



**SUBMISSION FOR
DRAFT NATIONAL
POLICY ON
PHILANTHROPY**

**PHILANTHROPY
IRELAND**

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Philanthropy Ireland (PI) serves as the representative body for the philanthropic sector in Ireland. Our membership comprises grant making trusts and foundations, including private, corporate, family and community structures.

The development of government policy for the advancement of philanthropy in Ireland is a key ambition of our membership. Much more can be achieved through philanthropic giving if it is backed by strategic policy support that provides a framework for philanthropy, beneficiaries, and government, to work more collaboratively and put in place an environment to encourage planned giving.

The drafting of the National Policy on Philanthropy is a significant and important development. It will inform and shape philanthropy in Ireland over the next five years, and enable meaningful strategic impact on social needs.

In this document we provide a summary overview of our contribution, including general comments and key observations to the draft Policy.



A handwritten signature in black ink, which appears to read 'Éilis Murray'.

Éilis Murray
CEO
Philanthropy Ireland



Importance of Leadership and Recognition

The recognition of philanthropy in Ireland by political leadership is important for several compelling reasons:

- It addresses the legitimacy of the role of philanthropy in supporting society, whether at home or abroad.
- It helps foster a culture of strategic giving by sending a clear message about the significance and value placed on philanthropy.
- When political leaders acknowledge philanthropy, it encourages individuals, businesses, and organisations to actively engage with philanthropy.
- This recognition plays a crucial role in mobilising resources for social causes which can lead to enhanced funding for essential services, innovative initiatives, and sustainable project development.

Signals matter. Acknowledgement that philanthropy has a legitimate role to play in supporting social issues from which we all benefit is important. Philanthropy, alongside government and wider civil society, can play a role in promoting a progressive society, leaving no one behind.

The Time for Action is Now

As we have learned in recent times, multidimensional crises can occur simultaneously or in rapid succession, often exacerbating one another and creating a complex and challenging environment. We must galvanize all of our resources to combat them. This must include philanthropy.

We are also in a time of growing wealth. Ireland is amongst the top ten countries with the highest wealth per adult*. Indicating a capacity for greater philanthropic activity.

The time is now to activate measures to stimulate and support strategic, planned, multi-annual giving. We believe there is a commitment and desire to redirect wealth to support the multitude of challenges we face on both a national and global level.

An Integrated Approach to Philanthropy in Ireland

An integrated approach to philanthropy that operates across all sectors of society and government departments is of paramount importance as it facilitates a holistic and strategic response to complex societal challenges.

Such an approach enables a comprehensive understanding of the interconnected nature of social issues and promotes innovative, multi-dimensional strategies that tackle challenges from multiple angles.

*The Global Wealth Report, 2022, Credit Suisse



GENERAL INSIGHTS

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Addressing Blockages in the Operating Environment

A positive regulatory environment is recognised as being fundamental to building trust and transparency. However, current processes are not effectively enabling the development of philanthropic foundations. There is opportunity to examine alternate models and structures to facilitate greater efficiency and to fully reflect the philanthropic need.

In addition to setting up structures, oversight and compliance in operations can be onerous for grant makers. A key benefit of philanthropy is its power to innovate and take risks, to support emerging issues, or addressing needs for which no other sources of funding are available.

For entities already operating as grant making foundations, including our membership, current regulation does not signal understanding of operational challenges and issues unique to grant makers.

There is opportunity to work with the sector to identify how regulation in grant making can be optimised to avoid any potential closure or unnecessary restriction of the funding space.

Planning for Implementation

A comprehensive implementation plan for the Policy will enable effective communication and collaboration amongst diverse stakeholders.

We recommend commitment of resources, financial and other, to activate the Policy. Membership of the oversight group will be fundamental to the success of implementation, recommending critical philanthropic voice with an alliance of key skill sets for analysis of relevant issues and development of strategies to advance changes as necessary.

Noting the commitment to an independent mid-term review we further recommend that a framework for such review is agreed and activated prior to implementation of the Policy.



Section 1.3 Why is Philanthropy Important?

While we acknowledge the reference to risk, we believe this could be further underlined. Philanthropy is a form of independent risk capital that is agile, innovative, and brave. As an independent source of capital, philanthropy can commit to multi-annual funding providing scope for the testing of solutions and the application of learning. As a form of risk capital for the social sector it can both commit to and reach many of the harder to address areas while at the same time can rapidly respond to emerging crises.



