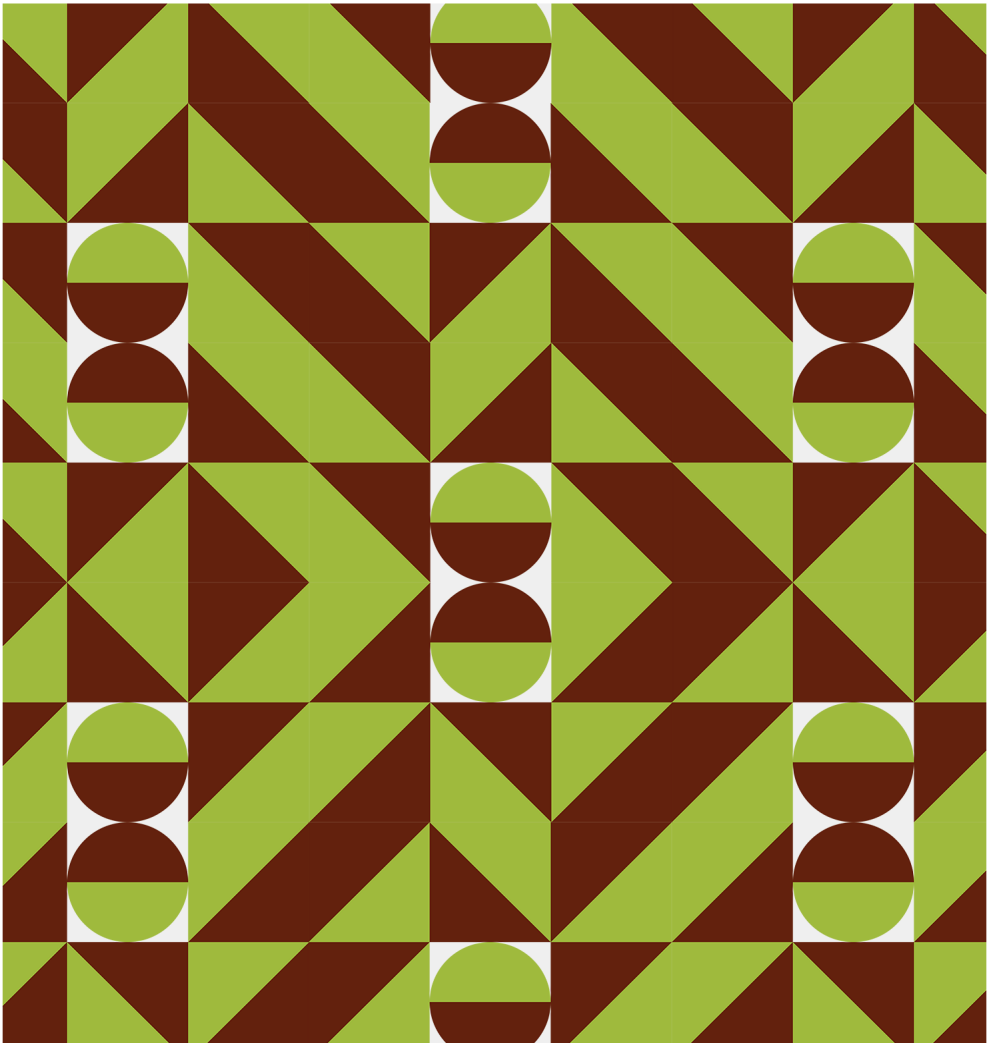


PHILANTHROPY TREND 2022

Transformation and Development of
Family Foundations to Support Sustainable
Development in Indonesia During COVID-19 Pandemic



