BRINGING FOUNDATIONS AND GOVERNMENTS CLOSER

EVIDENCE FROM INDIA

INDIA
MATERNAL AND CHILD HEALTH

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Evidence from India

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FOREWORD

In 2007, India graduated to middle-income status and made impressive progress against a number of development indicators. However, the country still faces an array of challenges. Much more needs to be done before citizens can realise the full benefits of the country's ongoing transformation.

While the government has been the most significant actor in promoting social development in India, private actors increasingly are being called upon for support. Among these, private foundations stand out for their huge influence in accelerating social development in India. It is expected that private formal giving in India could potentially reach as much as INR 1.5 trillion (USD 22.4 billion) annually (MacArthur Foundation and Intellecap, 2016), in the coming years, compared to USD 2.1 billion in official development assistance (ODA) allocated to India by OECD Development Assistance Committee donors (OECD, 2015). The influence of private foundations goes far beyond their potential as sources of funds for global development. They also offer decades of experience, the flexibility and ability to innovate, and deep ties to local communities.

In 2012, the OECD Development Centre launched the Network of Foundations Working for Development (netFWD). The network supports the critical role foundations play in the development space and works to enhance their impact through closer co-operation with governments. netFWD developed Guidelines for Effective Philanthropic Engagement to foster mutual recognition between philanthropic actors and governments given their respective comparative advantages. Since 2014, these Guidelines have been applied in Mexico, India, Myanmar and Kenya and deepen our understanding of the relationship between foundations and governments at the country level. In addition, netFWD helps local stakeholders identify concrete steps – in the form of action plans – for more effective future collaboration.

Working on the first four country studies, we have learned important lessons. While each country has specific foundation-government dynamics, most still need to overcome considerable bottlenecks and ambivalence about such partnerships between foundations and governments. The analysis suggests three factors that play a key role in driving and fostering high level of engagement between foundations and governments at the country level: political will, a formalised philanthropic sector and more trust. Partnership is not easy, but the rewards are worth it.

No single partner can drive the development agenda alone. With that in mind, this study adds to our learning and is a step towards translating enthusiasm for collaboration into actual partnerships between India's government (at the state level and at the federal level) and foundations. We hope the insights in the study will push Indian foundations, government representatives and intermediary organisations to continue their conversation, recognise the value of their collective strength and take much-needed steps towards impactful collaborations, such as the joint efforts to improve development outcomes in India.

Mario Pezzini
Director, OECD Development Centre
and Special Advisor to the OECD Secretary-General on Development

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EXECUTIVE SUMMARY

"The issues in India are large and unique. We cannot replicate solutions from the rest of the world and bring them here. While we can get some learning from them, we need many more home-grown solutions. If we want to make an impact in India, we have to make it at scale. And for that we need a group of like-minded people working together. We also have to work with the government. No agency, not even the biggest, can do it on its own."

Mr. Ajay Piramal, Chairman, Piramal Group[1]

Collaboration, undoubtedly, is the key to unlocking sustainable impact in the developing world today. Today, we have more and more non-profits, government agencies, philanthropic institutions and businesses addressing a range of critical social problems across the globe. However, collaborations between these stakeholders remain uncommon.

In India, the sheer scale and complexity of the country's development challenges make collaboration both useful and timely. A collaborative approach is urgently needed to complement the strengths of a number of important players in the development space, including two of the largest and most influential ones – governments and foundations.

The Indian government remains the single largest actor in terms of its spending and efforts towards social development in the country. The government gives INR 2.1 trillion (USD 32 billion) to flagship development programmes (MacArthur Foundation and Intellecap, 2016). Yet, given the profound needs in India, the government cannot achieve solutions on its own.

The last decade has seen renewed interest and momentum in Indian philanthropy, which holds immense power to influence and accelerate social development in the country. A strong economy, growing wealth and greater global interest in India have underpinned this increase in philanthropic activity. It also reflects the emergence of high net-worth individuals (HNWIs), as well as contributions of the diaspora and corporations to the philanthropic pool. Today, total private giving by individuals and institutions in India is estimated at INR 520 billion (USD 8 billion) annually (Reddy et al., 2011). It is expected that private formal giving in India could potentially reach as much as INR 1.5 trillion (USD 22.4 billion) annually (MacArthur Foundation and Intellecap, 2016), in the coming years, compared to USD 2.1 billion in official development assistance (ODA) allocated to India by OECD Development Assistance Committee donors (OECD, 2015).

This study outlines the current state of foundation-government collaborations in India. It aims to provide a clear understanding of how these influential actors can move forward together to improve development outcomes of the country. To that end, it highlights the need for concrete solutions that will help foundations and governments to engage more with each other, collaborate in the best possible ways and build awareness of each other's value added, as well as of the challenges of partnership.

Given the dismal state of maternal and child healthcare in India and how much foundations have invested in supporting it, the study adopts a special focus on this sector. It finds significant potential to accelerate positive development of maternal and child healthcare through greater co-operation between foundations and the government.

There appears to be consensus that no single set of actors can drive India's development agenda over the coming decades. Yet there has been little drive to break out of individual silos. Levels of engagement between foundations and government are still low. Dialogue and data-

sharing occur only sporadically and partnerships between the two are uncommon. The study suggest that foundations mostly collaborate with the government only sporadically or never (50 % of foundation respondents). And the government collaborates with foundations only sometimes or rarely (almost 82% of government respondents).

Moreover, there is no strong evidence of partnerships moving beyond information exchange and programme implementation. Almost 62% of foundation respondents and 83% of government respondents have most commonly co-operated to implement programmes. Ideally, partners should work towards a stronger degree of harmonisation that could manifest as co-designing and co-financing. Commonly cited barriers to effective collaboration include lack of mutual trust and understanding of each other's work, perceived rigidity of the systems and processes of the government, and a lack of structured or consistent platforms for engagement.

To mitigate these challenges, it is strongly recommended that foundations engage the government at the outset of a new programme to increase buy-in. Strengthening co ordination among foundations, for example, through an association of foundations, is also a critical need and enabler to building a unified voice for the sector. Given the lack of structured channels for sharing information, such a co ordinating body would play a key role in organising platforms for data-sharing. In addition, promoting the value of collaboration and frequently acknowledging partners is important in building momentum around the topic and strengthening strong bonds of trust between the two parties. Finally, institutionalising partnerships so that knowledge, lessons and best practices are transferred beyond just a few individuals, is a critical step to achieving greater and more impactful foundation-government collaborations in India.

This study is part of the implementation of the Guidelines for Effective Philanthropic Engagement (OECD netFWD et al., 2014). The Guidelines were developed under the leadership of the OECD Development Centre's Network of Foundations Working for Development (netFWD). The Guidelines are voluntary and non-binding; they seek to promote mutual recognition and to facilitate country-level dialogue between governments and foundations. Ultimately, they aim to help establish frameworks that can support collaboration for development, poverty reduction and development of effective public policies. Since 2014, netFWD has been using the Guidelines in several countries, including India, Mexico, Myanmar and Kenya. They stimulate country-level dialogue between foundations and governments and help local stakeholders identify concrete steps – in the form of action plans – for more effective future collaboration.

The study in India was led by Dasra, a leading strategic philanthropic foundation in India, in partnership with netFWD, and with financial support from USAID. It was developed based on insights gathered through a comprehensive survey, in-depth interviews and a roundtable discussion. The latter brought together some of the most influential foundations working in India, as well as top-ranked government officials across various sectors and geographies.

This first-of-its-kind evidence-based study brings to light important findings and recommendations around promoting effective collaborations between foundations and the government in the development space in India. Among its findings, it identifies a great need for further research and more sustained dialogue between foundations and the government. Both of these actors, as well as intermediary organisations in the development sector, must recognise the value of a collaborative approach. They must include diverse voices from both parties to contribute to an ongoing conversation. And they must work towards building solutions that leverage their collective strengths to contribute to meaningful social change in India.

I. INTRODUCTION

1.1 Rationale for the study

The seriousness, scale and complexity of development challenges we face – from rising inequality to extreme poverty and climate change – are quickly outpacing our individual ability to solve them. The 2030 Agenda for Sustainable Development (UN, 2015) recognises the need to cooperate and create collective solutions through partnerships – the interlinking of human agency to achieve a common purpose – as a critical means of implementing the Sustainable Development Goals (SDGs) (UN, 2015).

Yet, while more and more non-profits, civil society organisations (CSOs), government agencies, donors, foundations and businesses are addressing these challenges, they do not often collaborate. Not because it is impossible, but because it is so rarely attempted (Kania and Kramer, 2011). Funders and non-profits alike focus on independent action as the primary vehicle for social change. In so doing, they overlook the enormous potential for making progress through collective action (Kania and Kramer, 2011).

No single partner can drive the development agenda alone. With this in mind, the OECD Development Centre's Network of Foundations Working for Development (netFWD) has been brokering dialogue and cooperation between two significant development actors – governments and foundations. netFWD developed the Guidelines for Effective Philanthropic Engagement (OECD netFWD et al., 2014) in collaboration with other philanthropic organisations. These included the European Foundation Centre (EFC), the Rockefeller Foundation, the Stars Foundation, the UN Development Programme (UNDP) and the Worldwide Initiatives for Grantmaker Support (WINGS).

Box 1. **Guidelines for Effective Philanthropic Engagement**	
DIALOGUE	1. Multi-level dialogue and coordination among foundations, governments and other development stakeholders 2. Inclusive dialogue and coordination between foundations and governments 3. Dialogue for policy-setting processes and designing development frameworks 4. Permanent forums for community dialogues 5. Public-private partnerships
DATA AND INFORMATION SHARING	1. Gathering timely and accurate data to support better decision making 2. Sharing knowledge and experience across sectors to help development actors engage more effectively 3. Amplifying effectiveness by working together more closely with other foundations and governments
PARTNERSHIPS	1. Collaborate among foundations at different levels and through different approaches 2. Set up partnerships to increase impact and support innovation 3. Empower local partners and contribute to a more conducive enabling environment for philanthropy in which local partners can thrive and operate more effectively 4. Initiate and consolidate partnerships across sectors that enhance synergies and leverage the distinct comparative advantages of foundations, government and other development actors towards advancing a shared vision for a more inclusive and sustainable world.