Section 1.5. The Development of Philanthropy in Ireland

This section provides a useful oversight of the evolution of philanthropy in Ireland, building understanding of how it is characterised and the diversity of approaches. However, we would like to note that:

- References here are to institutional models of philanthropy; there are a significant number of individual philanthropists.
- It does not capture all forms of activity over the years, there being many other philanthropic organisations, not mentioned here, that have successfully activated programmes of support.





Section 2.2. The Vision

Reenforcing our opening comments, while we welcome the commitment to the completion of a review at end of year three, we recommend the inclusion of:

- A firm statement of commitment to the establishment of a review framework for activation following Policy publication.
- This framework should state how the review will be structured and managed and establish a firm date for the review conclusion.
- A statement of commitment for an independent body for quality assurance purposes and to maintain objectivity and impartiality thus increasing transparency.



Section 3.1 Objective 1 Communication and Awareness Raising

In stating the expected outcomes, we recommend that targeted audiences should be clearly defined and highlighted.





Section 3.2. Objective 2: Data and Research

There is no definitive figure for the scale of philanthropy in Ireland, as research tends to cover charitable giving to all not for profits. It is important from a policy basis that we have robust data. Baselines from which to assess development, while ambitious, are important to assess added value and to understand potential opportunity.

It is important to acknowledge:

- Work that has been undertaken on the provision of data, seeking to understand what has been learned and how that can inform future actions.
- Mechanisms that currently exist that could potentially be utilised to facilitate data collection.



Section 3.3 Objective 3: Stimulating and Incentivising Philanthropy

A key change in the tax treatment of charitable donations took place in 2013 on foot of a recommendation of the Forum on Philanthropy and Fundraising. It was intended that the implementation of this measure would happen alongside a recommendation from the forum for a measure for tax treatment on Major Gifts, which did not happen.

We believe it is essential that a strategic approach is immediately undertaken for the consideration of fiscal measures to facilitate the growth of philanthropy. This includes a review of existing measures in tandem with consideration of additional measures to deliver robust rounded measures that will support sustainable, transparent and inclusive growth of philanthropy in Ireland.





Section 3.3 Objective 3: Stimulating and Incentivising Philanthropy

Proposed Action 9 - Co-granting plays a crucial role in the Irish philanthropic space, serving as a powerful mechanism for maximizing the impact of charitable efforts. To proactively support this across government departments, we recommend the creation of a framework for operation and engagement for departmental partnerships on funding.

Proposed Action 11 - Philanthropy Ireland recommends the introduction of measures to encourage diaspora philanthropy and align with the recent European Commission Proposal for a Council Recommendation on developing social economy framework conditions.

Proposed Action 12 - We encourage the Department to engage and collaborate with other government departments and agencies who operate within the investment and enterprise space in Ireland. The purpose is to open channels of dialogue with multinationals and indigenous business, to build understanding of reasonable expectations on strategic giving of corporate sector.



Section 3.4 Objective 4: Government and Sectoral Partnership

Believing in the need for a whole of government approach for the successful development of philanthropy, we recommend there be a clear reference statement to integration with existing policies of government.



Section 3.5 Objective 5: Capacity Building

Proposed Action 19 - While this action references impact, we believe supporting the demonstration of impact of philanthropy is vital as it cross cuts all preceding objectives. Such focus can:

- Provide key messages for communication to build understanding and awareness.
- Support philanthropy in assessing mechanisms and pathways of support to maximise their impact.
- Further identify and highlight areas where philanthropy can add value.

This draft Policy represents a comprehensive and well-considered approach to address the challenges and opportunities within the philanthropic landscape.

Where to from here:

- **Action now:** while recognising the development of policy as a critical step forward, we believe it is vital that it is followed through rapidly, with the implementation of actions.
- **Integration is key:** effective development and advancement of the objectives as outlined requires collaboration and co-ordination across all stakeholders – all government, philanthropies, beneficiaries, and social sector support – to ensure there is integration of effort for maximum impact.
- **Resource positively:** identify, source, and commit the resources necessary to drive actions.
- **Build on experience:** draw from learning and knowledge from across the sector and internationally, to add value. There is a rich resources of knowledge and experience of practice, delivering evidence on measures that can work - partnerships models, messaging channels, investment models, enabling fiscal instruments, data collection instruments, impact assessment frameworks, among others. Draw on these.

We are confident this proposal can pave the way for meaningful change and forge stronger collaborations, to further inspire a culture of philanthropy and social responsibility that will benefit all of society.

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