tool-kit could be created on the topic of cooperation among foundations.

Selected Platforms for Knowledge Sharing and Peer Learning in Switzerland

SwissFoundations

Interfacing with peers on certain themes:

SwissFoundations was initiated in 2001 to improve the image and the development possibilities of grant-making foundations in Switzerland. SwissFoundations mobilizes in favor of transparency, professionalism, and the effective use of foundation means in the Swiss foundations field. Its 65 current members are all grant-making foundations, providing support on various thematic domains, in Switzerland and abroad. SwissFoundations members interact in thematic working groups, including social; culture; education; research; innovation; and environment.

The thematic working groups are a strong platform for thematic networks that allow foundations to engage with each other on themes.

proFonds

Interfacing with grantmaking and operating foundation peers:

With a membership of 300 grant-making and operating foundations, associations and private members, proFonds, established 20 years ago, seeks to improve the conditions for philanthropic and social engagement with authorities and the political sphere, and to enable knowledge and information exchange among foundations. Cooperation among foundations and other types of funders was a key topic at the 2009 annual Swiss Foundation Day of proFonds.

proFonds provides an opportunity for dialogue, learning, and action related to cross-sectoral cooperation.

roundtable der philanthropie
 table ronde de la philanthropie
 philanthropy roundtable

Building cross-sectoral bridges around tactics and themes:

Founded in 2006, the Philanthropy Roundtables in Zürich and Geneva connect select actors from the nonprofit, business, and government sectors for knowledge exchange. Recent topics have included: poverty, media and philanthropy, project selection, role of banks, taxes, and evaluation.

These local discussion platforms are fertile ground for seeding cooperation among foundations and other types of funders.

stiftungsforum

Building a foundation project directory:

The Stiftungsforum is a lobbying, networking and information exchange platform for funders. It is building a Foundation database that connects funders and projects to help enable coordination and collaboration.

This database is a great way to connect funders.

AGFA

Engaging with peers on both theme and geography:

AGFA, the *Association de Genève des Fondations Académiques*, is an existing example of thematic funder cooperation. The members of AGFA are all focused on the academic sector, and from the Geneva area.

This network can be a platform for local/regional thematic cooperation.

wise
 partnership

Meeting with peers of similar interests:

wise – Philanthropy Advisors accompanies donors and their families in fulfilling their philanthropic aspirations. To enable peer learning wise brought together six families of entrepreneurs from all over Europe in 2009 to share their experiences in terms of philanthropy. By bringing several generations to the table, everyone was able to create connections and exchange perspectives.

These types of venues enable philanthropists to form partnerships.

Selected Jointly Funded Projects and Initiatives in Switzerland



An academic centre on philanthropy:

The Centre for Philanthropy Studies (CEPS) at the University of Basel is an interdisciplinary research and further education centre of the Swiss Foundation System. CEPS was established in 2008 by Swiss Foundations with initial funding from: AVINA Stiftung, Christoph Merian Stiftung, Ernst Göhner Stiftung, Gebert Rüt Stiftung, Gesellschaft für das Gute und Gemeinnützige GGG Basel and Sophie und Karl Binding Stiftung.

This is an excellent example of funders coming together to create a lasting institution that benefits the entire field.



A fund for innovation:

Funded by Gebert Rüt Stiftung, Ernst Göhner Stiftung, Opo Stiftung, and AVINA Stiftung, **venture kick** aims for an early detection and promotion of promising business ideas at Swiss universities and schools of higher education with the goal of doubling the number of spin-offs by accelerating the founding process and by making startups attractive for professional investors. **venture kick's** track record since the initiative was launched in the fall of 2007 is impressive: more than CHF 4 million in start capital, over 100 start-up projects financed, close to CHF 35 million in financing volumes and more than 400 jobs created.

This is an innovative example of funders pooling resources to build a dynamic, stand-alone thematic fund.

intergeneration **A site for connecting young and old:**

A partnership of the Schweizerische Gemeinnützige Gesellschaft (SGG) and Pascale Bruderer Wyss, President of the National Council, **Intergeneration** is an online platform for posting and finding projects that encourage communication and interaction between generations. Support came from several actors, including infoclick.ch and Pro Senectute.

This is a compelling example of the government partnering with the philanthropic sector to achieve a political priority.

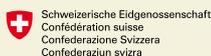


A cross-sectoral support group for a critical cause:

The ICRC and a group of selected Swiss companies and foundations have set up a **Corporate Support Group**, establishing an innovative and long-term partnership. The members of the Corporate Support Group have committed themselves to supporting the ICRC's humanitarian work in the years ahead.



This is an example of private and corporate foundations coming together to support an organization through funding and know-how.



A public-private partnership around child protection:

Announced in 2008, PPP-Programme National pour la Protection de l'Enfant will be a nation-wide initiative around child protection, led by the The Federal Social Insurance Office and two private foundations: UBS Optimus Foundation and the Oak Foundation.



This is a groundbreaking example of a public-private partnership on a critical national topic.

Overview of Selected Umbrella Foundations in Switzerland



Established in 1972, the **Limmat Stiftung** aims to be a bridge between rich and poor, north and south, between donors and needy beneficiaries. The foundation is active both in Switzerland and abroad, endeavouring to stimulate, encourage and support initiatives which serve the common good. It realizes its own projects and collaborates with individuals and/or institutions on other undertakings to achieve mutually desirable ends through 40-50 projects per year.



Since 2000 the **Ruetli Endowment** has been dedicated to supporting nonprofit activity on behalf of its donors by evaluating requests, arranging payments to the applicants and monitoring project developments in order to relieve the donor, if so desired, of the administrative tasks involved.



Stiftung Corymbo, founded in 2002, offers donors the opportunity to develop their charitable ideas without creating unnecessary administrative and organizational costs. The broadly defined statute of this foundation allows the different charitable funds to be grouped under one administrative umbrella in the areas of social services, health, education, environmental culture, arts and sciences.



Three foundations supported by Credit Suisse (founded between 2000 and 2003) offer clients the opportunity to make a charitable commitment:

- > **Accentus:** social/humanitarian issues, science and research, education, culture, environmental issues, and medicine
- > **Empiris:** research, science, and education
- > **Symphaxis:** social welfare, preservation of nature, the environment, endangered species and wildlife, recreational and disabled sports, youth and seniors' sports, and culture.



Founded in 2006, **Stiftung Succursus** allows donors to realize their philanthropic goals without having to start their own foundation. Current fund topics of the foundation include: alternative energy, vacation, churches, financing for job seekers.