The Guidelines comprise three pillars: dialogue, data and information sharing, and partnerships (see Box 1). They seek to promote mutual recognition and to help governments and foundations connect at the country level. In this way, the Guidelines can enable collaboration for development, poverty reduction and the creation of effective public policies. Since 2014, netFWD has been using the Guidelines in several countries, including India, Mexico, Myanmar and Kenya, to collect data on the relationship between foundations and governments. In addition, the network helps local stakeholders identify concrete steps – in the form of action plans – for more effective future collaboration.

1.2 Objectives, scope and methodology of the study

The study in India was launched with the hope of better understanding the dynamics between foundations and government in India, stimulating dialogue and ultimately promoting greater and more effective collaborations to enhance development outcomes in India.

While the government has multiplied its efforts to improve public healthcare over the last 15-20 years, India still has a long way to go (see Box 2). Given the dismal state of maternal and child healthcare in India and how much foundations have invested in supporting it, the study adopts a special focus on this sector. It finds significant potential of accelerating development here through greater cooperation between foundations and the government.

Box 2. **The maternal and child health sector in India**

Women and children's health in India have improved significantly over the last 15 to 20 years. Maternal and infant mortality rates, the number of underweight children and child marriages, and the total fertility rate have all declined. However, several challenges remain: India has a higher global share of maternal (16%) and newborn deaths (27%) than any other country in the world (Ministry of Health and Family Welfare, 2014).

India has a federal structure. As per its Constitution, state governments have the power to legislate on public health. Every state has a minister of health and carries out initiatives to improve health outcomes. The federal government directs these efforts through national policies on health and nutrition.

After gaining independence, India was plagued by wars, lack of healthcare and nascent infrastructure. In response, the World Bank and the United Nations set up the Child Survival and Safe Motherhood programme. Government efforts, however, were viewed as disorganised and sporadic. This was clearly reflected in the slow improvement in the child mortality rate, which decreased by only a 2.8% compounded annual rate during that time (Bain & Company, 2014).

After 1997, however, the story was different. The rate of child mortality in India dropped by an average of 3.8% annually – a 38% improvement from previous years. This success may have been largely due to focused government efforts, including the Reproductive and Child Health policy (RCH-1). Establishment of the National Rural Health Mission (NRHM) also helped build significant momentum (Bain & Company, 2014).

Today, the government's efforts form the backbone of the Reproductive, Maternal, Newborn, Child and Adolescent Health (RMNCH+A) sector in India. As of 2011, the share of RMNCH+A spending as a percentage of gross domestic product (GDP) is 0.8%. This represents about 70% of India's total public health expenditure. This USD 13 billion comes primarily through four funding programmes relevant to the RMNCH+A agenda: the central NRHM (recently integrated into National Health Mission), the National AIDS Control Organization (a division of the Ministry of Health and Family Welfare), and state budgets and local bodies (Bain & Company, 2014).

By 2025, India will need to have gradually added another USD 12 billion to its public health budget. Given its budgetary restraints and an ever-growing population, the federal government lacks the capacity to modernise India's healthcare system on its own. To achieve required levels of funding, India will need to address the funding gap through non-state sources of funding generated by private sources. According to forecasts, multilateral and bilateral agencies are unlikely to increase their current giving of about USD 0.7 billion. Doubling the current share of contributions to health through corporate social responsibility (CSR) and high net-worth individuals (HNWIs) in India could provide an additional USD 2.7 billion by 2025. This will leave a gap of approximately USD 8.6 billion that will have to be funded through local and foreign institutional donors to achieve the 2025 objectives (Bain & Company, 2014).

Moreover, to achieve transformational outcomes, India needs to build a more conducive enabling environment for a variety of actors supporting development to collaborate. The successes and lessons from fields such as HIV and polio in India suggest that achieving large-scale goals without collaboration among key actors would be slow and suboptimal (Bain & Company, 2014). With these lessons in mind, there is growing appreciation for the importance of collaboration space to the long-term social goals of India. Consequently, both the government and foundations have made strides in this area in recent years (see Box 3).

Box 3. Partnership between foundations and the government in the maternal and child health sector

Project Asman, an alliance between the Bill & Melinda Gates Foundation, Michael and Susan Dell Foundation, Reliance Foundation, Tata Trusts and USAID, was launched in 2015. It aims to reduce infant, neonatal and maternal mortality in India. This first-of-a-kind major alliance has structured its model in consultation with the National Health Mission and will be working in synergy with governments at the central and state levels.

The India study was led by Dasra, a leading strategic philanthropic foundation in India, in partnership with netFWD and with financial support from the USAID. The study was developed based on insights from a comprehensive survey among 42 foundations working in India, as well as in-depth interviews with 20 heads of local philanthropic foundations and 12 state- and national-level government representatives. In addition, a roundtable discussion brought together 13 of the most influential foundations working in India, as well as 4 top-ranked government officials across various sectors and geographies.

This study however, is not without limitations, and calls for its findings to be interpreted with some amount of discretion.

First, the sample size (particularly of government representatives) is small, which may prevent findings from being generalised. The small sample was primarily due to the difficulty in involving senior-level government officials in the study. Moreover, several of the more accessible junior-level officials declined participation.

Second, several government representatives were unable to clearly distinguish between foundations and CSOs; this calls for some discretion in interpreting the findings of the study.

1.3. Key concepts and definitions

In India, the word "foundation" masks great diversity in terms of size (large vs. small), approach to funding (grant-making vs. operating own programmes), origin (local vs. international) or category (corporate[2] vs. family[3]). Because of this diversity, it is difficult to offer a single definition of foundation (Dasra and Robert Bosch Stiftung, 2016). Broadly, it can be seen as an independent, non-profit organisation possessing its own principal fund that is managed by its trustees and directors to promote activities that serve the common welfare of communities (OECD, 2003).

From a legal perspective, however, India does not recognise or distinguish between non-profits and foundations. Any organisation with a social objective (and not motivated by profit) can be registered as a "charitable trust", "association of persons" or a "company with charitable objects". In each case, the requirements, level of compliance and regulation vary. Any social organisation that seeks to obtain tax exemptions (irrespective of its registration) must also obtain a tax certification and file tax returns under the Income Tax Act, 1961. Additionally, social organisations that receive funding from foreign sources must be registered under the Foreign Contribution Regulation Act, 2010 and comply with its requirements.

Moreover, the legal framework governing foundations and non-profits in India varies from state to state. There may be additional requirements depending on the location of the entity and nature of its registration. For instance, foundations registered as trusts in states such as Maharashtra and Gujarat are required to file annual audited accounts with the Public Charities Commissioner.

Yet even amid their diversity, foundations share a few common characteristics that lend them a unique and vital role to play in the Indian development landscape. They have the capacity to mobilise large-scale funding for entrenched social problems, to maintain long-term involvement in projects, to position themselves for effective advocacy and to innovate. With the rise of prominent avenues for giving, the model for foundation giving in India is fast gaining traction (Bain & Company, 2012).

1.4 Background of the study

The landscape of Indian philanthropy

Philanthropy in India has evolved significantly over recent decades. Private giving has always been an intrinsic part of the Indian ethos. Wealthy industrial pioneers, such as Tata, Birla, Bajaj and Godrej, have played an important philanthropic role for 150 years (Box 4). Still, the last decade has seen a renewed interest and momentum in Indian philanthropy. Philanthropic giving has not only increased exponentially in number and value, but also become more institutionalised and strategic.

In the last decade, Indians have been increasingly involved in philanthropic activities. Between 2009 and 2013, the number of adults who donated funds doubled from 14% to 28%. During the same period, the number of adults who donated time to social causes jumped from 12% to 21%. This means a staggering increase of more than 100 million more Indians donating time or money than in 2009 (Bain & Company, 2015). Today, total private giving by individuals and institutions in India is estimated at INR 520 billion (USD 8 billion) annually (Reddy et al., 2011). Private formal giving in India could reach as much as INR 1.5 trillion (USD 22.4 billion) annually in the coming years, compared to USD 2.1 billion in official development assistance (ODA) allocated to India by OECD Development Assistance Committee donors (OECD, 2015).

> **Box 4. The evolution of philanthropy in India**
>
> - During the pre-independence period (1850-1914), philanthropy in the country manifested primarily in the form of donations to schools, hospitals and temples carrying the family name (GIZ, 2013). Moreover, family philanthropy and corporate philanthropy were largely considered synonymous. In fact, family members led the philanthropic activities of most industrial houses and family businesses. These were funded through a combination of corporate profits and personal donations with limited strategic vision and long-term engagement (GIZ, 2013). Industrial pioneers of the nation, such as Tata, Birla, Bajaj and Godrej, were and continue to be seen as leaders in philanthropy (Mohan, 2001).
> - Around the period of independence (1914-1960), philanthropy in the country was significantly influenced by Mahatma Gandhi's theory of trusteeship. This is the idea that wealthy people must invest in social development as part of their responsibility and duty to care for the welfare of their people. Causes that were widely supported under this thinking included women's empowerment, rural development and abolishment of untouchability (GIZ, 2013). Philanthropy began to be institutionalised through the creation of Trusts, such as the Sir Ratan Tata Trust (GIZ, 2013).
> - During the 1960s, the state increased its role in development activities, leading to a decline in private philanthropy. Inflation and the introduction of high taxes gave rise to a general feeling that taxation was enough of a charitable contribution (Kassam, Handy and Jansons, 2016). However, amid growing frustration over the government's ineffectiveness and a shift towards more favourable tax policies in the 1970s and 1980s, businesses and wealthy individuals returned to giving (Kassam, Handy and Jansons, 2016).
> - In the 1990s, economic growth made India an important global player, bringing to the fore concerns over the widening disparity in the nation and the critical need for philanthropy to address pressing social challenges (Kassam, Handy and Jansons, 2016).
> - The corporate social responsibility (CSR) regulations under the new Companies Act voted in 2013 make it compulsory for companies with a net worth of INR 5 billion or more (USD 83 million) to spend at least 2% of their net profits on CSR activities annually.

