



# International Grantmaking Update

## A Snapshot of U.S. Foundation Trends

*International Grantmaking Update: A Snapshot of U.S. Foundation Trends* provides a brief update on key trends. The study includes an analysis of patterns of giving in 2010 and changes in funding priorities between 2008 and 2010. (For more information on international giving by foundations based outside of the United States, see “Tracking Grantmakers Worldwide.”)

### INTERNATIONAL GRANTMAKING TRENDS THROUGH 2010

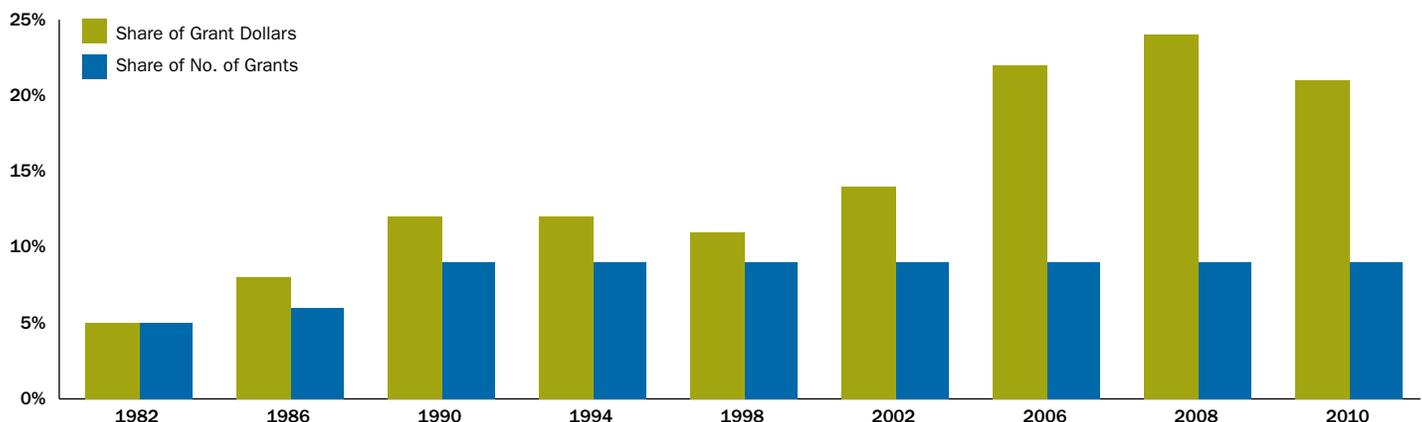
*The following analysis examines funding patterns based on all of the grants of \$10,000 or more reported by a sample of 1,330 larger U.S. foundations in 2010. These foundations accounted for roughly half of all foundation giving in 2010 and well over four-fifths of total estimated international giving. The analyses of changes in funding between 2008 and 2010 are based on a subset of these grants awarded by a matched group of 424 foundations. In addition, grant amounts reported reflect the full authorized value of the grants in the year they were made whenever possible, regardless of whether they were paid out in that year or over several years. (See “Sampling Base” for details.)*

### ■ International grant dollars declined faster than overall funding between 2008 and 2010.

International funding by the full set of over 1,300 foundations totaled \$4.3 billion in 2010, down from \$6.3 billion in 2008. Figure 1 shows that international support declined from 24.4 percent to 21 percent of overall giving. (Excluding the Bill & Melinda Gates Foundation, these shares would be 15.5 percent and 14.1 percent, respectively.) By share of number of grants, however, international giving remained mostly unchanged at 9.1 percent.

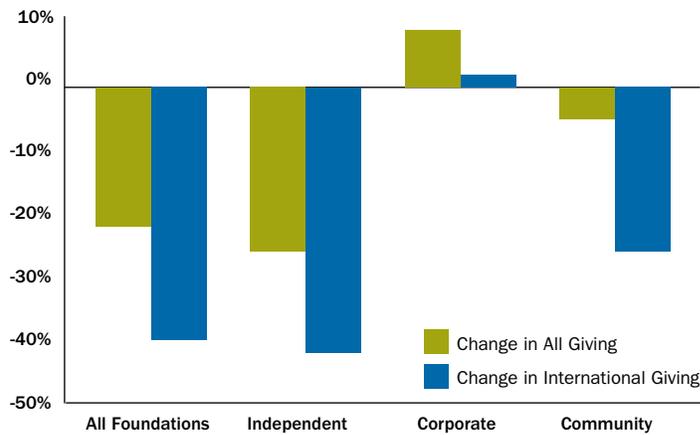
Among the matched set of funders, international giving dropped 40 percent during this two-year period.