The goal of the **Swiss Philanthropy Foundation**, founded in 2006, is to promote the development of philanthropy by supporting organizations or projects of general interest, for example, in the fields of humanitarian aid, social or medical assistance, the protection of the environment, and culture. The foundation offers sheltered funds, and the ability to donate in Europe.



Fondation des Fondateurs, founded in 2007, is an independent, charitable umbrella foundation that offers private donors with small, medium-sized and large volumes of funds the opportunity to make grants efficiently, cost-effectively, and professionally in support of causes and initiatives they favour. Current funds include the Lori and Karl Lutz Fund to remove obstacles in the way of girls' and women's education, and the venture kick Fund, described on the prior page.



Fondation Philanthropia is an umbrella foundation created in 2008 by the Firm of private bankers Lombard Odier Darier Hentsch & Cie to facilitate the philanthropic engagement of its clients and help prevent unnecessary fragmentation in the field. It offers a range of services from donor-advised funds to thematic giving allowing for pooling of donor resources in the areas of scientific and medical research, culture and education, social and humanitarian causes and the environment and sustainable development.

The ten or so existing umbrella foundations in Switzerland recently met in a **workshop to exchange learnings and best practices**. These workshops could be expanded into a formal cooperation that acts as a platform to elevate the umbrella foundation movement overall, benefitting all existing umbrella foundations by creating awareness – and eventually more donors and funders.

IV. Priority 2: Putting Philanthropy on the Map

WHAT DOES IT MEAN?

From Neue Zürcher Zeitung (April 18, 2006)
“Foundations have garnered negative press in several ways. The sector is seldom viewed holistically, its profile is blurred. When doing good, many foundations prefer to operate behind the scenes. Because of this, the fact that foundation’s activities play a public role, which complement the state, gets lost.”

As the newspaper excerpt above shows, foundations do themselves a disservice when they operate too much behind the scenes. This results in a “blurred” notion of the sector, and an underappreciation of its potential for doing good and having impact. In order to change this perception, it is first important to identify the target audience, whose understanding and appreciation of the sector needs to be developed or enhanced.

The Philanthropy Awareness Initiative (profiled later in this section) breaks down the stakeholders of philanthropy into three categories:

› **Decision makers:**

Elected and appointed public servants (at the federal, cantonal and local levels), business executives, heads and board members of large nonprofit institutions, and news media editors and reporters. They are important because they influence the political environment for philanthropy, and can be partners in addressing social issues.

› **“Engaged Citizens”:**

Citizens who report holding a leadership, committee or board-level role in an organization working on community or social issues. They are important because, as the most engaged citizens, they are the key potential influencers of decision makers.

› **General Public:**

Public attitudes to philanthropy strongly influence the extent and effectiveness of giving. However, this group is harder and potentially more costly to reach.

It is also important to increase the credibility and visibility of philanthropy among current and prospective donors and foundations, as well as among international peers.

Recognition of the sector is not just a Swiss challenge

Research conducted in 2007 and 2008 by the Philanthropy Awareness Initiative (PAI) in the United States uncovered some worrisome findings:

- › 60% of executives or board members in civic and community organizations feel uninformed about the work of foundations
- › Only 40% can name a foundation
- › Only 15% can give an example of a foundation’s impact on their community
- › Only 10% can give an example of a foundation’s impact on an issue they care about
- › 98.6% of media coverage about foundations between 1990 and 2004 – nearly 40,000 stories – was transactional in nature, focused on grants awarded versus the benefits or impact of foundation activity

Source: Philanthropy Awareness Initiative

HOW DOES IT HAPPEN?

The understanding and appreciation of philanthropy need to be improved. In order to determine how to do so, it is important to understand what has prevented this until now. Research by the Philanthropy Awareness Initiative suggests **four key barriers**, as shown below. These may not be exactly applicable to the Swiss context; nevertheless, they are a good starting point for conducting research that can guide awareness campaigns here.

1 Culture of Modesty

“It’s a very deliberate and direct result of a foundation culture that has been quiet, sometimes anonymous, sometimes secretive, until quite recently. It comes from the idea that our good works speak for themselves and it’s impolite to brag about what you do.” Max KING, former President, *The Heinz Endowments*, and former Board Chair, *Council on Foundations*

“Aren’t you taking credit for the work of your grantees?” I see that question as emblematic of a certain mindset in the field that’s getting in the way of dealing with the issue of poor understanding and appreciation of foundations. We’re asserting that we made prescient investments in institutions and ideas that mattered. We’re not over-claiming, but we are saying we had something to do with this.” Paul GROGAN, President and CEO, *The Boston Foundation*

2 Transactional Communications

98.6% is the portion of news media coverage of foundations from 1990-2004 that was transactional in nature – about money, not impact.

The inevitable result is that influential Americans will see foundations more as cash machines than change agents.

3 Missing Ambassadors

Leaders and observers say that national and regional philanthropy associations can’t be the only ones doing philanthropy’s outreach to influential Americans – that we need to better engage foundation trustees, grantees and executives as ambassadors for the field.

4 Reactive Relationships

“You don’t have to reinvent the playbook on these issues. We know powerful economic interests do this all the time. They establish relationships. Legislators don’t pay attention if you show up only when there’s a problem. They pay attention if we’ve been there, we’ve built a relationship, and they know who we are.”

Joel FLEISHMAN, Author, *The Foundation: A Great American Secret*

“We’re discovering we’re dealing with policymakers who have limited knowledge about foundations. Many don’t know what a foundation is or does, and that’s our fault, not theirs. It’s not about a one-time effort; it’s about persistent, consistent, ongoing ways to build relationships and understanding.”

Jim CANALES, President and CEO, *The James Irvine Foundation*

Potential action steps indicated by this research include:

- › Helping foundations strike a balance between modesty and communicating impact – potentially by working with a small group of foundations that can serve as initial role models for how foundations can communicate humbly but openly.
- › Engaging the media to reframe how they report on philanthropy, while at the same time providing tools to help foundations transmit information to the media on impact rather than funding levels.
- › Equipping trustees and other important foundation sector actors to become ambassadors for the sector.
- › Helping foundations understand how to build proactive relationships with public servants and other decision makers.

WHAT CAN WE LEARN FROM ABROAD?