A strong economy, growing wealth and greater global interest in India have underpinned this growth in philanthropic activity. It includes the contribution of a large number of high net-worth individuals[4] (HNWIs) and ultra high net-worth individuals[5] (UHNWI), the diaspora and corporations to the philanthropic pool (Charities Aid Foundation, 2012).

India's HNWI and UHNWI population grew at 12% compound annual growth in the two years between 2011-13. UHNWIs grew faster than in other developing countries such as the People's Republic of China or Brazil. HNWIs' wealth grew at 6% per year between 2009 and 2013 – from USD 477612 billion (Bain & Company, 2015).

Diaspora givers, estimated at more than 25 million people, are becoming an important source of funding for India. Recent research by the Bridgespan Group reports a shift in philanthropy from Indians living in the United States. In addition to sending money to family and community in India, the diaspora is also giving more to broad-based social causes and organisations focused on addressing India's most challenging problems. If the Indian diaspora in the United States gave at similar rates to those of other American households, and directed 40 per cent of this to India, it would generate USD 1.2 billion a year (Menezes, Madia Patel and Pike, 2015).

The recently amended Companies Act (Companies Act, 2013), has increased the inflow of philanthropic capital from corporations. On February 27, 2014, after public consultations, the Indian government published the Companies (Corporate Social Responsibility) Policy Rules (Companies Corporate Social Responsibility Policy Rules, 2014), which come into force on

April 1, 2014. The regulation clarifies the Corporate Social Responsibility (CSR) requirements of section 135 of India's amended Companies Act, 2013. The CSR regulations make it compulsory for companies with a net worth of INR 5 billion or more (USD 83 million) to spend at least 2% of their net profits on CSR activities annually. An estimated 16,000 companies in India will fall within the regulation's ambit.

The act has also led a large number of companies to establish foundations for their CSR investments and to streamline ad hoc or one-off charity into longer-term and more targeted programmes (Bain & Company, 2015). As many successful Indian family businesses are not moving beyond first generation, there is also a growing trend towards greater professionalisation and separation between family and corporate philanthropy.

Reflecting greater global interest in India, foreign philanthropic funding has also more than doubled. Over 2004-12, for example, such giving climbed from USD 0.8 billion to USD 1.9 billion (Bain & Company, 2015). This is due in part to the government's focus on social spending in areas such as education, child welfare and public health, which aligns well with the priorities of international foundations (Bain & Company, 2015).

The foundation-government dynamics in India

Over the last decade, India has been successful at lifting a large number of people out of acute poverty. However, the numbers of those in deep poverty are still staggering. As of 2011, over 20% of India's population (over 260 million people) lived below the poverty line on less than USD 1.90 a day (World Bank, 2011). Enormous problems and serious needs result from such a large, impoverished population. They range from inadequate sanitation and widespread malnutrition to high rates of maternal and infant mortality, to name a few.

The government is the single largest actor financing solutions to development problems in India. In 2015 alone, it allocated more than INR 2.1 trillion (USD 32 billion) to flagship programmes focused on employment, elementary education, nutrition and food security in the country (MacArthur Foundation and Intellecap, 2016). Yet, given the profound needs in India, the government cannot achieve solutions on its own.

At the same time, India has been witnessing a gradual retreat of traditional development financing agencies. Countless non-governmental organisations (NGOs) and CSOs in India have been longstanding pillars of Indian democracy. Now, many face a resource crunch to carry on with their work for the empowerment of poor and excluded communities.

In this context, the growing Indian philanthropic sector has emerged as a sizeable source of funding. It is capable of filling some of these gaps and accelerating social development in India in the coming years. For this to be successful, however, foundations and government must collaborate with each other in a true spirit of partnership.

Historically, foundations were seen as supplementing government efforts/shortcomings and supporting non-profits with resources for parallel systems. Foundations thus traditionally worked independently. With foundation work perceived as exclusive from government, partnerships between the two have been minimal.

This traditional approach is slowly changing. The government is increasingly aware that philanthropy is needed to fund vital services. It is thus more inclined to come forward and improve conditions for philanthropy and public-private cooperation (Banthia, 2016). This, in turn, has begun to challenge the traditional role and approach of foundations. They have started to engage

more in areas traditionally occupied by government policy and to strengthen the momentum of change in such areas.

At the same time, government in India is increasingly tightening the regulation of the non-profit sector. Of late, it cancelled the Foreign Contribution Regulation Act (FCRA) licences of several NGOs for violation of rules governing foreign funds.

This action against foreign-funded NGOs started in 2014 and in the second half of 2015, the Ministry of Home Affairs took a series of actions against various NGOs and foundations, including Greenpeace India. It put Ford Foundation under a "watch list" for allegedly violating provisions of FCRA. The number of FCRA cancellations was far more than previous years. In 2014, for example, there were 59 cancellations compared to only 4 in 2013. More than 4 000 NGOs lost their foreign aid in 2012 (India Today, 2016).

The full impact of this tightened control on foundation-government relations in India remains to be seen. However, there is growing concern over the perception that the space for civil society is shrinking, especially given tightened regulations in sectors such as governance, environmental issues and human rights.

The remainder of the study is structured as follows. Section II diagnoses the state of relations between foundations and the government. It highlights best practices in collaboration and identifies challenges faced in enabling effective partnerships. Section III provides a series of recommendations. It pushes the conversation towards constructive steps that governments and foundations can take immediately.

II. DIAGNOSTIC: HOW FOUNDATIONS AND GOVERNMENTS COLLABORATE IN INDIA

The section below explores various aspects of the foundation–government dynamic in India. It aims to understand the critical building blocks needed to foster effective collaboration between these important stakeholders. The analysis focuses on three questions:

- What value do foundations and the government see in partnering with each other?
- Are foundations and governments engaging with each other enough?
- If they both see value in collaborating, what's stopping them?

Overall, despite a shared belief in the value of cooperation, the potential of foundation–government partnerships in India remains unexploited. This is primarily reflected in two main findings:

- First, levels of engagement between the two parties are low. Dialogue and data are shared only sporadically. Partnerships between the two are uncommon.
- Second, foundations and governments are not collaborating in the most effective ways possible. Governments do not always use data in the intended manner. Further, there is no strong evidence of partnerships beyond information exchange and programme implementation. A deeper degree of synergy could be achieved through co-design and co-financing.

Several factors can largely explain these findings: a deep mistrust of each other, a perception that foundation work lacks transparency, frequent changes in government administration, rigid structures and procedures in government and a lack of systematic platforms for engagement.

2.1 What value do foundations and the government see in partnering with each other?

Both foundations and governments clearly see each other's competitive advantages and the possible benefits of collaboration. Government perceptions on foundations are consistent with how those actors are portrayed globally as development cooperation actors. It largely recognises foundations' capacity to provide additional sources of funding to ensure vital services. To a lesser extent, government views foundations' non-financial contribution to development, such as the ability to enhance knowledge to innovate, as assets. For their part, foundations view cooperation with governments mainly as an opportunity to increase the impact and scale of their programmes.

Figure 1. **Benefits of collaboration between foundations and the government (percentage of answers)**
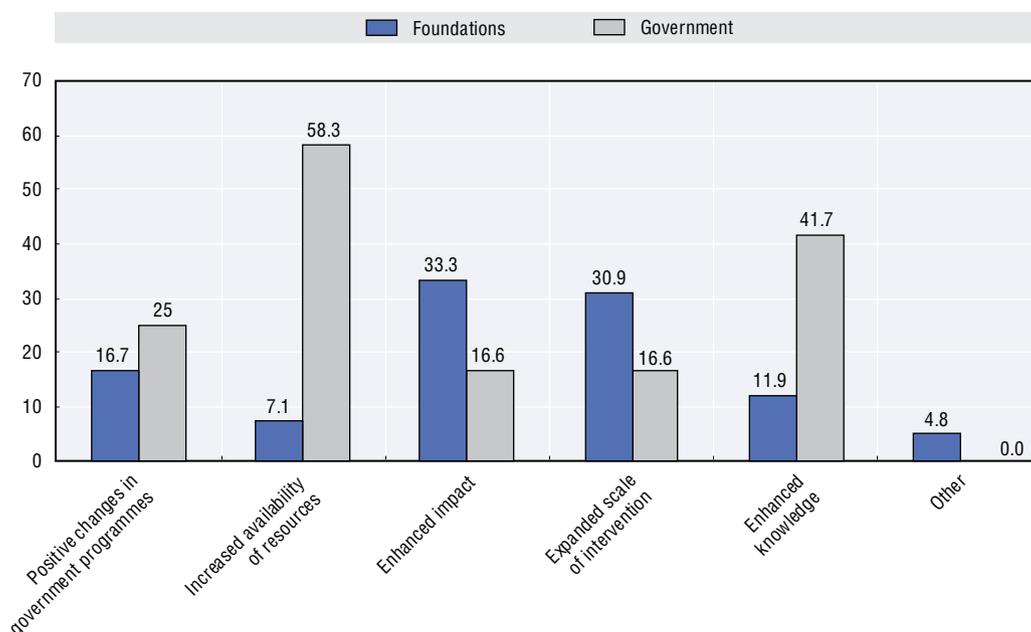
- **The government primarily recognises foundations' financial contribution to social development in India**

> Government representatives mainly value foundations as providers of additional funding to vital services (58.3% of respondents). Foundations are perceived to provide financing that complements government work at the country level. They either fill gaps in government policy caused by lack of funding or know-how or address neglected topics in social development.