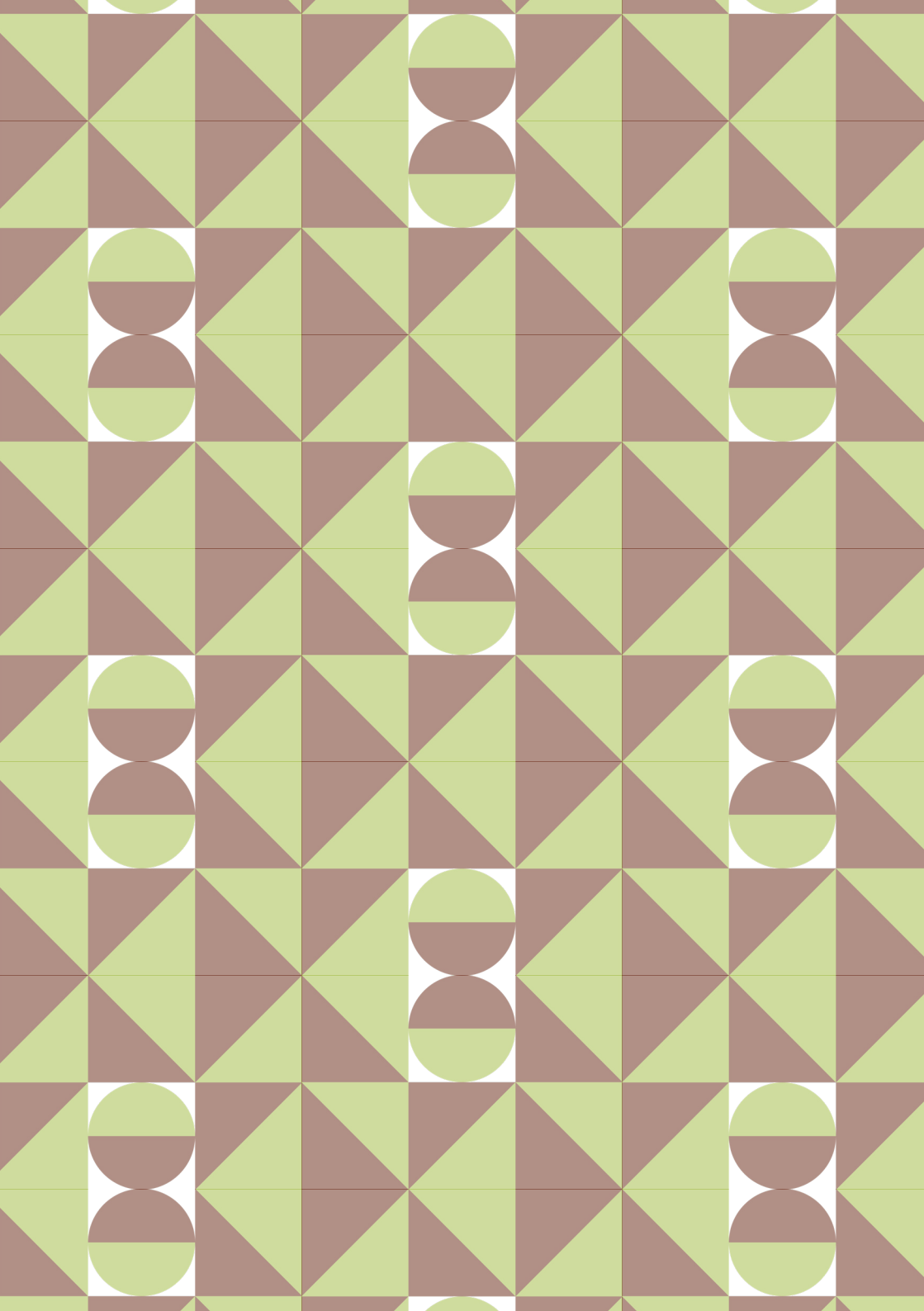


TABLE OF CONTENTS

FOREWORD	v
Sasakawa Peace Foundation	
FOREWORD	vi
Indonesia Philanthropy Association	
FINDINGS FROM FAMILY FOUNDATIONS	1
BACKGROUND	2
Research Methodologies	3
Limitation	4
PROFILE	5
Founder’s Background	5
Year of Establishment	5
Source of Funds	7
Programs	8
Family Foundation as Philanthropist	11
Partner of Family Foundation	11
CONTRIBUTION TO THE DEVELOPMENT	13
Trends in Family Foundation Fund Distribution	13
Trends in Family Foundations Program Beneficiaries	14
Family Foundation Contribution to Education	15
Family Foundation Contribution to Hunger Eradication Program	16
Family Foundations Contribution to Health	17
Family Foundations Contribution to the Infrastructure Development	18
DRIVING FACTORS FOR FAMILY FOUNDATIONS	
DEVELOPMENT DRIVING FACTORS	19
Freedom in Designing Programs	19
Government’s Positive Response	20

Experienced Partners.....	20
Accountability	21
Beneficiaries	21
INHIBITING FACTORS OF FAMILY FOUNDATIONS DEVELOPMENT.....	22
COVID-19 Pandemic.....	22
Company’s CSR	23
Beneficiaries	23
Government.....	24
PRIORITY PROGRAMS	25
Sustainable Funding.....	25
Collaboration for Impactful Action	26
Utilization of Technology in Program Implementation	27
RECOMMENDATION	29

FOREWORD



THE DEVELOPMENT OF CORPORATE philanthropy in the last few decades in Indonesia has gained global attention. However, the literature and information about philanthropy are still limited. This report, the *Philanthropy Trend 2022: Transformation and Development of Family Foundations to Support Sustainable Development in Indonesia During COVID-19 Pandemic* will fill the gaps by providing the result from desk research and in-depth interview with family foundations in Indonesia. This report enables us to understand that the history of family foundation is closely related to democratization after 1998. We also explain about the basic characteristics, trends, and, driving and inhibiting factors of philanthropy development.

