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Ms. Shazia Amjad has been working with PCP as Executive Director for more than 5 years now. Previously, she headed the Technical Unit formed by GIZ to support the Government of Pakistan in implementing Skill Development Reforms. She is an educationist and development specialist with 20 years' experience of working with national and international organizations. She is a Graduate of Harvard Graduate School of Education, USA and Institute of Development Policy Management, UK.

01 How you consider the philanthropy as a tool to bring certain welfare results in the life of poor and marginalized segments?

The notion of philanthropy has evolved over the years from traditional ways of charitable giving to the poor, sick and needy to welfare state arrangements involving responsibilities in the field of poverty, social security, health care, and education. The goal of philanthropy in modern times is to advance society by providing necessary social, cultural and educational services which are not provided by the state or market for political or economic reasons. The practice of philanthropy has therefore, been changing in terms of functions and activities. People behind such developments may differ in views but probably share a common motivation. As described by John Gardner, former president of Carnegie Corporation:

“Wealth is not new. Neither is charity. But the idea of using private wealth imaginatively, constructively and systematically to attack the fundamental problems of mankind is new.”

In the process of trying to be innovative and effective with philanthropic spending, corporations and individuals have developed a sense of social responsibility for the well-being of society as a whole, and make voluntary contributions (money, goods, time/expertise) to the public good, dominantly benefitting the poor and the marginalized segments.

However, in case of Pakistan, both corporate and individual philanthropy are largely traditional in nature as a study by Pakistan Centre for Philanthropy in 2016 has revealed that about two-thirds of the sampled households practice traditional charity; giving to beggars, needy, etc. Hence, it is high time to innovate philanthropic practices and adopt some ways to use philanthropic funds for welfare purposes to bring change in the life of poor and the underserved.

02 Please share certain statistics of philanthropy in Pakistan? Please also share the role of PCP in promoting philanthropy in the country.

PCP is an independent non-profit organization licensed under Section 42 of the Companies Ordinance 1984 with a mission to promote the volume and effectiveness of philanthropy for social development in Pakistan. At present, PCP is the sole lead, cutting edge philanthropy resource center working in three clearly demarcated work streams including (i) NPO Certification; (ii) Research on Philanthropy and Civil Society/ Nonprofits in Pakistan; and (iii) Philanthropy Support Services to promote philanthropic activities and build connection between grant makers and grant seekers.

To-date, PCP has conducted various research studies and produced multiple reports on individual, corporate and diaspora philanthropy. The purpose is to enhance knowledge about various dimensions of philanthropic giving and provide a better understanding of the nonprofit sector in Pakistan to initiate policy discourse on improving the environment for philanthropy in Pakistan. Our research reveals that **“Pakistanis are extremely generous when it comes to giving back to society”**, as evident from the following:

- About **98% of Pakistanis** contribute more than **PKR 240 billion** a year to philanthropic activities. This amount constitutes **1% of GDP** of the country.
- Corporate Philanthropy in Pakistan has continued to increase over the years, reaching a total of approximately **PKR 12.77 billion** in the year 2018-19 from an earlier estimate of **PKR 0.7 billion** in 2004.
- The philanthropic giving of the Pakistani diaspora in the UK to causes based in Pakistan and the UK amounts to a combined total of **£1.25 billion** in a year.
- Estimated total annual giving (money, goods and time) by Pakistani diaspora in the USA is **US\$7 billion**.
- Pakistan **ranks no. 7** by the “*number of people helping a stranger*” and **no. 5** by the “*number of people donating money*”.

03 **Often most of the volume of philanthropy is concentrated in urban and well-off regions where mostly the ‘giver’ resides and corporate businesses exist. How the country can develop an enabling environment for effectively pooling the resources and divert them to the deprived regions? It will ultimately uplift the poor areas.**

PCP’s Corporate Philanthropy Survey 2017-18 found that an overwhelming majority of the CSR interventions are present in areas that are comparatively better off both in terms of multidimensional poverty index (MPI) and human development index (HDI). On the other hand, regions which score high on MPI and low on HDI and require higher number of CSR initiatives, receive none or negligible number of philanthropic resources. In other words, there is a mismatch between CSR interventions and where such programs are direly needed. Among others, one of the possible reasons is that companies may be better aware of the problems of areas where they operate compared to those where they do not. Lack of awareness about peculiar problems faced in the geographically distant areas, for example, Baluchistan, could be one of the reasons for negligible CSR interventions there. In this regard, a mix of short-term and long-term strategies may be pursued to fully reap dividends of individual, institutional and corporate giving. Pakistani nonprofits may put in place better and more effective lobbying, communication and advocacy interventions to disseminate the potential of philanthropy and social development in the country.

04 **How you consider the role of NGOs in promoting philanthropy in Pakistan? What are the key bottlenecks that NGOs are facing in the country and as a result, they have not succeeded to alleviate poverty on permanent basis.**

Pakistan has a vibrant civil society sector contributing to improving conditions in areas ranging from supplementing government’s efforts in resolving social issues to strengthening democracy and defending human rights. This role is reflected by the NGOs/ CSOs vast outreach and service delivery capacities at the grassroots level through using the local philanthropic resources and other donations for the uplift of certain areas. Donors (both local, as well as international), philanthropists, corporations, diaspora and other stakeholders, including the Governments at the Federal and Provincial levels, not only recognize the important role of NGOs/ CSOs but also rely upon them for the execution of many development projects.