Several international efforts to increase the understanding and appreciation of philanthropy have been identified, both by stakeholders and through the research. A selection of these, grouped by target audience, is described in more detail below:

› **General public:**

For example, the Stifterland Bayern roadshow showcased 200 Bavarian foundations at seven exhibitions around the state, attracting more than 14,000 visitors.

› **General public/young people:**

For example, the Sabanci Foundation funds “Turkey’s Changemakers,” a weekly TV program broadcast on CNN Turk that highlights social entrepreneurs.

› **Current or aspiring philanthropists:**

For example, as part of the UK government’s “Ambassadors for Philanthropy” initiative, 14 well-known public figures discuss their motivations for and experiences with philanthropy in short video segments posted online.

› **Public servants and civic leaders:**

For example, the Philanthropy 3D Project seeks to raise awareness of the potential of philanthropy among influential citizens in the Midwestern US.

› **Media/journalists:**

For example, the Bosch Journalism Award rewards news stories and articles that feature and promote civic engagement in the German media.

› **International peers:**

For example, in its “Just Change” report, the Woburn Place Collaborative – a group of around 20 progressive foundations in the UK – highlighted seven compelling case studies of how foundations can drive broader, systemic change.

› **Decision makers:**

For example, the Philanthropy Awareness Initiative has conducted six research projects to understand how leaders in the US view the role of foundations, and how foundations can better communicate their value.

The aim in providing these examples is to stimulate ideas, rather than to imply that all or any of these could or should be adopted for Switzerland exactly as described.

Putting Philanthropy on the Map—selected examples from abroad

STIFTERLAND BAYERN

Audience

General public

Successes

- > 200 foundations participated
- > 14,000 people visited the exhibitions in 7 cities
- > 360 related events during the 15 month campaign

Description

Stifterland Bayern, which ran from March 2008 to June of 2009 was created to showcase the diversity and impact of the foundation sector in Bavaria across the state. Key facets included:

- > High profile steering group
- > Fundraising for the campaign from philanthropic, government, and corporate sources
- > Creation of a catalogue to showcase foundations
- > Opening ceremony and exhibition in Munich
- > Foundation/Funder symposium on the following day for knowledge sharing and networking
- > Repeat of exhibition and symposium in 6 other cities in the state
- > Media pieces, concerts, open houses, etc.
- > Closing festival 14 months later



stiftungen.org

TURKEY'S CHANGEMAKERS

Audience

General public/
 young people

Successes

- > 50,000 online followers
- > 300,000 website clicks since its launch
- > Lots of “buzz” in Turkish and foreign news
- > Visibility for featured social entrepreneurs
- > Pending follow-up projects, such as DVDs or books

Description

Funded by the Sabanci Foundation, “Turkey’s Changemakers” is a weekly TV program on CNN Turk which highlights the efforts of individuals who promote change and development in their communities and create a remarkable impact in the lives of others. Key facets include:

- > Web portal for submissions of nominations
- > Pre-screening of candidates by Sabanci Foundation and Dipnot Production
- > Vetting of candidates with Advisory Council
- > Creation of TV programming (paid by Sabanci Foundation)
- > Airing of TV programming (airtime donated by CNN Turk)
- > Promotion through Facebook and Twitter



TURKEY'S
 CHANGEMAKERS

AMBASSADORS FOR PHILANTHROPY



Audience

Current or aspiring philanthropists

Successes

- > 14 videos created
- > Talks with other countries about creating “Ambassadors for Philanthropy”

Description

A project of Dame Stephanie Shirley, the first British Government’s Honorary Ambassador for Philanthropy, the Ambassadors for Philanthropy initiative chronicles the motivations and creative actions of entrepreneurial philanthropists so that others in Britain will see the importance of discussing openly what they care about when they give. The videos are created by skilled unpaid volunteers and hosted on the initiative’s website.



PHILANTHROPY 3D PROJECT



Audience

Public servants and civic leaders

Successes

- > Development of a clear logic model and ways to measure the outcomes of the initiative
- > Impact to be determined, the initiative launched in early 2010

Description

Launched with a goal of addressing a lack of understanding and appreciation of the foundation sector by civic and political leaders, the Philanthropy 3D project seeks to design and test a model for communicating to influential people the unique value foundations bring to rebuilding the economy and local communities. Trustees are seen as the key levers for this goal. The three step process, being piloted in the state of Michigan, will be:

- > Work with trustees to identify best practices and develop new messaging
- > Test messages with influential leaders in Michigan’s private, public, nonprofit, and education sectors
- > Refine based on pilot results and share the model with other states

Vision:
 For influential leaders in Michigan to appreciate the value of and seek partnerships with foundations to solve critical issues in the state

JOURNALISTENPREIS BÜRGERSCHAFTLICHES ENGAGEMENT

Audience

Media/journalists

Successes

- > More than 50 awardees
- > Coverage of winners and winning articles in the important journalist publication *Medium*
- > High profile jury, which creates strong cache for the award

Description

Since 1998 the annual “Journalistenpreis Bürgerschaftliches Engagement” has been awarded by the Robert Bosch Stiftung to create more public awareness for the efforts of voluntary workers in their communities to honour both the authors and the actors. Prizes help to increase public awareness of civic initiatives for the public good and to encourage readers to get involved themselves. The prizes, at a level of up to EUR 10,000, are awarded for articles, news reports and editorials that focus on how and why people assume responsibility for themselves and others. In addition to reports in German-language daily and weekly newspapers, the competition is also open to magazine articles, radio reports, and TV reports.



JUST CHANGE

Audience

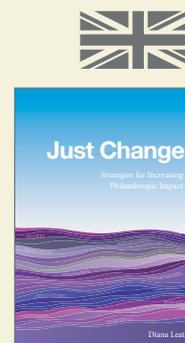
International peers

Successes

- > Seven compelling case studies
- > Analysis of key success factors for high-impact philanthropy

Description

The Woburn Place Collaborative, a UK forum for predominantly UK-based trusts and foundations which aim to promote structural, systemic and sustainable social change with impacts beyond immediate grantees released a report in 2007 entitled *Just Change: Strategies for Increasing Philanthropic Impact* to encourage discussion of how philanthropy can contribute to achieving longer term systemic change with impact beyond immediate grantees, and inspire practice.



PHILANTHROPY AWARENESS INITIATIVE

Audience

Decision makers

Successes

- > Funding from 5 prominent foundations
- > 6 compelling research pieces
- > Projects in several states

Description

The Philanthropy Awareness Initiative is a short term R&D project that works with foundations and philanthropy associations to improve communications and outreach to influential Americans by tracking how influential leaders see foundations and identifying, developing and sharing ways foundations can communicate about their unique role, work and impact in American society. Funders are: The David and Lucile Packard Foundation, The Bill and Melinda Gates Foundation, The William and Flora Hewlett Foundation, The James Irvine Foundation, and The Robert Wood Johnson Foundation.