> The government in India is not blind to the potential of philanthropy. It has introduced policies that encourage people and companies to give more to service-based causes (e.g. the corporate social responsibility law). The government gives INR 2.1 trillion (USD 32 billion) to flagship development programmes and receives USD 2.1 billion in official development assistance (ODA) allocated by OECD Development Assistance Committee donors. Today, total private giving by individuals and institutions in India is estimated at INR 520 billion (USD 8 billion) annually (Reddy et al., 2011). In the coming years, private formal giving in India could reach as much as INR 1.5 trillion (USD 22.4 billion) annually (MacArthur Foundation, Intellecap, 2016).

- **The government acknowledges the essential role of foundations in furthering innovation and risk taking**

> Several government representatives emphasised that foundations promote innovation in India. This role as innovators may imply support for transferring existing ideas into new fields, identifying relevant new issues or testing new approaches for existing issues. Due to their financial independence, flexible governance and lower institutional risk, foundations are perceived as better placed to take risks that government may be unwilling to take. Foundations themselves frequently use the term "innovation" to describe their work. Their innovations may have a broader impact on development cooperation if their new ideas and approaches demonstrate a new function. Once innovative foundation initiatives are proven successful, national governments may take over and scale up the projects. Several foundation activities in child and maternal health have been put forward as noteworthy examples of innovative approaches that involved a higher risk, including the Ananya programme in Bihar, India (see Box 5).

Box 5. **Case study: The Ananya partnership**

The state of Bihar alone not only accounts for 10% of all births in India every year, but also more than 12% of the country's deaths of mothers and new-borns (Bill & Melinda Gates Foundation, 2013). In May 2010, the Bill & Melinda Gates Foundation entered a five-year partnership with the state government departments of Health and Family Welfare, Social Welfare, Rural Development and Public Health Engineering, to fast track progress towards Bihar's long-term healthcare goals (Business Wire India, 2013). The Ananya partnership consists of eight sub-projects in the areas of maternal, new-born and child health, nutrition, family planning, immunisation, infectious disease management, and water, sanitation and hygiene. As the government's partner, the Gates Foundation develops and tests innovative public and private-sector solutions. These focus on improving essential health and nutrition services, especially for pregnant women and children up to two years old. They also emphasise diagnosis and treatment of pneumonia, diarrhoea, tuberculosis and visceral leishmaniasis (kala-azar).

One of these sub-projects is the Bihar Innovation Lab, a collaboration between the government, the foundation and the Center for Knowledge Societies. This lab addresses the need to "design" health services and key components of their delivery and to transform the public health system into one more oriented towards well-being. These components range from new products, tools and technologies, protocols and communications strategies to new services and service delivery, and new systems for patient outreach. Ultimately, they aim to improve the health of mothers and their children (CKS, n.d.) Interestingly, the lab does not focus on fundamental science and technology research. Rather, it uses ethnography, design thinking and user experience modelling to create new and more effective ways of delivering services.

The setting up of an innovation lab represents a significant effort to promote and institutionalise the culture of innovation in the government. The lab will also help Ananya partners in conceiving, designing and building prototype user-based solutions for improving rural health delivery in Bihar (Business Wire India, 2012). Overall, the Bihar Innovation Lab is a prime example of using private sector expertise to make governments smarter and more capable of developing out-of-the-box solutions. The lab also demonstrates how foundation–government partnerships can develop successful, innovative solutions that require a substantial investment of risk capital.

- **The government views foundations as a crucial source of knowledge regarding key issues and insights from the ground**

    The government often does not have enough opportunities to directly engage with communities. Therefore, it relies significantly on foundations and non-governmental organisations (NGOs) to obtain information pertaining to realities on the ground. Many government representatives (41.7% of respondents) viewed foundations as a source of deeper grassroots orientation and insights. These can be used, they believe, to better understand causes of, and trends in, complex public policy issues, such as child and maternal health.

- **Foundations recognise that working with the government can bring about large-scale impact**

    The study suggests that more and more foundations recognise that working with the government offers opportunities to address social challenges in India in comprehensive ways. Foundations' representatives cite "enhanced impact" and "expanded scale of intervention" as two of the most significant benefits of partnering with the government (over 33% and over 30% of respondents respectively). As further evidence, more than 80% of government respondents in this study are collaborating with foundations to scale up initiatives or had done so in the last two years.

Box 6. **Case study: Piramal Foundation's partnership with state governments**

In 2010, the Piramal Foundation launched its Piramal Swasthya initiative, which works to improve access to, and timeliness of, healthcare interventions through technology platforms across 12 states in India. It illustrates how foundation–government partnerships are key to achieving impact at scale and reaching underserved communities.

In Andhra Pradesh, the Piramal Foundation partnered with the government to provide mobile medical vans that have now been scaled up across the state. Furthermore, the partners established a medical helpline call centre that responds to over 50,000 calls a day; it is now managed by the government.

In Assam, the foundation collaborated with the government to register all pregnant women in the state, and then monitor and track their health. The partnership has identified and screened over 69% of high-risk pregnancies and increased institutional delivery of births in tribal areas up to 81%. The same model has been expanded to Rajasthan and Arunachal Pradesh (Pirmal Swasthya, n.d.). Across all their initiatives in many areas, they reached more than 56 million individuals between 2013 and 2014 (Dasra, 2016).

As they move forward, Piramal Swasthya hopes to partner with many more government bodies to implement the same initiatives in additional states. Ajay Piramal, Chairman of the Piramal Group, said:

> We realized the importance of working with the government to achieve scale. The government has its own challenges and constraints, but it is an important part of scaling. It is also important to look for scalable ideas. The view was, how do we combine these aspects? At Piramal Swasthya, we understand the needs, find proof of concept, do a pilot, and then go to the government to scale. (Pirmal, A., personal communication, 2016).

2.2 Are foundations and governments engaging with each other enough?

Although there is mutual interest to collaborate, the level of engagement between foundations and governments in India is still quite low. First, dialogue and data are not shared regularly despite an expressed need to engage on a more regular basis. Partnerships are uncommon, notwithstanding a clear recognition of their value. Second, foundations and governments are not building dialogue, sharing data, and partnering in the most effective ways possible. The most common mechanisms – forums, meetings and conferences – may not be the best way for foundations and government to maintain sustained and structured dialogue. Further, the intended and actual use of data shared by foundations may be different. This suggests that data may not be shared or used in the best way possible. Finally, the study found that foundations exchange information with the government and jointly implement projects. However, it did not find evidence of a deeper degree of synergy through co-design and co-financing.

Dialogue

- **Dialogue between foundations and government happens on an ad hoc basis, mainly through forums, meetings and conferences**

The government has consulted or invited input from about 74% of foundations that responded to our study. However, more than 70% of foundation respondents have only sometimes or never participated in such dialogue. Similarly, more than 90% of government respondents have only sometimes or rarely participated in dialogue with foundations.

Forums, meetings and conferences are the most common platforms for government and foundations in India to engage in dialogue with each other. On the one hand, foundations suggest that meeting government representatives at forums and conferences has been helpful in getting to know each other. Governments, on the other hand, say such dialogue platforms provide opportunities to create and strengthen spaces for social innovation, and to increase the legitimacy of their programmes. Neither party, however, found such ad-hoc and informal platforms to help better align their interests and priorities with other actors.

Figure 2. **Participation in dialogue spaces during the last 12 months (percentage of answers)**
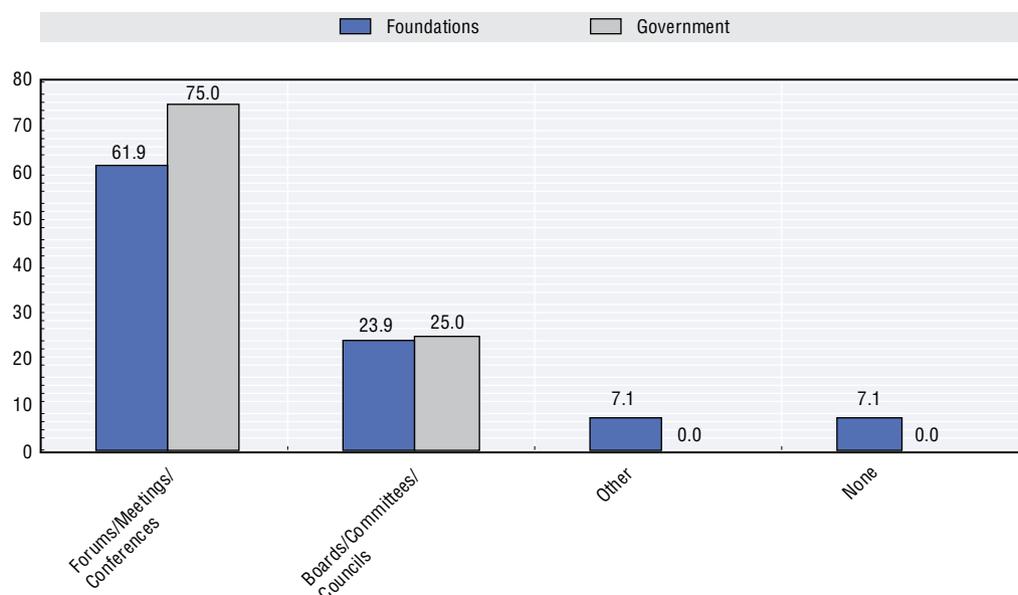
Data sharing

- **While foundations often share information with state governments, information does not seem to flow both ways**

    After non-profits, state actors are the next most common actors with whom foundations share information. Over 64% of foundations claim to exchange information with the government beyond what is required by the law.[6]