**FIGURE 1.** International grant dollars as a share of overall giving declined between 2008 and 2010, while the share of number of grants has held steady



SOURCE: The Foundation Center, *International Grantmaking Update*, 2012. Based on grants awarded by a sample of the largest U.S. foundations.

**FIGURE 2. International giving decreased faster than overall giving for independent and community foundations between 2008 and 2010**



SOURCE: The Foundation Center, *International Grantmaking Update*, 2012. Change in unadjusted grant dollars. Based on all grants of \$10,000 or more awarded by a matched set of 424 grantmakers in 2008 and 2010.

By comparison, overall grantmaking among these funders decreased by 22 percent. A reduction in the number of exceptionally large, often multi-year commitments account for more than half of this reduction. The combined value of exceptionally large grants of \$10 million and more in particular saw a sharp decline in 2010 (55.3 percent), accounting for a significant portion of the fall. Excluding the Bill & Melinda Gates and William and Flora Hewlett foundations, international giving

decreased by 25 percent, while overall grantmaking would have decreased by 15 percent.

■ **Among independent and community foundations, international funding declined faster than overall giving.**

Independent foundations reported the steepest drop in international giving (down 42 percent) among the matched set of funders (Figure 2). Among the

full set of sampled funders, independent foundations accounted for nearly 88 percent of the 2010 international grant dollars awarded and nearly 64 percent of the number of grants.

Corporate foundations represented 7.9 percent of 2010 international grant dollars and 19.7 percent of grants. The Coca-Cola Foundation (NY), which supports programs designed to promote water stewardship, healthy and active lifestyles, community recycling, and education, ranked as the top international funder among corporate foundations in 2010, awarding \$27.9 million. Among the types of foundations included in the analysis, only corporate foundations reported increases in international funding between 2008 and 2010 (up 2 percent). Overall international funding by corporate foundations increased by 9 percent during this period.

Community foundations provided just 2.3 percent of international grant dollars—although they awarded a significantly larger share of grants (13.7 percent). The Silicon Valley Community Foundation (CA) ranked

## Sampling Base

The Foundation Center's circa 2010 grants database includes all grants of \$10,000 or more awarded by 1,330 of the largest U.S. foundations—including at least 800 of the 1,000 largest foundations based on total giving and the 15 largest funders in nearly every state—and reported to the Center between October 2010 and September 2011. Grants were authorized or paid primarily in 2010 or 2009.

The *International Grantmaking Update* also includes a matched set analysis of year-to-year changes in giving by sampled grantmakers. Over time, the sample size has changed, which could distort year-to-year fluctuations in grant dollars and grants targeting specific activities or populations. To account for these potential distortions, changes in giving are analyzed only for a matched set of funders included in both the 2008 and 2010 samples.

## GRANTS PAID VS. GRANTS AWARDED

The *International Grantmaking Update* reports grant information based primarily on the total amount authorized, whether it is paid during a single year or in several installments over a period of years. If the full amount authorized is not available, the amount paid during the year is shown.

The drawback of this measure is that if a foundation pays out a substantial multi-year commitment made at an earlier point in time, it will overstate the commitments being made by that foundation for that given year. Conversely, it does not capture the full extent of payments being made for other years. For example, Hall Family Foundation's grant payments in 2010 totaled under \$29 million, while the foundation awarded just over \$85 million in new grant commitments that year. Thus, depending on what time period is being examined, a foundation's grant commitments may appear to overcount—or undercount—its current payments.

as the largest international funder among this group, with giving of just over \$33 million. The foundation facilitates charitable giving by individual and corporate donors in and around Santa Clara Valley and it has solidified its commitment to international grantmaking by launching the Donor Circle for Africa in 2012.