Food for Thought

Individually and collectively these examples create interesting ideas and considerations for Putting Philanthropy on the Map in Switzerland:

- › Could a year-long, cross-country campaign to promote the work of philanthropists and foundations be a compelling undertaking for Switzerland?
- › Could a media partner be found to create and televise stories and successes of philanthropists and foundations?
- › Could philanthropists be encouraged to create short online video testimonials of their motivations, adventures, and lessons in giving?
- › Could trustees be more strategically engaged in promoting the sector to civic leaders and public servants?
- › Could an annual award be created for journalists that report on high-impact philanthropy?
- › Could a book of case studies of high-impact Swiss philanthropy be created to showcase the sector's contributions to international (and domestic) peers?
- › Could several foundations fund the creation of a "Philanthropy Awareness Initiative" in Switzerland to conduct research and create tools and resources to help foundations communicate their value?

WHAT HAS BEEN HAPPENING AT HOME?

As with catalyzing cooperation, work to put philanthropy on the map can build on efforts already underway in Switzerland; a few of these are highlighted below. We are aware, however, that many more such examples exist; we look forward to further suggestions from the readers of this report. For links to further information on these efforts, please see the appendix.

Putting Philanthropy on the Map – selected examples in Switzerland



SwissFoundations

Promoting philanthropy through the radio:

In a recent interview on DRS1 Trend, SwissFoundations General Manager Beate Eckhardt spoke of the need for better information and data for the sector. She also highlighted the important role foundations play in the social, cultural, and environmental sectors.

Radio and other media should be used regularly to promote the sector.



— GEBERT RUF STIFTUNG —



Promoting a cause through popular print media:

Two foundations, Gebert Ruf Stiftung and Stiftung Mercator Schweiz, that both support science, are funding a weekly series in the free newspaper *20 Minutes* about science that will run for two years. The contributions themselves are written by renowned scientists from all types of disciplines, including social science, engineering, medicine and technology.

This type of undertaking could be replicated for philanthropy itself, for example a bi-weekly feature on the efforts and impact of foundations.



Highlighting the efforts of philanthropists:

During the summer of 2009, *Le Temps* ran a series of profiles on philanthropists, including Fondation Sandoz, Metin Ardit, Maja Hoffmann, and others.

Media coverage on high-impact philanthropy can reach a mainstream audience and educate them about the value of sector.



Generating media attention:

The Centre for Philanthropy Studies (CEPS) has received some great press coverage on its February 2010 report on philanthropy in Switzerland, including with newspapers in neighbouring Germany.

This momentum should be maintained and used as an opportunity to educate journalists on how to think about and report on the sector.



Engaging trustees:

The Swiss Foundations Code, the first of its kind in Europe, is a tool that could be used as a starting point for discussions with trustees.

There is an opportunity to create a dynamic set of tools that can help trustees better understand the potential for impact of their own foundation, and of the sector overall which they could then communicate to their peers in civic and public administrator positions.



Keeping stakeholders informed:

CEPS, SwissFoundations, and SGG all publish regularly through newsletters and other channels about their activities and developments in the sector.

Newsletters are a useful format for sharing stories and events related to the philanthropic sector.

OVERVIEW OF ACTION STEPS

Efforts to catalyze cooperation and put philanthropy on the map can draw lessons from the 20 international best practice examples and build on the promising Swiss initiatives featured in the last two sections of this report. However, while the international benchmarks presented are source of ideas to consider, pursuing all of them at once, is neither feasible nor sensible. Prioritization and sequencing will be key to achieving the vision of this initiative.

In consultation with the Steering Committee of this initiative, **nine specific projects** have been surfaced as having high potential to catalyze cooperation and putting philanthropy on the map. Initial thoughts on how to fund such projects were also identified.

SPECIFIC PROJECTS IDENTIFIED	CATALYZING COOPERATION	PUTTING PHILANTHROPY ON THE MAP
1 Bring a funder database to scale that captures Swiss funders by thematic area, and develop reports of trends and gaps gleaned from the database.	●	●
2 Commission research on: donors' motivations in creating a foundation; the drivers and challenges of cooperation; the legal context for cooperative foundation structures.	●	●
3 Conduct a detailed needs assessment in one thematic area to benefit funders in that area and demonstrate the value of such analyses.	●	
4 Develop tools and resources to help philanthropic advisors understand and promote the benefits of cooperative foundation structures.	●	●
5 Invigorate the Swiss Foundation Code by turning the book into a set of dynamic tools, and by engaging trustees around the code to become ambassadors for the sector.	●	●
6 Create thematic networks of funders , potentially by region, to help spur networking, peer learning, and thematic cooperation.	●	
7 Resource an existing foundation association to become an “incubator” of cooperation , providing advice and management services to cooperative initiatives.	●	
8 Launch a public awareness campaign , starting with media profiles of high-impact philanthropists and culminating in a national roadshow.		●
9 Think creatively about a cross-cutting mechanism to create a fund that is dedicated to projects and initiatives that advance the philanthropic sector overall.		

HIGH-LEVEL IMPLEMENTATION CONSIDERATIONS

As mentioned in the next section, detailed “Project Sheets” on each of these projects are available upon request, which include more information about implementation steps and resource requirements. High-level implementation considerations are presented below.