Figure 3. **Purposes of data and information sharing (percentage of answers)**
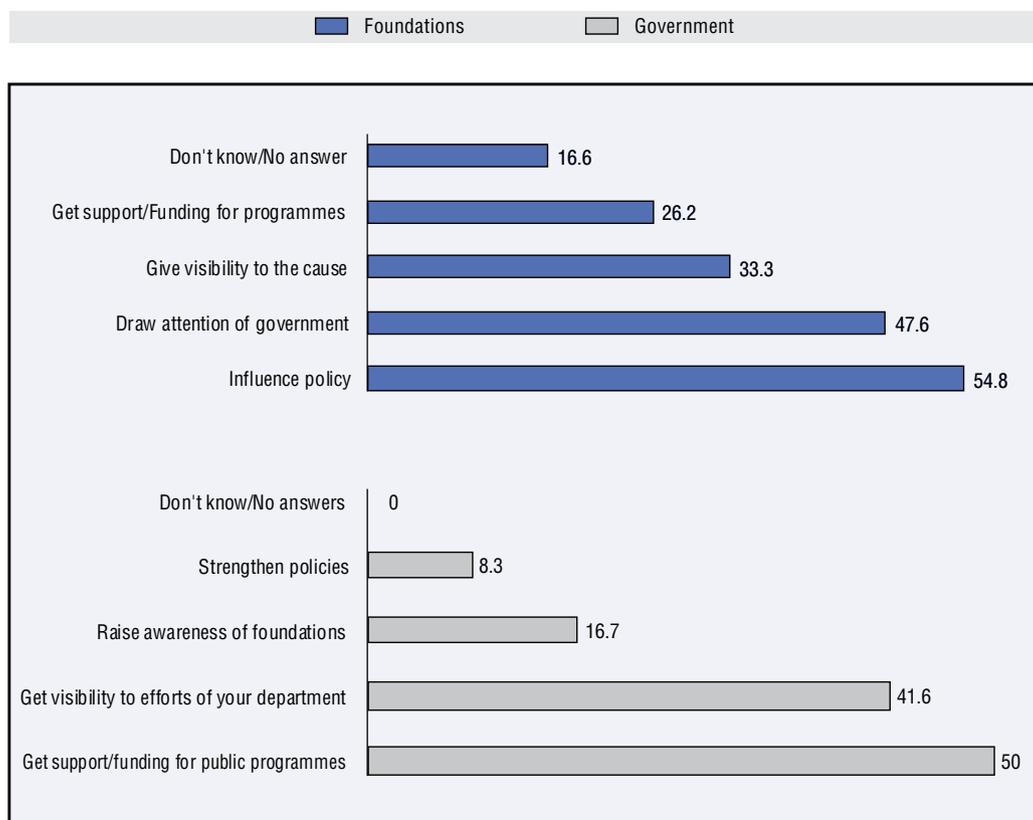
    Foundations most commonly shared information and data to influence policy and draw the government's attention to important issues. For its part, the government most frequently shared data with other local and central government departments and academic institutions in the last 12 months. Sharing information with international and Indian foundations, however, is not as common. It primarily reaches out to international foundations to seek funding for public programmes and gain visibility for the efforts of its departments.

- **Foundations believe that sharing information with the government can influence policy, but the government rarely uses this information to design policies**

    Although foundations most commonly share information with the government to influence policy, the government largely uses these inputs to understand causes and trends of public issues.

Figure 4. **Government use of foundation-produced information (percentage of answers)**
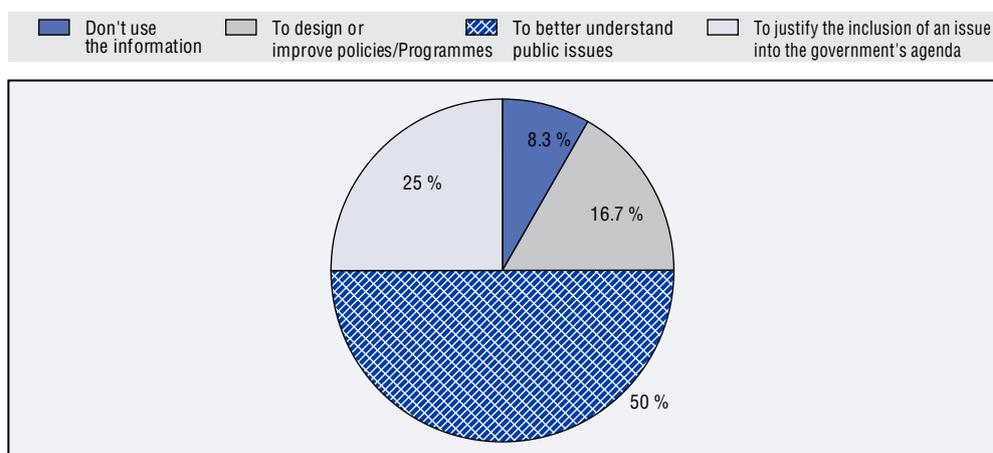
A very small proportion of government representatives indicated they use such information to influence their agendas or improve existing policies or projects (see Box 7).

Box 7. **Case study: Central Square Foundation's engagement with the government of India**

The Central Square Foundation (CSF) is one of the most significant examples of a foundation managing to successfully influence policy through information exchange. The CSF is a grant making and policy thinktank that focuses on improving quality of education for low-income communities in India. In 2015, along with other civil society organisations, education specialists and citizens at large, the CSF responded to the government of India's consultations for reforming the National Policy on Education (NPE). Leveraging its own research and collection of best practices across the sector, the CSF provided inputs around the themes of quality education, innovation and research, and eliminating the shortage of human resources in science technology and academics. Specifically, it shared its evidence through *mygov* (the government's digital platform to encourage civil society participation in improving the country's governance and development). It also presented its inputs to the National Education Policy drafting committee. This engagement between the CSF and the government showcases the power of information exchange in bringing about critical reforms in policies. It shows that avenues for such exchanges exist, that there is mutual willingness to engage with each other on specific issues; and that there is room for more such constructive engagements.
Source: Central Square Foundation (n.d).

This finding confirms it is difficult for foundations in India to influence the government's existing agenda or to introduce new items. This difficulty is partly due to the rigidity of the government's national and local development plans and the need for foundations to align at least some of their work with governmental priorities. On the other hand, the government may believe information from foundations is not strong or relevant enough to influence policy.

- **Quality of information exchanged is poor and unsatisfactory**

Most responding foundations qualify information received from the government as unclear, untimely and outdated, with half also considering it to be insufficient. The reverse is also true, with most governments reporting that data from foundations are outdated and unclear. These findings reinforce the need for foundations and governments alike to improve both the quality and availability of their data to maximize their value to both parties.

Figure 5. **Appreciation of the information produced by foundations and the government (percentage of answers)**
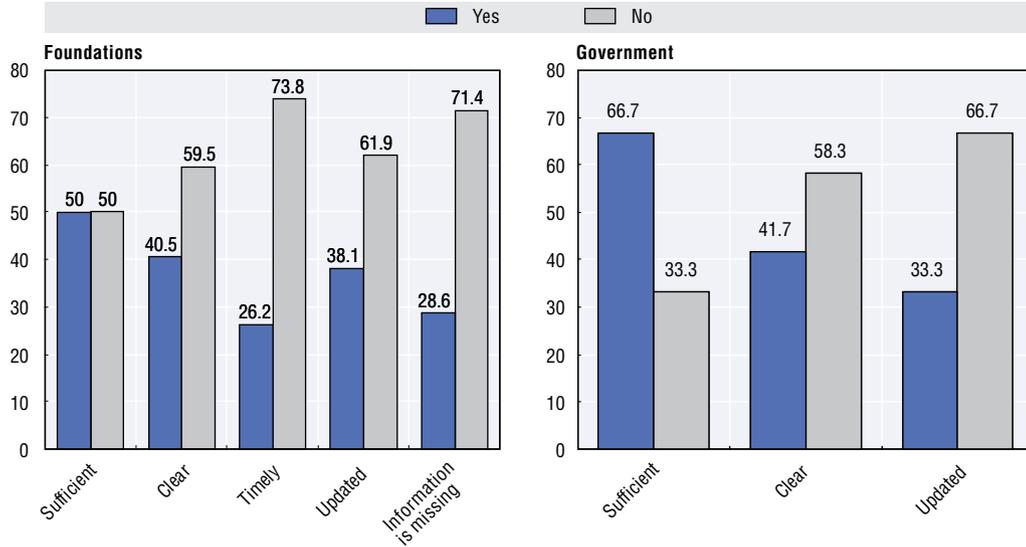
Partnering

- **Foundation–government collaborations in India are uncommon**

Foundations and the government clearly agree that the impact of joint efforts between the two parties is greater than if they work separately. Yet our survey results suggest that foundations mostly collaborate with the government only sporadically or never (50 % of foundation respondents). And the government collaborates with foundations only sometimes or rarely (almost 82% of government respondents).

When probed, respondents stated that direct partnerships between government and foundations are uncommon. However, engagement between the two through NGOs or third party consulting organisations occurs more frequently.