We hope this report can facilitate the discussions about necessary initiatives that should be performed together, including the recommendations presented in this report. Another aspect of concern is the collaboration among various organizations to further develop philanthropy, which has great potential to improve people's lives in and beyond Indonesia.

ITSU ADACHI

Executive Director of
the Sasakawa Peace Foundation

A handwritten signature in black ink, appearing to read 'I. Adachi', written in a cursive style.

FOREWORD



IN COLLABORATION WITH the Sasakawa Peace Foundation, the Indonesia Philanthropy Association proudly present the *Philanthropy Trend 2022: Transformation and Development of Family Foundations to Support Sustainable Development in Indonesia During COVID-19 Pandemic*. We present this publication with the aim to provide a comprehensive study to describe the transformation, development, and contribution of the family foundations for sustainable development in Indonesia.

Various data and innovations of the family foundations are summarized in this publication. The family foundations, as one of the philanthropy actors, has transformed into an independent foundation and separated from the founding company. This transformation is carried out to preserve the independence of the family foundation that has become a positive trend in philanthropic sectors. Entering the decades of action, the family foundation can become a catalyst for the development of co-creation and collaboration through collective action with other stakeholders in order to strengthen the ecosystem and accelerate the achievement of the SDGs.

Hopefully, the *Philanthropy Trend 2022: The Practices and Contribution of the Philanthropy Trend 2022: Transformation and Development of Family Foundations to Support Sustainable Development in Indonesia During COVID-19 Pandemic* can become a useful reference for all philanthropy stakeholders in Indonesia.

RIZAL ALGAMAR

Chairman of the Executive Board
of Indonesia Philanthropy Association

A handwritten signature in black ink, appearing to read 'R. Algamar'.

FINDINGS FROM FAMILY FOUNDATIONS



The 1998 reform appeared to have provided room for the family foundations in Indonesia to grow. The results of this study showed that 83% of family foundations is known to have emerged following the 1998 reform.



The majority of the family foundations choose education as their primary program, followed by welfare/economy and health.



From 2018 to 2020, the family foundations distributed at least Rp. 959,977,731,532. The highest increase occurred in 2020, which was 25.8%. The growth percentage increased by 8.9% compared to the growth in 2019, which was 16.87%.



The impact of this increase is that philanthropy activities by family foundations have succeeded to reach around 2,404,494 beneficiaries. From year to year, the percentage growth of these beneficiaries always increases by more than 28% per year.



In terms of funding, family foundations have started to prepare sustainable sources of funding, one of which is through venture philanthropy. On the other hand, collaboration with stakeholders and the use of technology in program implementation becomes another focus that will also be managed in the future.



BACKGROUND

In 2021, Indonesia was again named as the most generous country in the world based on World Giving Index 2021, published by the Charities Aid Foundation (CAF). The better news is that Indonesia's generosity rate always increases. This increase is 10 points higher than the previous two years (2018).



CAF recorded that one of these generosities was driven by the generosity of the Indonesian people to donate and become volunteers. It means that 8 out of 10 Indonesians have donated their money, or in other words, they have done philanthropic activities.

We assessed that Indonesia's success in maintaining its position as a generous nation is supported by several factors, one of them is the involvement of High-Net-Worth Individuals (HNWIs) in philanthropy activities.

Nevertheless, the COVID-19 pandemic that occurred in early 2020 has not only impacted the health sectors, but also the economic growth in Indonesia. Based on this condition, we are interested to see whether the pandemic has affected the philanthropy activities of the HNWIs in the form of family foundation activities.

This is considering that the COVID-19 pandemic impacts not only individuals, companies, and other institutions that act as donors and the community as beneficiaries but also philanthropic institutions that struggle to maintain sustainability.

Therefore, we consider that there is a need for a comprehensive study to describe the transformation, development, and contribution of family foundations towards the sustainable development in Indonesia before and during the pandemic.

Research Methodologies

FAMILY FOUNDATION DEFINITION

This study defines a family foundation as a foundation whose main source of funding comes from the individuals, and it focuses on implementing the vision and mission of the founder family. Generally, individuals or the family members of the founder play important roles in managing the foundation. The important roles are also shown by the appointment of one of the family members in strategic positions within the foundation, such as in the supervisory or advisory board.