PROJECT	IMPLEMENTATION CONSIDERATIONS
<p>1 Bring to scale a funder database that captures Swiss funders by thematic area, and develop reports of trends and gaps gleaned from the database</p>	<ul style="list-style-type: none"> › FoundationFinder is a great starting point for this endeavour › One way to incentivize foundations to contribute data is to analyze their data and provide them with tables, charts, maps, and graphs of their own funding › The US-based Foundation Center has developed sophisticated technology platforms and a taxonomy, which it is willing to provide “behind the scenes” › An interesting benchmark is Italy, where Assifero, the association of Italian foundations, is creating an online directory of foundations that contains many data fields, including financial, but that lets each foundation decide how much or how little information to disclose › Trends reports generated from such a database would not call attention to any one foundation, but would provide overall insights about the sector
<p>2 Commission research on: donors’ motivations in creating a foundation; the drivers and challenges of cooperation; the legal context for cooperative foundation structures</p>	<ul style="list-style-type: none"> › The Centre for Philanthropy Studies (CEPS) and/or the Verbandsmanagement Institute (VMI) are well positioned to conduct studies related to the first two research questions › In particular, cooperation is a “hot topic” across Europe, and Switzerland could strengthen its position as a best practice hub through contributing a meaningful study to the dialogue › The Centre for Foundation Law at the University of Zürich has already begun research on cooperative foundation structures which can be expanded
<p>3 Conduct a detailed needs assessment in one thematic area to benefit funders in that area and demonstrate the value of such analyses</p>	<ul style="list-style-type: none"> › Ideally, the thematic area chosen for this exercise would be one that also resonates with the government, as this would create a launch pad for further public-private sector partnerships › The analysis could include an understanding of the need, a landscape of the key players, the funding flows and trends, and the opportunities for philanthropy to drive impact › Ideas for themes to focus on are welcomed
<p>4 Develop tools and resources to help philanthropic advisors understand and promote the benefits of cooperative foundation structures</p>	<ul style="list-style-type: none"> › The tools developed in Canada (profiled earlier) can be easily adapted to the Swiss context › Both printed and online formats could be developed › It will be important to engage philanthropic advisors with the materials – ideas for how to do so are welcomed

PROJECT	IMPLEMENTATION CONSIDERATIONS
<p>5 Invigorate the Swiss Foundation Code by turning the book into a set of dynamic tools and engaging trustees around the code to become ambassadors for the sector</p>	<ul style="list-style-type: none"> › Reframing the code itself is a straight-forward exercise, which can be conducted in a collaborative manner (for example with a steering group of 10 foundation trustees) › Multimedia could be used to bring the code to life; e.g. an online version, online diagnostic surveys and tools, video testimonials, etc. › Reaching trustees and engaging them with the tools will be challenging – ideas for how to do so are welcomed
<p>6 Create thematic networks of funders, potentially by region, to help spur networking, peer learning, and thematic cooperation</p>	<ul style="list-style-type: none"> › Initially, these thematic networks would probably have to be provided for free until they can show enough value to attract a minimum fee to cover their costs › 2-year seed funding to create five networks could be one way to jump-start the process › Initial themes could build from the existing SwissFoundations focus areas of social; culture; education, research; innovation; and environment
<p>7 Resource an existing foundation association to become an “incubator” of cooperation, meaning it can provide advice to and management of funder cooperations</p>	<ul style="list-style-type: none"> › This step is somewhat dependent on the findings of the research around cooperation, and the resonance of the needs assessment and funding database › However, one way to start the process is to pilot one specific cooperation incubation and build on lessons learned from that process
<p>8 Launch a public awareness campaign, starting with media profiles of high-impact philanthropists and culminating in a national roadshow</p>	<ul style="list-style-type: none"> › Collecting and publishing stories is a near-term effort (9-12 months) which could include a creative nomination process to identify stories › A national roadshow would probably take more than a year to plan and then one year to run
<p>9 Think creatively about a cross-cutting mechanism to create a fund that is dedicated to projects and initiatives that advance the philanthropic sector overall</p>	<ul style="list-style-type: none"> › As a benchmark, the Philanthropy Awareness Initiative is funded by five leading foundations (The David and Lucile Packard Foundation, The Bill and Melinda Gates Foundation, The William and Flora Hewlett Foundation, The James Irvine Foundation, and The Robert Wood Johnson Foundation) › Potential funding mechanisms could include contributing 1% of giving or 0.01% of assets to such a fund each year

In addition, there are several ideas from the international benchmarking that are not reported in this initial list. If you or your network are interested in adapting these to the Swiss context, it is not only welcomed but encouraged.