Figure 6. **Collaboration frequency (percentage of answers)**
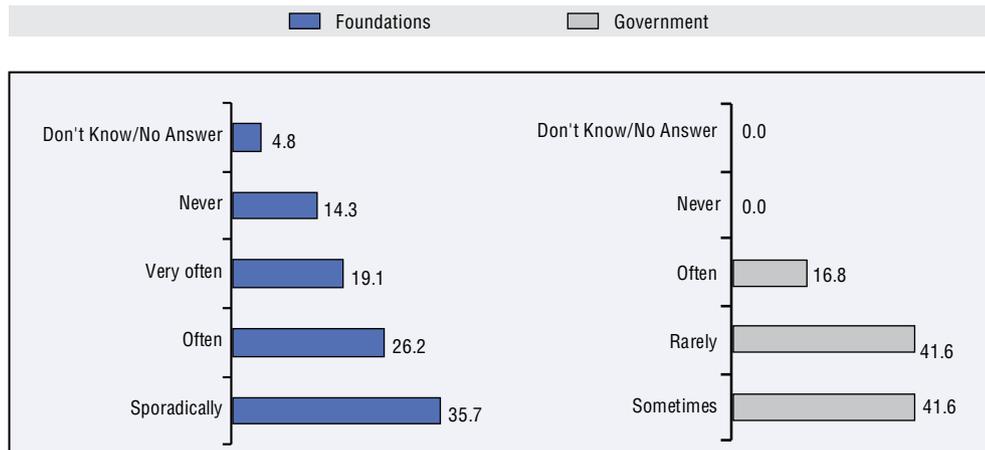
- **Both foundations and the government consider programme implementation to be the most common form of partnership**

    Partnerships that aim implementation of programmes are most common for both foundations (more 61% of respondents) and the government (more than 83% of respondents) and they most often focused on maternal and child health issues. Foundations cited "joint promotion and dissemination" as the next most common area for collaboration (55% of respondents). Governments, on the other hand, cited the next most common area as "co-development of programmes" (75% of respondents).

Figure 7. **Main features of the partnerships between foundations and the government (percentage of answers)**

- **Foundations and the government rarely co-finance projects**

    The majority of foundation and government respondents report never having co-financed projects. When the two parties do collaborate on economic or in-kind resources, the flow seems to be one way. About half of government respondents say they have received economic or i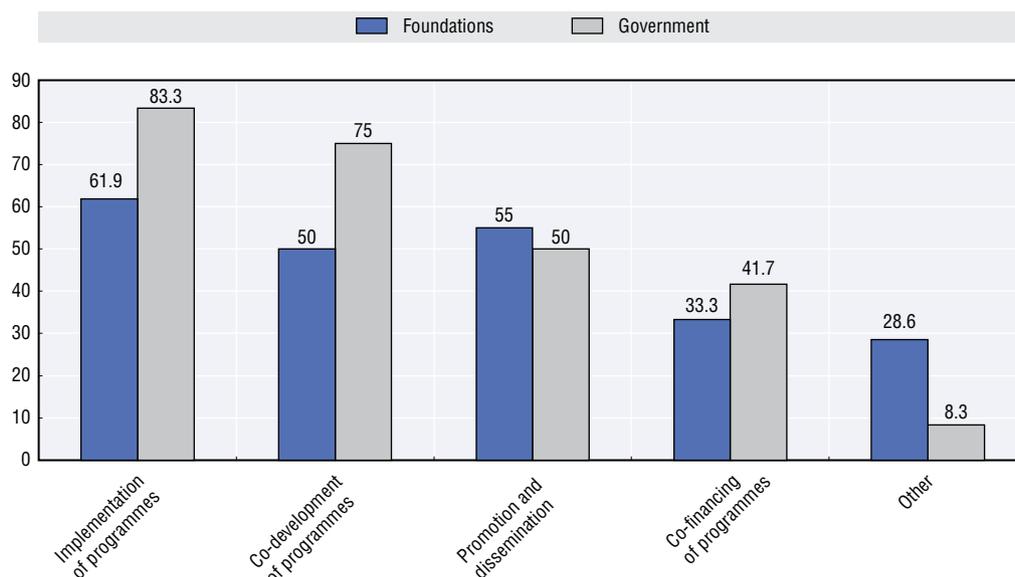n-kind resources from foundations. However, less than a quarter have combined resources with foundations to support other organisations or have given resources to foundations for projects.

- **Partnerships are more common at sub-national or grassroots level where many foundation-financed projects are implemented**

    Foundations in India partner with the government at local, state and national levels. However, partnerships with urban local bodies (ULBs) and village *panchayats*[7] are most common, particularly among foundations that implement their own programmes. These bodies play a key role in mobilising resources, enhancing service delivery and getting buy-in from local communities. As a result, such partnerships are found to be extremely effective and critical to creating impact locally.

- **The government collaborates more commonly with international than with local foundations**

    International collaboration is especially common for government bodies that support foundations working on maternal and child health. Such bodies most commonly partner with

other state governments, the national government and academic/research institutions, followed by multilateral agencies and international foundations. It is less common for them to work with Indian foundations. This could be attributed to the perceived difference in credibility or financial capacity between international and local foundations. However, this perception may change as more corporate foundations get involved in philanthropy as a result of the new CSR regulation.

- **There is a variance in perceived length of partnerships between foundations and governments**

  According to most foundations, partnerships are mostly long-term in nature. Government respondents, however, qualify partnerships with foundations as being equally short term and long term. This interesting discrepancy could be attributed to differing understandings of what constitutes short-term and long-term. It points to the need for greater standardisation and formalisation of engagements between the two.

2.3 If they both see value in collaborating, what's stopping them?

Despite a shared belief in the value of cooperation, the potential of foundation-government partnerships in India is unexploited. Four types of bottlenecks largely explain the limited effectiveness and sustainability of relationships between both parties:
- trust deficit and lack of understanding of each other's work
- inflexibility and inefficiencies in government structures and procedures for partnerships
- lack of dedicated and formal platforms for dialogue, data exchange and partnerships.

A sound understanding of these challenges, along with an honest conversation around them, is the first step towards initiating successful partnerships between both parties. Our research revealed the following insights into the various types of challenges encountered by foundations and the governments in India:

Lack of trust and understanding of each other work

- **The government lacks a clear understanding of the difference between foundations and NGOs**

  Before engaging in dialogue and cooperation, foundations and the government need to speak the same language and have a sound understanding of what defines each of them. Such an understanding appears to be missing. Several government interviewees were unable to distinguish clearly between foundations and NGOs, stating the lines between the two are somewhat blurred. The difficulty of distinguishing foundations from other actors such as NGOs has several origins.
  - First, foundations in India do not have a special legal status. Any organisation with a social objective (and not motivated by profit) can be registered as a "charitable trust", "association of persons" or a "company with charitable objects". This is irrespective of whether an organisation operates with its own endowment (as foundations usually do) or depends largely on external funding (as non-profits usually do).
  - Second, some international foundations have a limited country presence. Their footprints are likely to be visible only through the work of implementing organisations such as NGOs, which have more substantial country representation.
  - Third, foundations in India cannot be easily categorised. This study identified a variety of models, including a family foundation with an endowment, corporate foundations dependent upon regular contributions from a company, foundations relying on a mix of public and private funding and foundations in name only by that are in fact NGOs dependent on fundraising.

These variations complicate the idea of foundations as a homogenous group. Foundations in India do not have an umbrella platform or association that might increase their visibility, cooperation with peers or perception as a separate community of actors. Given the difficulty of government representatives in distinguishing foundations from other development actors, our findings on the nature of relations between foundations and government should be treated cautiously.

- **There is a clear lack of trust between foundations and the government**

  Several state government representatives expressed scepticism around the commitment of foundations given their shifting agendas and short-term involvement in the geographical areas where they work. Foundations, on the other hand, largely agree it is difficult to work within the rigid protocol and structure of government as equal partners. For them, this makes the road to building trust long and arduous. Such lack of mutual trust can be a critical factor in hindering large-scale impact.

- **Partnering with the government, while also ensuring accountability in serving community interests, is challenging**

  Several foundations that have worked closely with the government are faced with a dilemma: If they sit at the table, can they retain the necessary distance and independence to hold government accountable? If they sit away from the table, how can they ensure the government delivers? For foundations working on sensitive issues such as governance, wherein they have to ensure accountability in public service delivery, it is challenging to reconcile the two positions. Foundations express concern that grantees and the wider sector would view them as having been "co-opted" into the government agenda. They struggle to achieve a delicate balance between getting governments to respond to communities' needs without losing their support for the foundation's work in the area in question.

Inflexibility and inefficiencies in government structures and procedures for partnerships

- **Frequent change in government administration is the largest barrier to forging partnerships**

  Foundations view government collaborations as long-term partnerships. However, roles in government positions change frequently. This makes it difficult to sustain effective relationships and ensure smooth continuation of programmes running in partnership between both. Foundations gave several examples of programmes that had been halted or hijacked by political changes – an election, an unanticipated public controversy – beyond any foundation's control.

- **The government's operational structure allows limited space for innovation and risk-taking**

  Foundations and governments both recognise the power of partnerships to spur innovation. However, government systems and structures are too rigid to allow such innovation or risk-taking to take place in partnerships. For example, foundations can select what they want to work on, but the government doesn't have much flexibility on its priorities. Moreover, foundations have a certain degree of flexibility with their timing, while the government has annual budget cycles. Finally, rigid internal rules, such as heavy financial control and strict accountability to show results, can often discourage government officials from seeking or testing innovative ideas and solutions. As a result, foundations often need to test innovative solutions outside of government frameworks. Most foundation and government respondents believe that foundations are particularly geared

for risk capital for two reasons: relatively more flexible governance and a different calculation of institutional risk. In most cases, the government steps in after a successful pilot and helps take it to scale.

- **Getting buy-in at the top can be challenging**

    Several foundation representatives say their ability to navigate government protocol successfully depends on whether they can achieve buy-in at the top of the relevant government hierarchy. However, such buy-in is often determined by the scale at which foundations operate. This makes the process especially difficult for small-scale and low-profile foundations.

Lack of dedicated and systematic platforms for dialogue, data exchange and partnerships

- **There is no dedicated and formal space for a dialogue between foundations and governments**

    Structured, dedicated platforms for engagement are absent both at the central and regional level, as well as at the sector level for maternal and child health. Events like the Dasra Philanthropy Week offer a space for dialogue between various actors in philanthropy, including foundations and the government.