There are two methods used in this study, namely:



Desk research, i.e., the annual report documents analysis published by the family foundation. There were 18 family foundations whose annual reports were analyzed. In this study, The selected family foundations were identified by Indonesia Philanthropy Association.



Interviews, which were conducted with four family foundation organizations.

Limitation

This study has several limitations, which were identified during data collection process. The limitation during the process should be presented as feedback for the subsequent study related to the development of Indonesia’s family foundation. These limitations are as follow:

LIMITED DOCUMENTS AND ACCESS TO DATA

Sources of documents that were used in this study only came from documents published on the official website of the organizations. This study also found that not all family foundations regularly published their activities. Moreover, there were some family foundations that only presented the general focus of their program without explaining the type of activities that have been done, hence the data that has been collected could not represent the whole roles and contributions of family foundations towards sustainable development in Indonesia.

Despite desk research had been conducted on the majority of selected family foundations, the in-depth interview, particularly in “the Driving and Inhibiting Factors”, could not be generalized to all Family Foundations in Indonesia. Future studies are expected to gain more informant participation in order to obtain a broader point of view about the data that found from the annual reports.



Founder's Background

This study revealed that 72.2% of the founders of family foundations were entrepreneurs, another 22.2% of family foundations were founded by the Indonesian President or the President's Family, while the rest, 5.6%, were other category. In the category of family foundations established by entrepreneurs, there were several names found, for example Jusuf Kalla, Eka Tjipta Widjaja, Dato' Sri Tahir, and Sukanto Tanoto.

In the category of family foundations established by the Indonesian President or the Family of the President, there were names such as Abdurrahman Wahid or known as Gus Dur, who was the 4th President of the Republic of Indonesia. Along with his colleagues and children, Gus Dur founded the Wahid Foundation in 2004. In addition, there were also other names, such as Kartika Sari Dewi Soekarno, the daughter of the first President of the Republic of Indonesia, Ir. Sukarno

Year of Establishment

This study showed that the average family foundation organizations in Indonesia were 21 years old. Thus, this showed that 83% of family foundations emerged after the 1998 reform.

The 1998 reform is not only interpreted as the fulfilment of human rights in the framework of freedom of expression and opinion but also interpreted as people's freedom to associate and assemble.

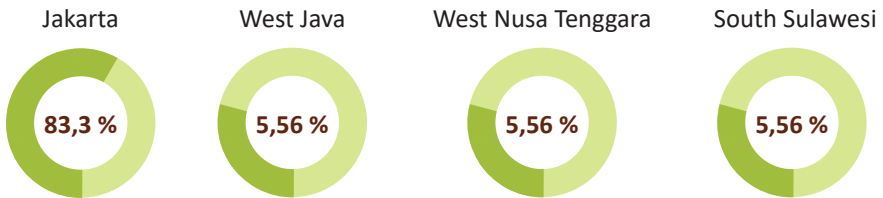
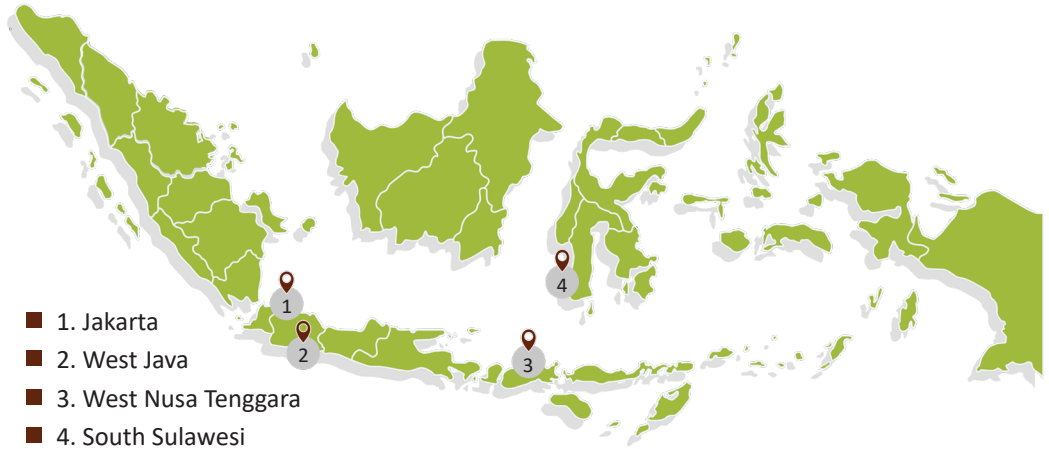