■ **Gates Foundation accounted for roughly two out of five international grant dollars in the sample.**

Since 2002, the Bill & Melinda Gates Foundation has ranked as the nation’s largest international funder—and the largest grantmaker overall (Table 1). In the full 2010 sample, the Gates Foundation provided 38.7 percent of international grant dollars. By comparison, the second-ranked Ford Foundation (NY) represented 5 percent of the international total.

Between 2008 and 2010 the Gates Foundation decreased both its overall funding and the proportion of its grant dollars awarded internationally. Compared to the other grantmakers as a whole, the foundation reduced international grantmaking by roughly the same. International grantmaking by the Gates Foundation decreased by 39.9 percent, while the matched set excluding Gates reported a 40.4 percent decrease.

**TABLE 1. Top 15 Foundations by International Giving, 2010**

Foundation	Foundation Type <sup>1</sup>	Foundation State	Amount of Intl. Grants	No. of Intl. Grants
1. Bill & Melinda Gates Foundation	IN	WA	\$1,646,624,977	553
2. Ford Foundation	IN	NY	198,452,178	821
3. Walton Family Foundation	IN	AR	129,977,488	19
4. William and Flora Hewlett Foundation	IN	CA	106,189,687	155
5. Susan Thompson Buffett Foundation	IN	NE	97,161,526	45
6. David and Lucile Packard Foundation	IN	CA	94,265,821	174
7. John D. and Catherine T. MacArthur Foundation	IN	IL	77,952,559	231
8. Rockefeller Foundation	IN	NY	75,096,381	213
9. Bloomberg Family Foundation	IN	NY	74,451,041	8
10. Howard G. Buffett Foundation	IN	IL	62,832,857	69
11. Gordon and Betty Moore Foundation	IN	CA	46,225,737	91
12. Andrew W. Mellon Foundation	IN	NY	41,519,186	129
13. McKnight Foundation	IN	MN	40,993,000	100
14. Carnegie Corporation of New York	IN	NY	39,958,100	93
15. Silicon Valley Community Foundation	CM	CA	33,245,421	406

SOURCE: The Foundation Center, *International Grantmaking Update*, 2012. Based on a sample of grants of \$10,000 or more from 1,330 larger foundations.

<sup>1</sup>IN=Independent Foundation; CM=Community Foundation.

■ **More than half of sampled foundations provided international support.**

In the full 2010 sample, 60 percent of funders (799 out of 1,330) awarded at least one international grant. This share was up slightly from the 57 percent share (848 out of 1,490) tracked in 2008. Newer foundations—those established since 1995 (a year after the Gates Foundation was created)—have

helped to raise the level of international giving. In 2010, these 192 younger foundations accounted for 14 percent of total international giving. Of these newer funders, 69 gave at least \$1 million for international programs. The largest new funder was the Bloomberg Family Foundation, formed in 2006, which focuses on public health and medical research. Other examples of relatively new funders include DC-based New Mighty Foundation

## International Funding by Public Charities

The grants set used for this analysis of international giving trends includes only private and community foundations. However, the Foundation Center also collects information on grantmaking public charities, sometimes referred to as “public foundations.” The Center’s grantmaker database currently includes 13,110 public charities, of which 1,371 (10.5 percent) fund internationally. These grantmakers support a wide range of causes. Several of the largest funders by total giving reported, such as Global Health Solutions, Food for the Poor, AmeriCares, and World Vision, provide healthcare

and/or emergency relief. Other areas of support include the environment (e.g., ClimateWorks Foundations); children (e.g., Compassion International, Plan International); education (e.g., Brother’s Brother Foundation); and specific countries or areas of the world (e.g., United Israel Appeal, American Nicaraguan Foundation). In addition to distributing funds raised from the broad public, grantmaking public charities frequently function as regranteeing agencies through which private foundations can channel their cross-border giving.

(2007), which focuses on education; and the Sea Change Foundation (2006), which supports giving to address the serious threats posed by global warming.

■ **Overseas funding accounted for a smaller share of international grant dollars.**

The country's foundations have historically provided a larger share of their international giving to U.S.-based programs, reflecting a tendency among newer international funders to rely more heavily on U.S.-based agencies, as well as the more difficult environment for funding overseas—especially post-9/11. Overseas giving in 2010 represented 32 percent of international grants and 36 percent of international grant dollars.