Figure 8. **Information sharing mechanisms between foundations and the government (percentage of answers)**
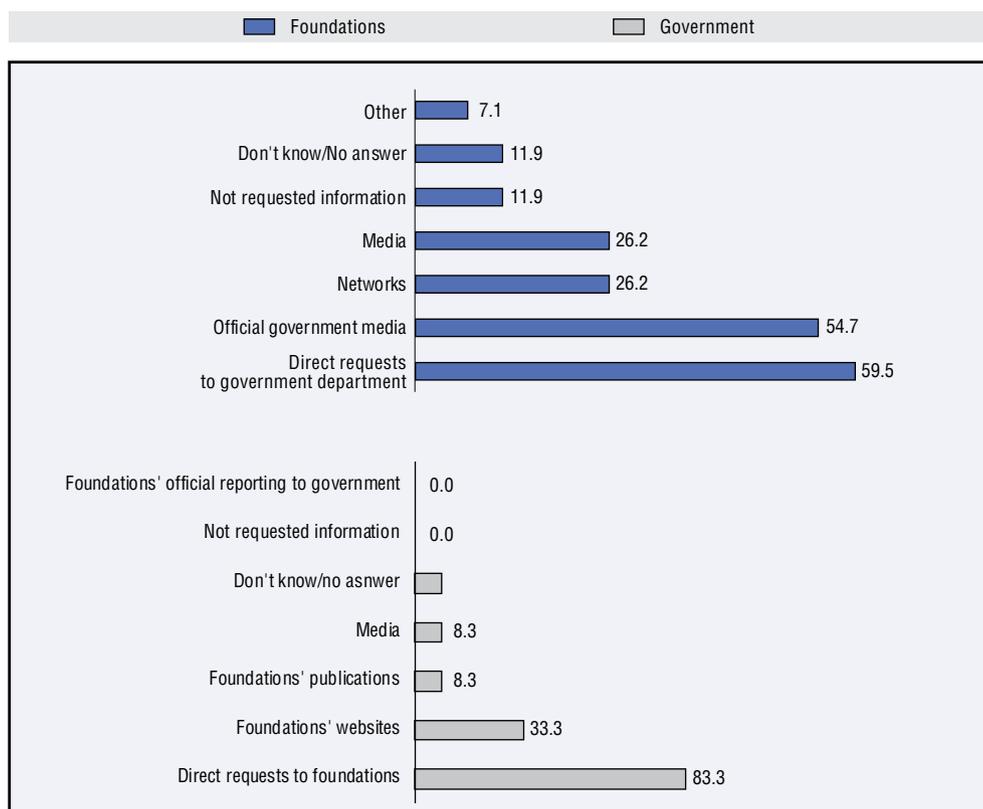
• **Channels to share data are informal and unstructured, leading to lack of transparency**

Direct requests to foundations or relevant government departments are the most common channels to access information from each other. Foundations and governments also use official government media and websites, respectively. This highlights the insufficiency of publicly available data. Both the quality and quantity of data should be heightened to avoid an unnecessary investment of time and effort and to make them more readily accessible and usable to both parties.

According to several government respondents, this lack of publicly available and accurate information around foundations' programmes makes it difficult to assess their credibility and initiate collaboration. Similarly, foundations express difficulty in locating relevant information on government programmes that can make it easier to navigate government protocol. More structured and formal avenues to share data will help put out crucial information in the public realm. This can improve transparency across the sector. This, in turn, will ease the process of initiating collaboration for both sides.

III. THE WAY FORWARD

This section focuses on recommendations based on the above diagnosis and insights from the workshop held in Mumbai, as well as interviews with representatives of foundations and the government.

Foundations must engage the government early on and approach officials at both the top and middle levels to offset the challenges and increase the frequency and effectiveness of foundation–government collaborations in India. Strengthening coordination among foundations – through an association of foundations, for example – will also help build a unified and strong voice for the dialogue with the government. Given the lack of structured channels for sharing information, such a coordinating body could organise platforms to share data. Finally, promoting the idea of foundation–government collaboration through "champions" in the government and institutionalising partnerships could help transfer knowledge, lessons and best practices beyond just a few individuals. Such champions are critical enablers to achieve greater and more effective foundation–government collaborations that multiply impact and enhance development outcomes in India.

The table below summarises the concrete steps needed to seize these opportunities. They are further described throughout the section.

Table 1. **Summary of recommendations**

Recommendations	Who
1. Engage government officials early on, and at all relevant levels • Early involvement of the government helps achieve necessary buy-in and increases the likelihood of sustained support. Inviting government representatives to serve on boards of foundations and take part in decision-making could support this process. • Foundations must also invest time and resources in improving their understanding of government. This will help them identify strategic government partners. • Several foundations echoed the importance of building relationships with all levels of government representatives. They believe high-level buy-in is as important as support from block and district levels. This is because officials at lower levels play an important role in getting local-level buy-in. Middle-level officials also tend not to transition out of their positions as frequently as senior-level representatives. As a result, their support also ensures smooth continuity of programmes.	**Foundations**
2. Strengthen coordination among foundations • Forming coalitions among foundations that bring together key stakeholders can capture the government's attention and build credibility. Such alliances can also push foundations to move beyond their role as individual entities and represent entire sectors when approaching the government. An association of foundations can also bring together foundations and represent their collective voice, as well as achieving greater internal alignment and greater coordination with external actors like the government. • Online and offline opportunities for sustained interaction between foundations and the government are critical to alleviate the current deficit of trust between them. One-off events such as roundtables and forums can help do this to a certain extent; however, building online forums can help structure more ongoing exchanges between both parties. • Documenting best practices and consolidating a standard, yet customisable framework, can outline key elements of government–foundation partnerships in the development sector across various states. This will help actors replicate successful efforts across states without having to start afresh. An association of foundations could take the lead on such an initiative.	**Foundations**
3. Organise platforms to share data and evidence • The government largely looks to partner with foundations that, based on evidence, can demonstrate their value added. Foundations should adopt an evidence-based approach to demonstrate their track record and build credibility of their programmes. • Both foundations and governments should make high quality, accurate information available in the public realm. This would enable more efficient access to information needed to initiate collaborations – a critical step given the difficulty expressed by both foundations and the government in accessing high quality data about each other's work.	**Foundations and the government**

Table 1. **Summary of recommendations** *(Cont.)*

Recommendations	Who
4. Build a culture around visible collaboration • Government representatives need to actively seek opportunities to serve on the boards of foundations, to participate in dialogue platforms and to build a culture within their departments that values collaboration. If encouraged, representatives, even at junior levels, can play a key role in promoting the cause of foundation–government collaboration among the sector at large. • Foundations that have fostered successful partnerships with government stress the need to generate visibility. Local press can serve as a powerful medium to generate this visibility, especially at a district level. Acknowledging foundation partners is also important to build mutual respect and eventually trust.	**Foundations and the government**
5. Institutionalise partnerships • Many foundation representatives strongly recommend using written documents that clearly outline objectives of both parties. While allowing some room for flexibility in the agreement, such efforts can help formalise even the slightly looser forms of collaborations. This can help shift from personality-driven arrangements with the government towards more sustainable and institutionalised engagement. • Backbone organisations and intermediaries can play a key role in strategising and implementing collaborations. They can identify and convene the right partners across sectors. This can keep stakeholders accountable, while maintaining objectivity.	**Foundations and the government**

3.1 Engage government officials from the outset, and at all relevant levels

• **Identify the right body to approach**

Foundations need to identify the right government body as a partner. Since government is heavily decentralised, foundations must engage with the state level first. State governments hold a great deal of responsibility for both framing and implementing sectoral policies. For foundations working in the maternal and child health space, helping state governments frame the Program Implementation Plans (PIPs)[8] for these issues can be a good starting point. One government representative also recommended that foundations choose their state government partners strategically as some states are more responsive than others. This was suggested as especially important during initial stages of piloting a programme and building a track record to demonstrate its success. It is critical then, for foundations to first invest in gaining a better understanding of government partners to target them appropriately.

"State governments are where the action really lies – most things are state subjects, and most implementation happens at this level. Many foundations make the mistake of focusing efforts on the centre."
Government representative

• **Pursue relationships with block and district-level government representatives**

While having buy-in from senior-level government representatives can help push foundations' agendas forward, several foundations echoed the importance of building relationships with middle level representatives, especially those at the block and district levels.

"Working only at the top-most levels is not sustainable. A chief secretary is influential, but is essentially on his way out. A district level officer is a long term investment – once s/he is convinced, it will take you a long way in the journey."
Government representative

Government representatives at this lower level play an important role in getting local-level buy-in. They also tend not to transition out of their positions as frequently as do senior government- level representatives. Fostering strong partnerships at block and district levels is thus a vital component of ensuring their sustainability.

"Working with the system at every level is very important. It's not just about selling to the Principal Secretary; you need to have friends at every level."
Foundation representative

- **Involve government at the programme design stage**

    Foundations commonly design programmes, implement pilots and then seek partnerships with the government to scale their programmes. However, such an approach often leads to the government questioning the programme's design and objective, as well as alignment with its own priorities, at a stage when there is little room to change key elements. Early involvement of the government, particularly when designing the programme, is thus crucial to get buy-in and increase the likelihood of sustained support. Inviting government representatives to serve on boards of foundations and shape decisions is one way to facilitate such early involvement.

3.2 Strengthen coordination among foundations

- **Promote a collective voice through coordinated action**

    The government frequently deals with competing agendas and requests from different foundations. This can often prove cumbersome and debilitating. Several foundations echoed the need to develop a single voice that is aligned on issues and perspectives. Forming coalitions that bring together key stakeholders is commonly cited as a powerful way to capture the government's attention and achieve alignment. Such coalitions play a critical role in convening key stakeholders on specific issues. Further, they also allow foundations to move beyond their role as individual entities and represent entire sectors when approaching the government. An association of foundations that brings together the country's foundations and facilitates dialogue among them and other stakeholders can also be a powerful way to develop this collective voice.