Table 1. Family Foundations Establishment

PHILANTHROPY	YEAR
Rumah Rachel Foundation*	2006
Yayasan Pelayanan Kasih A&A Rachmat*	1999
Kartika Soekarno Foundation*	1998
Peduli Anak Foundation (Stichting Peduli Anak)	2005
Yayasan Tunggadewi*	2009
Bakrie Center Foundation (BCF)*	2010
Dilts Foundation (DF)*	2000
Wahid Foundation*	2004
Tahir Foundation	2000
Yayasan Arsari Djojohadikusumo*	2006
Yayasan Hadji Kalla*	1984
William & Lily Foundation*	2009
Wadah Titian Harapan*	2008
Tanoto Foundation	1981
Tahija Foundation	1990
Putera Sampoerna Foundation	2001
Mien R Uno Foundation*	2000
Eka Tjipta Foundation*	2006

**family foundations that do not publish the allocation of funding sources*

Nevertheless, there are several family foundation organizations that are known to have operated before the 1998 reform. For example, the Tanoto Foundation, which is known to have started operating since 1981, followed by the Hadji Kalla Foundation and the Tahija Foundation, which began operating in 1984 and the 1990s, respectively. If we look at the three family foundations, operating since before the 1998 reformation, all of their founders have entrepreneurial backgrounds.



The figure above shows that 83.3% of family foundations are in DKI Jakarta. Followed by 5.56%, respectively, in West Java, West Nusa Tenggara, and South Sulawesi. This result showed that most of the family foundations are on Java Island.

Source of Funds

Most funding sources of family foundation organizations come from the founders or their families. Considering that most of the founders are entrepreneurs, thus some family foundations still manage the company’s CSR activities.

Along with the development of their activities, family foundation organizations have decided to separate themselves from CSR companies and family foundations, also do not diversify their funding to maintain independence.

From those points of view, we came to decisions, including one of them is to completely separate the company's CSR [company name] and the Philanthropic Organization. Since then, [name of the philanthropic organization] has become an independent philanthropic organization, which is financially, strategically, structurally completely separated from CSR.

— Interview with a Family Foundation

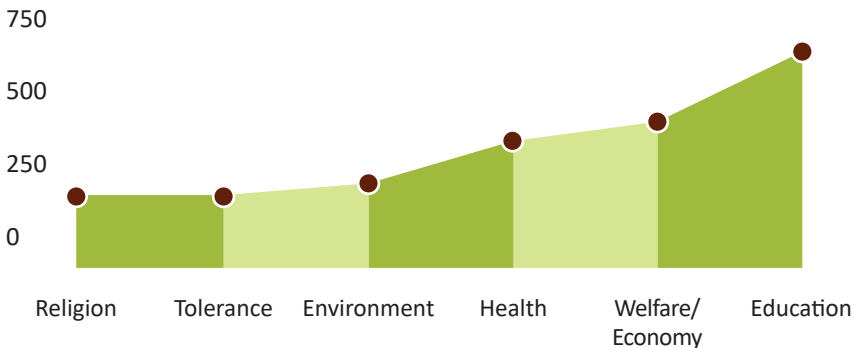
Nevertheless, there are several family foundation organizations that still utilize funding sources from the companies (CSR), ZISWAF (Zakat, Infaq, Alms, and Waqf) and other diversified funding as part of efforts to encourage sustainability.

For several previous projects, there was a lot of support from the family [confidential information], but after 8 years, we are opened to accept donors from outside such as banking institutions or other institutions.

— Interview with a Family Foundation

Programs

Graphic 2. Family Foundation Programs



The programs carried out by family foundations are very diverse. However, there are the top three programs that most of the family foundations have been working on, where 61.1% focused on educational programs. Based on the interview results conducted with the family foundations, it was found that the main reason for choosing the education program is due to the experience of the founder of the family foundation.

At first, our founder saw that there was education inequalities around the factory. There were many mothers who were unemployed and their children also did not obtain a good education.

— Interview with a Family Foundation

On the other hand, the focus on education appears to be relevant because, according to the Program for International Student Assessment (PISA) assessment, education in Indonesia still requires attention.

In 2018, Indonesia's PISA score was very low, and that is why we said it is a pre-assisting gap. Even before the pandemic, the gap was already significant. So, when it comes to investing in education, we believe that this is the right time to no longer just recover, and this requires a lot of investment.

— Interview with a Family Foundation

The second program that the family foundations mostly carried out was the welfare or economic improvement programs (33.3%). The main reason is that the next generation must be equipped with the ability to become entrepreneurs to greatly impact themselves and the environment.

He (the founder) is very concerned about young people, especially how these young people are, to be more open-minded in facing the future. He hopes these young people can acquire not only formal education through schools or universities like that but also additional knowledge. He understands how young people can open a business, even though they start at a young age and are given knowledge about entrepreneurship.