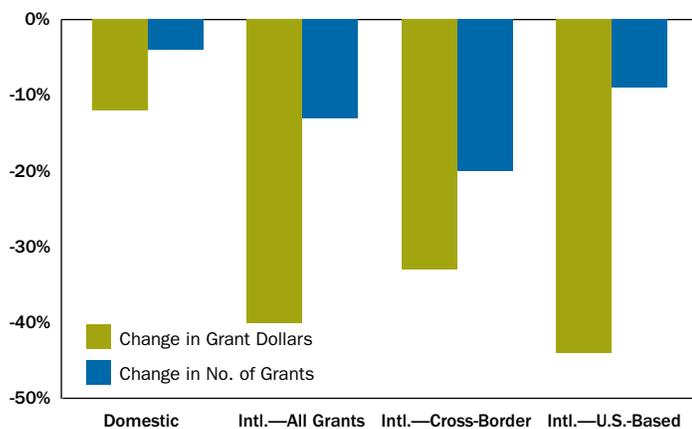
Both cross-border grants and grants to U.S.-based international programs saw declines between 2008 and 2010, 33 percent and 44 percent respectively (Figure 3).

■ **Overseas giving primarily benefited global programs, Asia, and Africa.**

About one-third of international grantmakers in the 2010 sample made grants to overseas recipients. This group included both large funders, such as the Rockefeller (NY) and William and Flora Hewlett (CA) foundations, and smaller funders, such as the Cyrus Tang Foundation (NV) and Naomi and Nehemiah Cohen Foundation (MD).

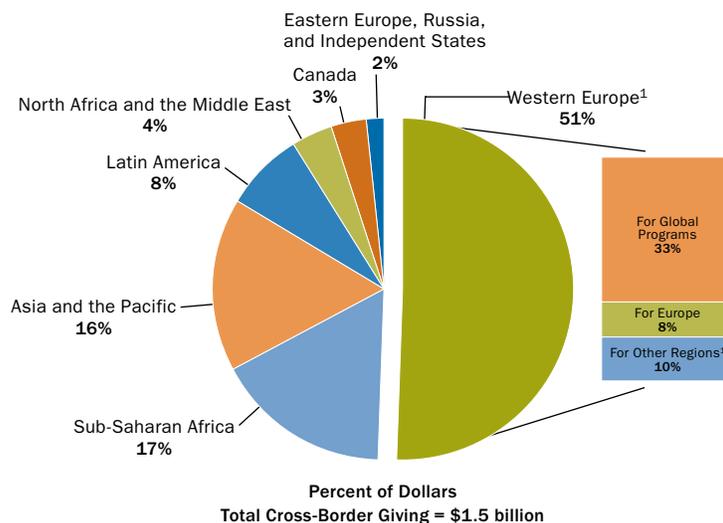
Of the more than \$1.5 billion in cross-border giving reported in 2010, global programs coordinated by Western European organizations—e.g., the Switzerland-based World Health Organization—ranked first with almost 33 percent of these dollars (Figure 4). An additional 9.7 percent supported the work of Western European organizations in specific regions of the world outside of Western Europe. Among grant dollars going directly to the regions of benefit, Sub-Saharan Africa (16.5 percent) and Asia and the Pacific (16.4 percent) accounted for the largest shares.

**FIGURE 3.** In grant dollars, both U.S.-based and cross-border international giving decreased substantially between 2008 and 2010.



SOURCE: The Foundation Center, *International Grantmaking Update*, 2012. Based on all grants of \$10,000 or more awarded by a matched set of 424 grantmakers in 2008 and 2010.

**FIGURE 4.** Global Programs, Africa, and Asia, received the largest shares of cross-border giving in 2010



SOURCE: The Foundation Center, *International Grantmaking Update*, 2012. Based on all grants of \$10,000 or more awarded by a sample of 1,330 foundations in 2010. Grants to overseas recipients may be for programs conducted in other countries or regions.