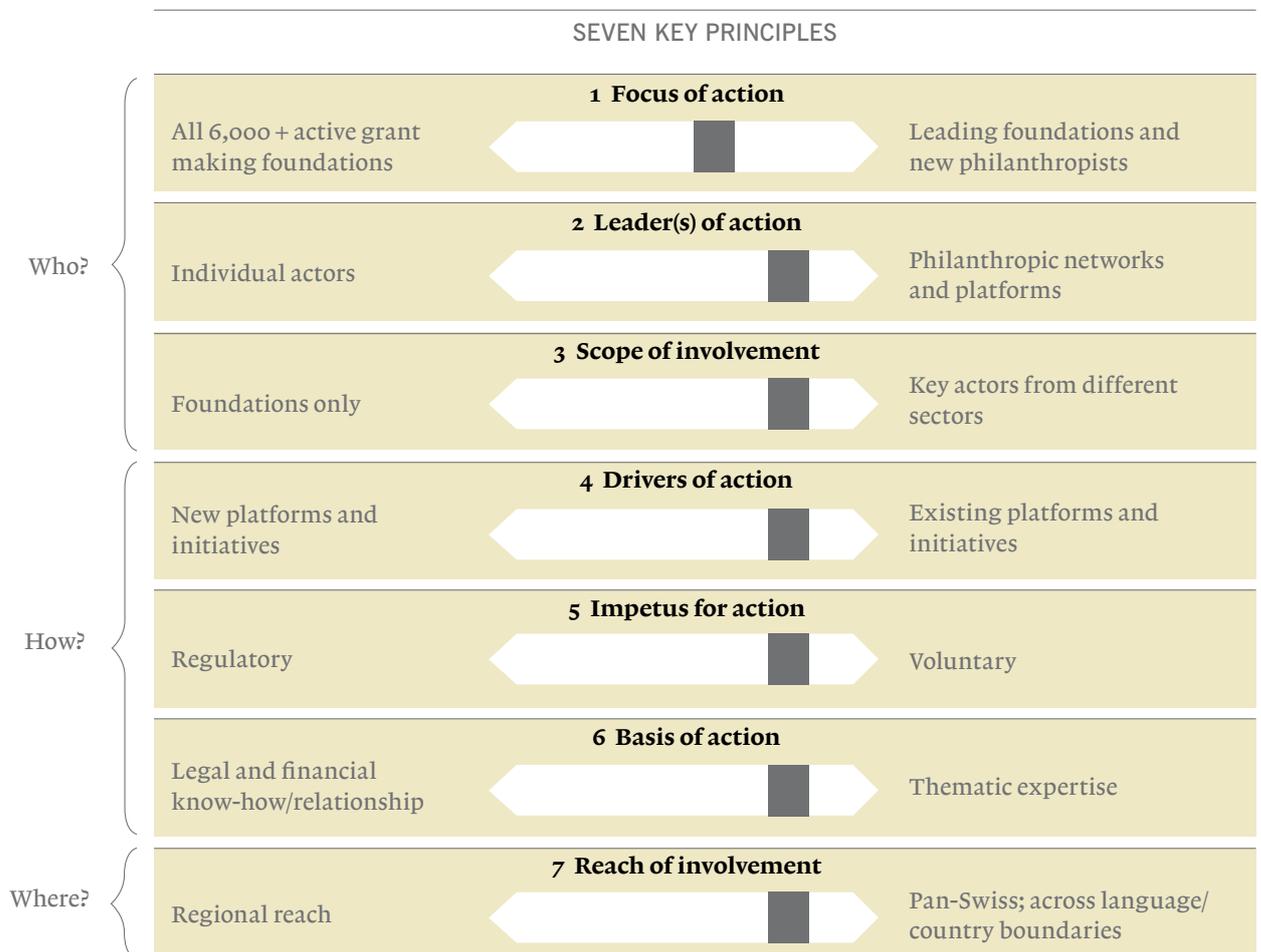
VI. Getting Involved

WHAT WILL IT TAKE?

In order to implement any of the ideas presented in this report, four key building blocks are required (more detailed suggestions on how to get involved can be found on the next page):

- › **Partners:** None of the actions steps listed in the previous section can be implemented unilaterally. Instead, they will only take hold if a broad coalition of multi-sector stakeholders, platforms and networks embrace them, and contribute to their refinement and implementation.
- › **Expertise:** Many of the action steps require specific expertise (e.g. legal, political, research support, prior experience in relevant areas). Initiatives that can draw on such expertise will have a much greater chance of success.
- › **Ownership and Leadership:** No projects or initiatives can successfully be undertaken in the absence of ownership and leadership. In this case, it means that each of the actions steps outlined in this report will require one or more organizations to drive the process and implementation forward, including devoting staff time.
- › **Resources:** Many of the action steps suggested will require financial resources to enable implementation. While the funder of this initiative is committed to building the sector, the hope is that many other foundations take responsibility and come together around the vision set out above, creating a broad base of financial support and engaged partners.

In implementing these ideas, it will be important to consider some **key principles**. These principles, an initial version of which were originally highlighted in the Interim Report and that have since been refined, will be important to apply to the implementation of the ideas in this report:



HOW CAN YOU GET INVOLVED?

There are several ways to get involved in implementing the ideas outlined in the previous section. To get in touch with us about any of these suggestions, you can find our contact information on the last page of this report.

Suggest refinements

The list of action steps is intended as an initial suggestion. We welcome additional comments and ideas, and refinements to the descriptions and implementation considerations. There are many more good ideas that should be integrated.

Request a “Project Sheet”

If you would like to find out more about the implementation considerations for any of the action steps, we would be happy to share with you a “project sheet” that details the relevant resource and partnership needs.

Join our next meeting

There will be at least one meeting during autumn of 2010 that will be open to anyone who wants to participate in this initiative. If you’d like to find out more about a meeting and/or join us, please contact us.

Offer your expertise

If you can offer relevant expertise for any of the suggested action steps, please contact us. We know that for many of the ideas listed, there are already people with experience – we would love to engage and learn from them.

Share this report and its ideas with your networks

If you are part of a network that might find this report useful and/or would be interested in participating in next steps, we would be delighted to engage with them. Please don’t hesitate to put them in contact with us.

Offer your funding support

If you would like to help fund any of the action steps described in this report, please let us know. We would welcome your contribution and ideas for raising the needed funds.

Offer to lead an action step

If you would like to offer your organization as a host/leader for any of the action steps, including providing office or meeting space, or staff time, please let us know.

Thank you for taking the time to read this report and to engage with its ideas. We look forward to hearing your reactions, and hope that you will want to get involved.

VII. Appendix

A. Framework for a High-Impact Philanthropic Sector

Catalyzing cooperation and putting philanthropy on the map form part of a larger framework for strengthening the philanthropic sector, as shown below, which rests on the belief that in order to have impact, the sector needs four elements (philanthropic resources, strategically-oriented funders, thematic cross-sector cooperation, and strong NGOs/implementers), supported by incentives, knowledge and support, and an enabling environment

Incentives refer to the mechanisms, such as financial rewards or recognition, which encourage actors and organizations to engage. Knowledge and support refer to the information, tools, resources, and advisors that help actors and organizations achieve impact. The enabling environment refers to the overall conditions for the sector, including tax, legal, regulatory, and funding vehicle considerations.

HIGH-IMPACT PHILANTHROPIC SECTOR IN SWITZERLAND

	Philanthropic Resources	Strategically-Oriented Funders	Thematic Cross-Sector Cooperation	Strong NGOs/Implementers
INCENTIVES	Positive recognition by the media/public/government			
	Favorable tax environment for philanthropy	Peer recognition/encouragement of strategic orientation	Attractive incentives for collaboration	Rewarding of strong performance
KNOWLEDGE AND SUPPORT	“What to focus on”: In-depth awareness of needs/opportunities			
	“How to create change”: Informative case studies/best practices/infrastructure organizations/trainings/advisors			
	“Where to focus resources and who to partner with”: Detailed data on funding activities, flows, and gaps			
ENABLING ENVIRONMENT	Effective legal environment for philanthropy	Added-value regulatory oversight	Enabling legal environment for collaboration	Attractive legal environment for NGOs/associations
	Attractive individual giving vehicles/options	Compelling voluntary codes	Available collaborative giving vehicles	Attractive donation environment for NGOs/associations

This framework is by no means the only way to look at the sector, nor does it claim to be all-encompassing. However, as illustrated by the markings in the diagram, it provided this initiative with a useful way to think about where it would prioritize (catalyzing cooperation and putting philanthropy on the map) and which kind of action steps would be needed to achieve these.