— Interview with a Family Foundation

Based on the data from Central Statistic Agency (Badan Pusat Statistik, BPS), the percentage of poor people in Indonesia is still above 10%. Based on the National Medium-Term Development Plan (Rencana Pembangunan Jangka Menengah Nasional, RPJMN) 2020-2024, The government will target the number of poor people by 7% to 6.5% at the end of 2024, showing extensive work in the economic welfare needs to be done in Indonesia.

That is why we are called a developing country; there are many people who are below the poverty line. Hence, we focused on providing assistance for life necessities.

— Interview with a Family Foundation

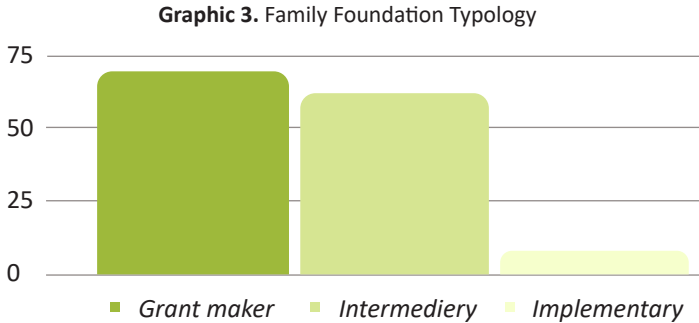
The third focus of the family foundation organizations is health (27.8%). It is not an exaggeration since health problems are an area that still requires a lot of attention. For example, based on data from the Ministry of Health of the Republic of Indonesia for the past 15 years, the percentage of stunting in Indonesia still requires attention.

Stunting is still 30%. For a rich country like this with 30% stunting, and I'm sorry to say it has never been addressed very seriously.

— Interview with a Family Foundation

Based on these data, it was found that infants (babies under five years old) who suffer from stunting in the country were 27.67%. It means that one in four infants suffers from malnutrition.

Family Foundation as Philanthropist



In carrying out philanthropic activities, this study found that some family foundations do not only carry out their roles as grant-makers but also as intermediaries. These dual roles are often found in Indonesia, considering that most family foundations obtain funding sources not only from the family but also from the company’s CSR fund allocation, as majority of the family foundations’ founders are entrepreneurs and manage funding sources from foreign funding.

In addition, this study also found that the family foundation also acts as an implementer. This applies to family foundations that manage religious social funds such as zakat or infaq.

Partner of Family Foundation

As the previously explanation stated, most family foundations in Indonesia act as grant makers and intermediaries. As such, in the implementation of their programs, the family foundations need to build partnership with the institutions that play a role as program implementers.

Considering that the target beneficiaries of the family foundation programs are located in the regions, hence the main partner of family foundations is the regional government. The local government functions as the

data/information provider required to support the implemented programs. In addition, the local government is also expected to be able to continue the programs that have been implemented and succeed in overcoming various problems that exist in the region.

At the same time, family foundations generally build partnerships with organizations/communities in the regions in implementing their programs. In an interview with one of the family foundations, it was explicitly stated two requirements of the organizations to become a partner in implementing the program, i. e., related to experience/experts in the field that the program focused on and have good accountability.



For this [name of program], we spend almost [amount of funds] every year and we only have 3 staff because we believe there must be good partners out there who are experts and who can indeed have accountability.

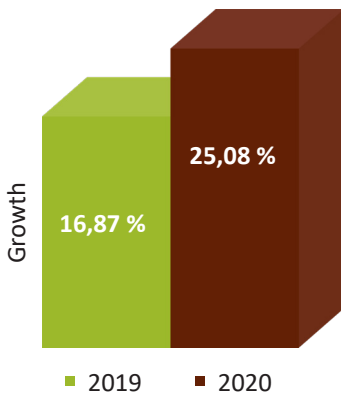
— Interview with a Family Foundation



CONTRIBUTION TO THE DEVELOPMENT

Trends in Family Foundation Fund Distribution

To evaluate the distribution trend of family foundations, we analyzed activity reports published by the family foundations. Furthermore, we also used qualitative data to explain the work programs that were carried out.



In a total of three years, the activities of the family foundation managed to disburse at least Rp. 959,977,731,532. Although this figure could not represent all the contributions made by the family foundations, based on year to year, the funding allocation growth percentage that was done by the family foundations continued to increase.