<sup>1</sup>The majority of grants awarded to Western Europe were for activities in the regions of Sub-Saharan Africa, Asia and the Pacific, and Latin America.

Compared to 2008, the shares of international grants from sampled foundations to Sub-Saharan Africa and global programs managed by Western Europe-based organizations increased. In contrast, shares declined for Asia and the Pacific, Canada, and Eastern Europe.

■ **Health Captured the Largest Share of International Support.**

Consistent with international funding priorities tracked since 2001, health benefited from by far the largest share of 2010 grant dollars awarded by sampled foundations. Close to 41 percent of international support funded health—primarily medical research and public health—and this share was up from close to 39 percent in 2008 (Figure 5).

The Bill & Melinda Gates Foundation dominated foundation support for health, providing just over three-quarters of grant dollars among sampled foundations. The Gates Foundation also accounted for roughly a third of 2010 funding in the second-ranked area of international development and relief.

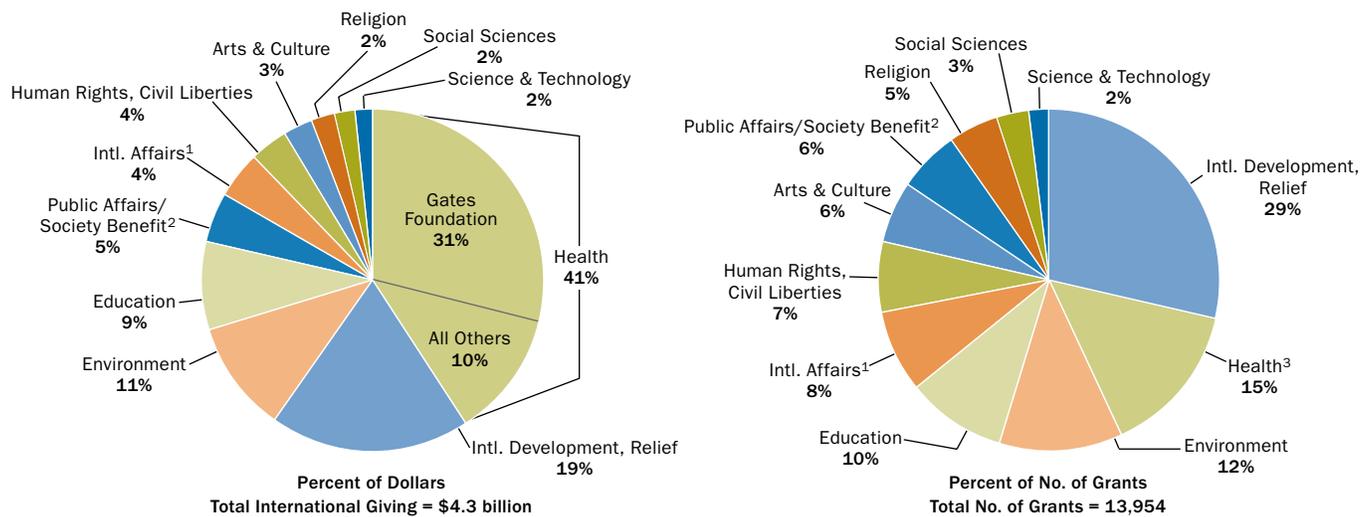
The environment and animals ranked third among international funding priorities in both 2008 and 2010, although its share of international

grant dollars dropped in the latest year from 16.8 percent to 10.5 percent. International grant dollars for the environment was extraordinarily high in 2008 in part because of an exceptionally large multi-year grant awarded by the William and Flora Hewlett Foundation to the ClimateWorks Foundation.

Unusually large grants can markedly influence overall giving patterns, while shares of number of grants awarded tend to be more consistent. For

example, international development and relief benefited from the largest share of international grants awarded in 2008 (28.9 percent), and this share was close to what it was in 2010 (26.1 percent). Health and the environment combined accounted for another 26.5 percent of grants in the latest year. All of the remaining fields received less than 10 percent of the number of international grants reported in 2010.

**FIGURE 5. Health far surpassed all fields by share of international giving in 2010**



SOURCE: The Foundation Center, *International Grantmaking Update*, 2012. Based on all grants of \$10,000 or more awarded by a sample of 1,330 foundations in 2010.