Despite the phenomenal growth in number and the involvement in the country development process, the NGO/CSO sector is facing many problems in terms of governance and regulatory mechanisms. Governance itself may be seen from two aspects: one that is mainly concerned with the overall enabling environment set by the government, let us call it external governance. The second relates to the accountability and transparency mechanisms that the NGOs set internally to establish public trust and credibility ensuring that the philanthropic funds in the form of donations are being spent appropriately and where needed, let us term it internal governance.

In addition to the above, an important challenge that NGOs/CSOs have inherently been facing is the 'trust deficit'. In spite of the fact that NGOs mostly work for the betterment of the disadvantaged groups, at times they are suspected to be not spending the funds judiciously both by the government and the general public. One important reason is the lack of transparency and accountability that NGOs are considered to live with for a long time. This issue becomes more evident in Pakistan where, according to a recent PCP report, an overwhelming majority (67%) of individual donors gives to individuals instead of organizations. This suggests that implementation of good governance practices and making people aware about it may help in improving trust in the NGO sector. Interestingly, NGOs/CSOs are well cognizant of the issue of trust deficit, Technological advancement, especially an easy access to internet and social media has given an opportunity to NGOs to not only showcase their good work but also assure their supporters of transparency and accountability.

Given the above challenges for NGOs in terms of governance and performance, it is opportune time that NGOs come up with practical and innovative strategies to cope with them. On the other hand, the government, given its current financial constraints, requires support from the NGOs/CSOs to initiate projects that would expedite the achievement of development goals. The best and viable approach would be to provide an enabling environment for NGOs/CSOs where the legal and operational framework is clearly defined with minimum hindrances. This will help partnerships to function in an effective and transparent manner for achieving optimal results.

05 What limitations currently the PCP is facing in effective coverage of philanthropy? Where you want to see PCP where it can play an effective role in poverty alleviation.

PCP was established in year 2001 with a mission "to increase the volume and effectiveness of philanthropy for social development", and a vision "to link the three sectors of society, i.e. government, business, and civil society organizations in a synergistic partnership for development". To achieve its objectives, PCP has designed innovative programs of Nonprofit Organizations Certification, Philanthropy Support Services by mobilizing corporate philanthropy for education under Public-Private partnership (3Ps), expanding the philanthropy knowledge map through evidence-based research, and communication and advocacy to enhance societal understanding of philanthropy and development. However, it is recognized that PCP with its limited financial resources and manpower, has faced problems in expanding its research agenda, in developing linkages with the government and academia to highlight philanthropy as an immense potential resource for development, and in building the synergy between the donors and CSOs, especially the mid-level and small organizations working in small towns and rural areas with poverty and poor living conditions.

With a more strategic, collaborative and outcome focused approach to philanthropy and social investing, PCP will continue to play its role for effective deployment of philanthropic resources to lift millions of people out of poverty.

06 How the role of civil society and corporate sector can be enhanced in pooling the resources for poverty alleviation?

In Pakistan, the scope and potential of civil society and corporate sector has not been fully utilized in programs and interventions of poverty alleviation. Whether it is ensuring access to quality education, healthcare or water/sanitation services, the challenge of mismatch between the needs and available resources has been a pertinent issue.

Although the business sector with its Corporate Social Responsibility (CSR) element has been generating substantial financial resources for causes related to social development, the impact on poverty alleviation has been minimal. According to the Corporate Philanthropy Survey report of PCP, the Public Listed Companies (PLCs) that constitute around 1% of the entire corporate sector, donated PKR 9.07 billion in year 2018. The question remains how these resources were spent

and what impact did the CSO bring to redress poverty and related issues. Given this context, the civil society and corporate sector in Pakistan need to move towards a more strategic, collaborative and outcome-focused approach to philanthropy and social investing, ensuring that resources are deployed as effectively as possible to address key social challenges including poverty. Mobilizing corporate philanthropy resources through instruments of impact financing and social investments has a potential to result in a win-win situation for government, private sector and the society at large; a trend which is fast becoming a leading source of impact capital globally.

07 How the public-private partnership can be promoted in the country that can bring better transparency, efficiency and accountability in this sector?

It is an established fact that PPP is effective in leveraging the expertise and efficiency of the private sector for enhanced public sector service delivery. The three sectors of the society i.e., business, civil society and the government have complementary strengths, when combined can broaden the financial base for social services. The state can provide enabling environment for business and NGO/CSO sectors; business can solve the financial problems for the government's agenda of development; and NGOs/CSOs can implement the development agenda of government more economically and efficiently at the grassroots level. However, the success in such partnerships can be achieved through the (i) reconciliation of different cultures; (ii) choosing the right projects; (iii) extending commitment towards new projects; (iv) gaining local support; (v) packaging the projects properly; (vi) having patience, as the process takes time; and (vi) building mutual trust.