Table 2. Allocation of Philanthropic Funds per Year

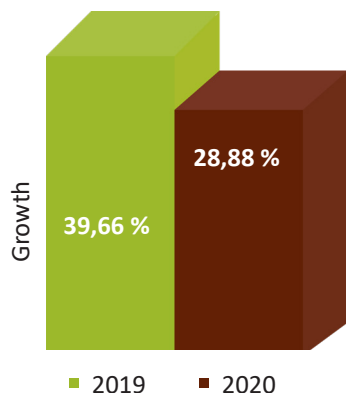
NO	YEAR	ALLOCATION
1	2018	263.800.851.532
2	2019	308.309.000.000
3	2020	387.867.880.000
TOTAL		959.977.731.532

** data processed was only from family foundation organizations that published sources of funding.*

The highest increase occurred in 2020, which was 25.8%. The growth percentage increased by 8.9% compared to the growth in 2019, which was 16.87%. The COVID-19 pandemic in Indonesia contributed to increasing the philanthropic activities carried out by the founders of family foundations.

Trends in Family Foundations Program Beneficiaries

To evaluate the beneficiaries of the family foundations, we analyzed the activity reports published by the family foundations. Furthermore, we also used qualitative data to explain the work program was carried out.



In a total of three years, the activities of the family foundation have succeeded in reaching 2,404,494 beneficiaries. Although this figure could not represent all the contributions made by family foundations, based on year to year, the percentage growth of beneficiaries that made by the family foundations continued to increase.

Table 3. Direct beneficiary of the Family Foundation per Year

NO	YEAR	ALLOCATION
1	2018	572.980
2	2019	800.213
3	2020	1.031.301
TOTAL		2.404.494

*data processed was only from family foundation organizations that published sources of funding.

The largest beneficiaries were recorded in 2020. The COVID-19 pandemic in Indonesia appeared to increase the philanthropic activities carried out by the founders of family foundations.

Family Foundation Contribution to Education

Table 4. Allocation of Education Program Funds per Year

NO	YEAR	ALLOCATION
1	2018	688.000.000
2	2019	752.000.000
3	2020	10.845.000.000
	TOTAL	12.285.000.000

**data processed was only from family foundation organizations that published funding allocations for educational programs from 2018 - 2020.*

In the field of education, the contribution of family foundations in 2018 – 2020 reached Rp. 12,285,000,000. This figure continues to increase. Although the growth percentage in the allocation of family foundations to educational programs needed to be evaluated carefully, in general, there was a significant increase occurred in 2020.

The activity mostly carried out by family foundation organizations in education is empowerment, including providing educational scholarships, capacity building for teachers, students, and the community, infrastructure development or opening study houses, and school equipment assistance.

The program is not only about education, but also empowerment, building community’s capacity to be able to have their own business, independence, and so on, all the way to school building infrastructure.

— Interview with a Family Foundation

Family Foundation Contribution to Hunger Eradication Program

Table 5. Allocation of Philanthropic Funds per Year

NO	YEAR	ALLOCATION
1	2018	2.214.000.000
2	2019	5.340.000.000
3	2020	100.000.000
	TOTAL	7.654.000.000

** data processed was only from family foundation organizations that published funding allocations for hunger eradication programs*

In the hunger eradication program, the contribution of family foundations during 2018 – 2020 reached Rp. 7,654,000,000. Based on year to year, it was found that the largest contribution of family foundations was in 2019.

Most of the activities carried out by the family foundation organizations in the hunger eradication program included providing food assistance, especially during a disaster.

Data from the National Disaster Management Agency (Badan Nasional Penanggulangan Bencana, BNPB) showed that throughout 2019, there were no less than 3,768 natural disasters that occurred in Indonesia, both hydrometeorological and geological disasters. Of all these disasters, BNPB noted that 478 people died, 109 people were missing, 3,419 people were injured, and 6,117,707 people were evacuated. Meanwhile, the damage occurred included house damages (73,427 units) and public facilities, around 2,017 units. The public facilities included 1,121 educational facilities, 684 worship facilities, and 212 health unit facilities. In addition, there were also 274 offices and 442 bridges that were damaged.

Family Foundations Contribution to Health

Table 6. Annual Health Program Fund Allocation

NO	YEAR	ALLOCATION
1	2018	12.056.000.000
2	2019	21.466.000.000
3	2020	71.838.000.000
	TOTAL	105.360.000.000

**data processed was only from family foundation organizations that published allocations of health programs*

In the health program, the contribution of family foundations during 2018 – 2020 reached Rp. 105,360,000,000. Based on year to year, the largest contribution of family foundations was in 2020. The COVID-19 pandemic appeared to have encouraged HNWI's generosity to provide humanitarian assistance to people in Indonesia.

The types of activities carried out by the family foundation organizations in health programs are as follows:

- Providing nutritional assistance to children in the early stages of life;
- Posyandu revitalization program and capacity building of posyandu volunteers;
- Distributing donations to medical personnel and volunteers, and workers who are still working outside their homes;
- Providing free health services in collaboration with medical personnel at the Pasar Minggu Public Health Center;
- Assistance for COVID-19 such as oxygen and masks;
- Reducing the impact of the dangerous infectious diseases such as dengue fever.