<sup>1</sup>Includes grants for peace and security, foreign policy, promoting international understanding, and international affairs research/policy.

<sup>2</sup>Includes grants for public affairs, philanthropy, and general grants to promote civil society. Civil society grants are also found in other categories, such as human rights and international development.

<sup>3</sup>The Gates Foundation accounted for 2.8 percent of the total number of grants for health.

## International Funding for Indigenous People

Over 10 years ago, the United Nations launched the International Decade of the World's Indigenous People to celebrate their contributions and address their needs. To what extent are private foundations supporting programs that benefit this population? In a search of its grants database for 2010, the Foundation Center identified 313 international grants totaling \$41 million that targeted indigenous people. The largest share of this funding targeted the environment and animals (38.2 percent), followed by public affairs/society benefit (19.9 percent), international affairs, development, peace, and human rights (15.2 percent), education (7.5 percent), human services (5.9 percent), health (4.2 percent), arts and culture (3.8 percent), social sciences (3.8 percent), and science and technology (1.5 percent).

The Ford Foundation accounted for just over half (51.2 percent) of giving benefiting indigenous people in 2010. Ford's grants funded a range of activities, including support for training and technical assistance to help local civil society organizations in the Brazilian Amazon better use legal instruments in defense of identity and land rights. Other grantmakers that provided at least \$1 million in grants benefiting indigenous peoples in the latest grants set included the Christensen Fund, Gordon and Betty Moore, John D. and Catherine T. MacArthur, ExxonMobil, and Charles Stewart Mott foundations.

## Tracking Grantmakers Worldwide

While this report focuses on grantmaking by U.S.-based foundations, philanthropic institutions exist and have been expanding in most parts of the globe. In early 2013 “Fondos a la Vista” (which roughly translates to “Funds at a Glance”)—a database of Mexican grantmakers and nonprofit organizations created in partnership with Alternativas y Capacidades, ITAM, and the US-Mexico Border Philanthropy Partnership—is set to launch. It joins the resources of the China Foundation Center (estab. 2010), Japan Foundation Center (estab. 1985), European Foundation Centre (estab. 1989), and numerous other grantmaker and regional associations in serving the needs of funders around the world.

Similar to the vast majority of U.S. foundations—which fund in limited geographic areas—most grantmakers in other countries concentrate their activities within their nations’ borders. U.S. and other funders are also similar in that they generally do not collaborate with one another. Yet among leading funders in all parts of the world, there is tremendous interest in understanding

the priorities of other grantmakers and, where appropriate, finding ways to pool knowledge and resources for greater impact.

No other country requires the detailed and publicly available annual reporting mandated for U.S. foundations. However, a number of organizations—including the Foundation Center—are working to expand the information available on institutional philanthropy worldwide. For example, NGOs in more than a dozen regions or countries publish grantmaker directories (see [foundationcenter.org/getstarted/topical/international](http://foundationcenter.org/getstarted/topical/international)); Worldwide Initiatives for Grantmaker Support (WINGS) provides a network of nearly 150 membership associations and support organizations serving grantmakers ([wingsweb.org](http://wingsweb.org)); and the Foundation Center displays grantmaking by both U.S. and overseas funders in Philanthropy In/Sight, its online, interactive data visualization tool ([philanthropyinsight.org](http://philanthropyinsight.org)). The availability of these types of data is certain to expand markedly over the coming decade.



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### ABOUT THE FOUNDATION CENTER

Established in 1956 and today supported by close to 550 foundations, the Foundation Center is the leading source of information about philanthropy worldwide. Through data, analysis, and training, it connects people who want to change the world to the resources they need to succeed. The Center maintains the most comprehensive database on U.S. and, increasingly, global grantmakers and their grants—a robust, accessible knowledge bank for the sector. It also operates research, education, and training programs designed to advance knowledge of philanthropy at every level. Thousands of people visit the Center’s web site each day and are served in its five regional library/learning centers and its network of 450 funding information centers located in public libraries, community foundations, and educational institutions nationwide and beyond. For more information, please visit [foundationcenter.org](http://foundationcenter.org) or call (212) 620-4230.

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