B. Stakeholders Consulted

Irene AEGERTER, *cogito foundation*
Herbert AMMANN, *Schweizerische Gemeinnützige Gesellschaft (SGG)*
Kecia BARKAWI, *VALUEworks AG*
Christoph BÄRLOCHER, *VMI*
Beno BAUMBERGER, *Stiftung Mercator*
Steve BERNARD, *Geneva Financial Center*
Steffen BETHMANN, *CEPS*
Peter BÖCKLI, *Böckli Bodmer & Partner*
Félix BOLLMANN, *Swiss Solidarity*
Yann BORGSTEDT, *Smiling Children foundation*
Nicolas BORSINGER, *Fondation Pro Victimis*
Evelyn BRAUN, *AVINA Stiftung*
Ernst A. BRUGGER, *Brugger and Partners*
Stephan BURLA, *Fondation des Fondateurs*
Ernst BUSCHOR, *ETH-Rat*
Thomas CERNY, *Krebsliga*
Andrienne D'ARENBERG, *Numbersix Sàrl*
Samy DARWISH, *WWF Switzerland*
Melchior DE MURALT, *de Pury Pictet Turrettini & Co*
Roger DE WECK, *Journalist*
Angela DE WOLFF, *Sustainable Finance Geneva*
Markus DIENER, *Krebsliga*
Dominique DUNANT, *Carigest*
Etienne EICHENBERGER, *wise-Philanthropy Advisors*
Patrik ELSA, *Socential*
Bettina FERDMAN, *Philiias*
Patrick FRICK, *Blatter+Frick Social Investor Services*
Walter FUST, *Global Humanitarian Forum*
François GEINOZ, *Limmat Stiftung*
Hedy GRABER, *Migros culture percentage*
Wolfgang HAFENMAYER, *LGT Venture Philanthropy*
Jean-Marie HAINAUT, *Lombard Odier Darier Hentsch & Cie*
Dominik HEEB, *FoundationFinder*
Christelle HUWILER, *Switcher*
Robert JACOBI, *BergerJacobi Media Services*
Antonia JANN, *Age Stiftung*
Eylah KADJAR-HAMOUDA, *Terre des hommes*
Albert KESSELI, *Stiftung Mercator*
Hans LICHTENSTEINER, *VMI*
Markus MADER, *Swiss Red Cross*
Max MARTIN, *IJ Partners*
Kaspar MÜLLER, *Independent economist*
Marc ODENDALL, *Fondation Odendall*
Stephan OETIKER, *Pro Juventute*
Tim RADJY, *AlphaMundi*
Salomé RAMSEIER, *Insel Stiftung*
Pierre REIFT, *Bread For All*
Jean-Philippe ROCHAT, *Carrard & Associés*
Christoph SCHMOCKER, *UBS Optimus Foundation*
Mirjam SCHOENING, *Schwab Foundation*
Benno SCHUBIGER, *Karl Binding Stiftung*
Brad SMITH, *Foundation Center*
Simon SOMMER, *Jacobs Foundation*
Thomas SPRECHER, *Swiss Federal Institute of Technology Zurich*
Jenö STAEHELIN, *Staelin Foundation*
Alec TAVEL, *Fondation Ethique et Valeur*
Florence TERCIER, *Oak Foundation*
Roger TINNER, *Swiss Fundraising*
Jean-Marc TRISCONI, *AGFA*
Lukas von ORELLI, *Velux Stiftung*
Ariane WISMER, *Swiss Philanthropy Foundation*
Martina ZIEGERER, *ZEWO*

C. Bibliography of Selected Studies and Articles

- Prof. Dr. Georg von Schnurbein, Steffen Bethmann; *Philanthropie in der Schweiz*; CEPS; 2010
- Prof. Dr. Georg von Schnurbein; *Der Schweizer Stiftungssektor im Überblick: Daten, Tätigkeiten und Recht 2009*; CEPS; 2009
- Prof. Dr. Bernd Helmig, Christoph Bärlocher, Ass-Prof. Georg von Schnurbein; *Defining the Nonprofit Sector: Switzerland*; Johns Hopkins; VMI; 2009
- SwissFoundations; *Stellungnahme SwissFoundations zur Motion Luginbühl*; SwissFoundations; 2009
- Dr. Hans Lichtsteiner, Dr. Christoph Degen, Jens Jacobi; *Steigerung der Attraktivität des Stiftungsstandortes Schweiz – Grundlagenbericht zur Motion von SR Werner Luginbühl vom 20. März 2009*; VMI, proFonds; 2009
- Spendenmonitor 2008*; gfs-zürich; 2009
- Prof. Bernd Helmig und Beat Hunziker; *Stiften in der Schweiz - Ergebnisse einer explorativen empirischen Studie*; Universität Freiburg; 2006
- Prof. Dr. Georg von Schnurbein; *Das Paradies holt auf: Soziale Investitionen von Stiftungen in der Schweiz*; CEPS; 2009
- Dr. Benno Schubiger; *In acht Schritten zu einem effektiveren Stiftungswesen in der Schweiz*; SwissFoundations; 2006
- Prof. Theo Wehner; *Corporate Citizenship Survey*; ETH; 2009
- ZEWO; *ZewoForum 3 2009*; Zewo; 2009
- Scorpio Partnership; *Philanthropy among UHNWs and family offices in Europe*; developed for Zürcher Roundtable der Philanthropie; 2008
- Parmary Vakaridis; *Les 20 philanthropes qui font la Suisse; Bilan*; 4. Nov. 2009
- Jean Pirrotta; *Rôle et impact des fondations en temps de crise Quel rôle pour les fondations en Suisse romande?*; developed for SwissFoundations Symposium; 2009
- Prof. Dr. iur. Dominique Jakob; *Das Stiftungsrecht der Schweiz im Europa des dritten Jahrtausends*; Antrittsvorlesung Universität Zürich; 2008
- Prof. Dr. iur. Dominique Jakob; *Nonprofit Law in Switzerland*; Johns Hopkins, VMI; 2009
- Dr. Philipp Egger, Prof. Dr. Bernd Helmig und Prof. Dr. Robert Purtschert; *Eine komparative Analyse des Stiftungsstandortes Schweiz*; Herausgeberreihe Foundation Governance; 2006
- Dr. Hans Lichtsteiner, Vanessa Lutz; *Honorierung von Stiftungsräten*; VMI; 2008
- Martin Steinert; *Foundations in Europe: Society, Management and Law (Switzerland)*; Bertelsmann Foundation/DSC/CAF; 2001
- Niklas Lang, Peppi Schnieper; *Professionelles Management von Stiftungen*; Universität St. Gallen; 2006
- Gesellschaftlichen Wandel gestalten: *Drei Ansätze für mehr Philanthropie in Deutschland*; McKinsey & Company; 2008
- International Committee on Fundraising Organizations; *Tsunami Donations: An International Comparison*; 2005
- Prof. Dr. Robert Purtschert, Georg von Schnurbein, Claudio Beccarelli; *Visions and Roles of Foundations in Europe – Länderstudie Schweiz*; VMI; 2003
- Ruth Wagner, Claudio Beccarelli; *Studie Spendenmarkt Schweiz 2008*; onemarketing; 2009
- Fachzeitschrift für Verbands- und Nonprofit-Management: *Der Stiftungssektor im Aufbruch – neu entdecktes Potenzial*; VMI; 2007
- Aglaja Veteranyi; *Schweizer Monatshefte: Stiftungen*; Schweizer Monatshefte; 2005
- Herbert Ammann; *Reihe Freiwilligkeit (4 Titel)*; Seismo Verlag; 2004-2007
- Le Temps; *Mécènes à visage découvert*; 2009