"Forming issue-based coalitions is very effective – many voices are always louder than one."
Foundation representative

Box 8. **Case study: The Asman Alliance**

Project Asman is an alliance between the Bill & Melinda Gates Foundation, Michael and Susan Dell Foundation, Reliance Foundation, Tata Trusts and the United States Agency for International Development (USAID). It is a significant example of five leading institutions coming together to collectively influence maternal and child health outcomes in India. India is the world's second most populated country and observes over 30 million pregnancies every year. Of this, only 27 million women reach the stage of delivery and over 56,000 mothers die during or within 48 hours of delivery. The first 48 hours are equally critical for the child, with half of neonatal deaths occurring in this period (Ministry of Health and Welfare, 2013). This first-of-its-kind alliance, launched in 2015, supports the introduction and implementation of high-impact interventions at the health-facility level to ensure that no woman or child in the country dies due to preventable causes.

The project is working towards making quality healthcare available under the five pillars of the government of India's Reproductive, Maternal, Newborn, Child Health and Adolescent Health Programme (RMNCH+A). It has structured its model in consultation with the National Health Mission and will be working in synergy with both central and state governments. The Asman alliance brings together the knowledge and expertise of each partner with the aim of creating customised solutions for state-specific requirements. Evidence from collective efforts of these five foundations will also help build knowledge around how such partnerships with government can fast track large-scale outcomes for the country (Asman Alliance, 2015). Speaking to this, Mr. Alkesh Wadhwani, Deputy Director, Integrated Delivery, India, Bill & Melinda Gates Foundation, said, "We decided to partner with Asman because we strongly believe the combined efforts of our alliance will help significantly advance our collective commitment of expanding access to maternal and child health in India and help ensure that women and children not only survive but thrive (Asman Alliance, 2015)." Ambassador Jonathan Addleton, USAID Mission Director to India, echoed this message: "USAID decided to partner with Asman because it brings together the right partners from across sectors whose core competencies and technical expertise can build synergies with existing programmes to achieve the goal of zero mother and child deaths by 2035 (Asman Alliance, 2015)."

- **Create online and offline opportunities for greater and more sustained interaction between foundations and the government**

    Both foundations and their government counterparts feel there is a dearth of opportunities to interact with each other. In other words, they have few opportunities to share their experiences in collaborating, highlight challenges and best practices, and brainstorm ideas that can help promote greater and more effective collaboration. The roundtable organised by Dasra and OECD netFWD was cited as extremely helpful in beginning to alleviate the trust deficit between the two parties. Events such as conferences, roundtables and forums can certainly provide such a platform. However, online forums can also help sustain dialogue in an informal and less resource-intensive manner. Such forums could be spearheaded by the association of foundations. However, it also becomes a significant responsibility of both foundations and the government to invite each other to events and forums, and to play a proactive role in creating space for interaction.

    "We need more platforms for regular engagement to connect the dots and drive complementarity."
    Government representative

- **Find the point where priorities intersect**

    Several foundations and government officials stressed the idea that partnerships can be possible and successful only if foundations align their priorities to those of the government. While potential partners may have different long-term goals, they may still have overlapping or complementary short-term priorities that can make a partnership logical and fruitful. Finding this intersection of interest is critical to establishing the value of the partnership approach. It is also necessary for secure investment – both in terms of resources and commitment – in the partnership's success from all parties involved. An association of foundations could help this alignment by serving as an entry point for government officials looking to collaborate.

"Foundations need to be very aware of what the government is looking to achieve. For example, (our department) works mostly in rural areas – if a foundation approached us with a proposal focused on urban areas, this will not work. Unless the objectives of a foundation are in synergy with government priorities, problems will occur."
Government representative

- **Document best practices and consolidate a framework to facilitate effective partnerships**

    Several government and foundation representatives expressed a lack of basic knowledge of the process of, and best practices in, building partnerships. Moreover, if something works in one state, to replicate that in another state, both parties often have to start afresh. The frequent transitions in government positions often compound the problem, making standardisation of processes difficult. A standardised, yet customisable framework can address this challenge. It would outline key elements of government–foundation partnerships in the development sector across various states. This documentation and the institutionalised reforms would also help ensure that smooth continuity of relationships with foundations does not rely on the specific individual or administration in power. Again, an association of foundations can pursue these activities. They should provide broad oversight over the challenges, successes and methods of foundations' collaborations with the government.

3.3 Organise platforms to share data and evidence

- **Adopt an evidence-based approach to build credibility**

    The government largely looks to partner with foundations that, based on evidence, can demonstrate their value added. Foundations must therefore conduct sound evaluations of their programmes. They should be able to show stakeholders, including governments, the results and evidence to show that their programmes are successful and creating the desired impact.

    "The ability to convince the government heavily depends on whether one can show success on ground."
    Foundation representative

- **Develop databases that host sufficient, updated and clear information about foundations and government departments**

    To promote transparency and ease in gauging credibility and alignment between potential foundation and government partners, both foundations and governments should make information about their organisation or department publicly available. This is a critical step given the difficulty expressed by both foundations and the government in accessing high quality data about each other's work. Initially, intermediary organisations could map the work of foundations and governments along several relevant dimensions. They could then share this information with relevant stakeholders. However, in the long-run, both parties must assume ownership and ensure that data are sufficient accurate, timely and updated.

3.4 Build a culture around collaboration and celebrate partners

- **Nurture "champions" within the government**

    There is a need for government representatives to actively seek opportunities to serve on the boards of foundations, to participate in dialogue platforms and to build a culture within their department that values collaboration. These representatives play a key role. They help promote

> *"For the longest time we felt we didn't have the ability to engage with the government. But when we did, I have found the most fantastic partners – phenomenal and real heroes within the administrative service. We all need to find our heroes in the government."*
> *Foundation representative*

the cause of foundation–government collaboration among the sector at large, build trust among foundations and other stakeholders, and reinforce the mutual value of collaborations. For example, three Fellows from the office of the Chief Minister of Maharashtra heard about the roundtable hosted by Dasra and OECD. They reached out to organisers in order to attend the event. They then shared their learnings from the roundtable with senior-level officials in their office. While such champions do exist within the government, India needs to see a greater number of them.

- **Give due acknowledgement and visibility to government and foundation partners**

  Foundations that have fostered successful partnerships with the government stress the critical need to celebrate the collective work and particularly the role of government partners in external communication irrespective of how large or small their role may have been. Many highlighted that local press can serve as a powerful medium to generate this visibility, especially at a district level. Acknowledging foundation partners is also an important step to building mutual respect and eventually trust.

Box 9. **Case study: Piramal Foundation's partnership with the government of Andhra Pradesh**

In 2016, Piramal Foundation partnered with the Government of Andhra Pradesh on its *Chandranna Sanchar Chikitsa* programme to provide mobile medical vans across the state. The chief minister of Andhra Pradesh, N. Chandrababu Naidu, launched the project at an even that attracted heavy press. It branded the government as the primary face of the intervention, further consolidating its support for future interventions of similar design and scale.

3.5 Institutionalise partnerships

- **Formalise partnerships to promote clarity and alignment**

  Several foundations reflected on the importance of striving for clarity on issues, including goals of the partnership, roles, timeline and expectations. Signed memoranda of agreement are commonly used to finalise formal partnerships. However, many foundation representatives strongly recommended written documents that clearly outline objectives of both parties, even in looser forms of collaborations; these would allow some room for flexibility in the agreement. Such measures are vital to help shift from personality-driven arrangements with the government towards institutionalised engagement.

- **Engage backbone organisations for strategic and implementation support**

  Backbone organisations such as intermediaries and consultancies can play a key role. They can help provide strategic guidance, create and monitor implementation plans, identify and convene the right partners across sectors and keep stakeholders accountable, all the while maintaining objectivity. Although still in its early stages, the use of backbone organisations to drive foundation–government partnerships has shown to be effective.

> **Box 10. Case study: Michael and Susan Dell Foundation's engagement with Boston Consulting Group**
>
> The Michael and Susan Dell Foundation (MSDF) partnered with the Haryana government to support its school Quality Improvement Programme (QIP), which targeted 1.6 million children from government primary and middle schools across the state. As part of this collaboration, the foundation also brought in the Boston Consulting Group (BCG) to support the effective implementation and scale-up of this project. Speaking in specific reference to BCG's role as part of this collaboration, Debasish Mitter of MSDF pointed out, "while a systemic transformation approach to education is new to India, we are already seeing benefits and most notably, a substantial improvement in children's learning levels. It is very exciting to see multiple stakeholders coming together today to brainstorm around how millions of schools in India can benefit from this approach." BCG is also building its capacity to undertake and provide value to more such collaborations. According to Seema Bansal, Director of BCG Social Impact, "there is no dearth of impactful innovations in the area of improvement in quality of education. We need to think about how we start working together in ways that we haven't done before, to make a difference at scale." (Michael and Susan Dell Foundation & Center for Public Impact, 2015).

Notes

1. Mr. Ajay Piramal (Chairman, Piramal Foundation) was interviewed as part of Dasra's India Philanthropy Series.

2. A non-profit body established and primarily funded by a company for social and community investment.

3. A private foundation whose funds come from members of a single family.

4. Individuals with investing surplus of over INR 20 million (USD 3 million).

5. Individuals with investing surplus of over INR 1.9 billion (USD 30 million) excluding real estate.

6. Foundations across India are required to file tax returns and returns under the Foreign Contribution Regulation Act, 2010 on an annual basis. However, the legal framework governing compliances foundations and non-profits in India is fragmented, and varies from state to state. Therefore, there may be additional compliances depending on the location of the foundation and nature of registration. For instance, foundations registered as trusts in states such as Maharashtra and Gujarat are also required to annually file audited accounts with the public charities commissioner.

7. An institution of self-government in rural areas.

8. An institution of self-government in rural areas.

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For more information:
dev.netfwd@oecd.org

www.oecd.org/site/netfwd

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