D. Relevant Resources/Links

CATALYZING COOPERATION

Selected Swiss foundation associations and network builders

Philanthropy Roundtable
www.philanthropie.net
Philiias
www.philiias.org
proFonds
www.profonds.org
Schweizerische Gemeinnützige Gesellschaft
www.sgg-ssup.ch
stiftungsforum
www.stiftungsforum.ch
SwissFoundations
www.swissfoundations.ch

Swiss examples of joint funding or Public-Private Partnership

Centre for Philanthropy Studies
www.ceps.unibas.ch
ICRC Corporate Support Group
www.icrc.org
Intergeneration
www.intergeneration.ch
Stiftung Kinderschutz Schweiz
www.kinderschutz.ch
venture kick
www.venturekick.ch

Selected Swiss Umbrella Foundations

Accentus
www.accentus.ch
Empiris
www.empiris.ch
Fondation des Fondateurs
www.fondateurs.ch
Fondation Philanthropia
www.fondationphilanthropia.org
Limmat Stiftung
www.limmat.org
Rütli Stiftung
www.ruetli-stiftung.ch
Stiftung Corymbo
www.corymbo.ch
Stiftung Succursus
www.succursus.ch
Swiss Philanthropy Foundation
www.swissphilanthropy.ch
Symphasis
www.symphasis.ch
UBS Optimus
www.ubs.com/optimusfoundation

Selected Swiss philanthropic data and information platforms

Culturalpromotion.ch
www.culturalpromotion.ch
FoundationFinder
www.foundationfinder.ch
Socontial
www.socontial.org
Spendenplattform
www.spendenplattform.ch

International benchmarks

Assifero
www.assifero.org
Community Foundation for Southeastern Michigan Matching Fund
www.cfsem.org
Community Foundations of Canada: Professional Advisors eResource
www.cfc-fcc.ca/pa-eresource
European HIV/AIDS Funders' Group
www.efc.be/Networking/InterestGroupsAndFora/HivAids
Foundation Center
www.foundationcenter.org
Grantcraft Report on Funder Collaboratives
www.grantcraft.org
Grantmakers East Forum
www.gef.efc.be
Grantmakers in/for:
> Arts www.giarts.org
> Health www.gih.org
> Education www.edfunders.org
> Aging www.giaging.org
> Film and Electronic Media www.gfem.org
> Children, Youth and Families www.gcyf.org
Initiative Bürgerstiftungen
www.die-deutschen-buergerstiftungen.de
Michigan Community Foundation Tax Credit
www.michiganfoundations.org
Network of European Foundations
www.nefic.org
New Philanthropy Capital
www.philanthropycapital.org
Public Interest Projects
www.publicinterestprojects.org
Roma Education Fund
www.romaeducationfund.hu
Vital Signs
www.vitalsignscanada.ca
Worldwide Community Foundations
www.wingsweb.org

PUTTING PHILANTHROPY ON THE MAP

Selected Swiss examples

Le Temps
www.letemps.ch
Newsletters/Publications:
> CEPS ceps.unibas.ch/news
> SGG www.sgg-ssup.ch
> SwissFoundations www.swissfoundations.ch
Press release on *20 Minutes*
www.grstiftung.ch
Swiss Foundation Code
www.swissfoundations.ch
SwissFoundations radio interview
www.swissfoundations.ch

Selected international benchmarks

Ambassadors for Philanthropy
www.ambassadorforphilanthropy.com
Journalistenpreis Bürgerschaftliches
Engagement
www.bosch-stiftung.de
Just Change
www.philanthropy.carnegieuktrust.org.uk
Philanthropy 3D Project
www.michiganfoundations.org
Philanthropy Awareness Initiative
www.philanthropyawareness.org
Stifterland Bayern
www.stiftungen.org
Turkey's Changemakers
www.sabancivakfi.org

OTHER RELEVANT ORGANIZATIONS AND INITIATIVES

Switzerland

Avenir Suisse
www.avenir-suisse.ch
Blatter & Frick
www.socialinvestors.com
Brugger & Partner
www.bruggerconsulting.ch
Center for Foundation Law, University of Zürich
www.rwi.uzh.ch
LGT Venture Philanthropy
www.lgt.com
Stiftungszentrum
www.stiftungszentrum.ch
Swissnex
www.swissnex.org
Swiss Solidarity
www.swiss-solidarity.org
VALUEworks AG
www.valueworks.ch
Verbandsmanagement Institute
www.vmi.ch
wise – Philanthropy Advisors
www.wise.net
ZEWO
www.zewo.ch

International

Association of Small Foundations
www.smallfoundations.org
Council on Foundations
www.cof.org
European Foundation Centre
www.efc.be
Glasspockets
www.glasspockets.org
Philanthropy InSight
www.philanthropyinsight.org
Woburn Place Collaborative
www.philanthropy.carnegieuktrust.org.uk



ABOUT FONDATION 1796

Foundation of the Partners and former Partners of Lombard Odier Darier Hentsch & Cie and their families, Fondation 1796 focuses its support on three key areas: promoting sustainable development, supporting entrepreneurship among the youth and advancing the philanthropic sector in Switzerland. Fondation 1796 is a member of SwissFoundations.

www.fondation1796.org



ABOUT FSG

FSG is an international nonprofit consulting and research organization dedicated to discovering better ways to solve social problems. FSG helps foundations, nonprofits, and corporations – individually and collectively – achieve social impact. In addition, FSG works to strengthen the field of philanthropy by researching, creating, and sharing ideas and knowledge that address critical social issues.

www.fsg-impact.org

For questions or comments on this report,
please contact:

Karin JESTIN
Secretary General, *Fondation 1796*

Karin.Jestin@fondation1796.org

Valerie BOCKSTETTE
Director, FSG

Valerie.Bockstette@fsg-impact.org