Family Foundations Contribution to the Infrastructure Development

Table 7. Annual Infrastructure Development Program Fund Allocation per Year

NO	YEAR	ALLOCATION
1	2018	4.200.000.000
2	2019	16.198.000.000
3	2020	2.000.000.000
	TOTAL	22.398.000.000

**data processed was only from family foundation organizations that published allocations to infrastructure development programs*

In the infrastructure development program, the contribution of family foundations during 2018 – 2020 reached Rp. 22,398,000,000. Based on year-to-year, the largest contribution of family foundations was in 2019.

The main factor of the contribution amount was the rehabilitation in Lombok area following an earthquake in 2018. Based on BNPB data, the earthquake in the West East Nusa area resulted in 555 deaths, 390,529 lives of the residents were evacuated, and 80,588 houses were damaged.

DRIVING FACTORS FOR FAMILY FOUNDATIONS DEVELOPMENT

Driving Factors

This study found that five important points that can be the driving factors of family foundations development, namely freedom in designing programs, the government's positive response to family foundations, partnering with implementing organizations who have the expertise and innovation to follow advancement, good communication with beneficiaries and lastly, family foundations build a good accountability system.



Freedom in Designing Programs

The interview results with one of the family foundations showed that the board's freedom in designing a program is one of the factors that can encourage the development of family foundations. The support shown by the founder certainly cannot be separated from financial support as one of the funding sources from the family foundations.

So the funding is purely comes from the family members, and what interests me is that we have the freedom to choose the best programs to be implemented.

— Interview with a Family Foundation

Government's Positive Response

The role of the government also seems to have an impact on family foundations, especially related to collaboration and the data provision support that can assist the implementing process of the programs that have been determined.

The program has been implemented for 10 years with the regional government's approval, collaboration with District Health Office, especially with the government. This is a novel thing for us to do.

— Interview with a Family Foundation

Experienced Partners

Based on the previous explanation, the family foundations are not only engaged in education and economics but also in other fields such as health. Thus the availability of the experts in running the programs, especially in the health sector, is one of the main requirements for successful program implementation and significantly impacting the beneficiaries.

We believe that there is indeed a good partner out there with the expertise. So, the second factor is always seeking partners who have innovative ideas and also have accountability.

— Interview with a Family Foundation

Accountability

The accountability referred as a driving factor in this study is interpreted not only as the accountability of program implementation partners but also as all mechanisms that family foundations must have. The accountability improvement that the family foundations have is expected to increase the public's confidence on the role given by family foundations.

So every year, it's as simple as annual reports; we always present the allocated funding to the public.

— Interview with a Family Foundation

So there is, of course, an audit process; another party. For the financial aspect, we must have audit. There is an external audit that will later be opened. So every partner who would like to read the audit report can; there should not be a problem, and that is from the external audit side

— Interview with a Family Foundation

Beneficiaries

Beneficiaries do not only play the role in accepting the implemented program but further they are also an important indicator in developing family foundation. Transformation occurring in the family foundation is expected to be followed by the beneficiaries. The community's understanding regarding the implementation of philanthropic programs needs to be improved.

First, we have to increase the community's awareness of the program. The increase in awareness will help lessen the resistance from the community. We explained that the old way is no longer relevant at the moment. Communication is the key; that, time indeed has changed

— Interview with a Family Foundation

INHIBITING FACTORS OF FAMILY FOUNDATIONS DEVELOPMENT

Inhibiting Factors

This study found that there were four inhibiting factors to the development of family foundations in Indonesia, namely:



COVID-19 Pandemic

The COVID-19 pandemic has forced all parties to adapt quickly. This condition is also experienced by family foundations, especially during the implementation of the programs. The family foundations also observed that changes in work patterns that occurred during the pandemic could affect the results of the programs that have been implemented.

The COVID-19 pandemic makes us run activities at the same time, right? Although we need to think to process data even though (on the other side) the participants need more time to focus and engage with the program. When we think, there is another meeting that we attend, so as you can imagine, our thinking is no longer sharp. There is a lack of in-depth skills that is given.

— Interview with a Family Foundation

Company's CSR

As one of funding sources of family foundations, the company's CSR is aimed at specific beneficiaries. As a result, programs that have been designed by family foundations cannot be funded using the company's CSR funding sources because the beneficiaries of family foundations were not aligned with the company's CSR.

Company's CSR has specific criteria, which should be close to the company's operational area or the program's objective that is usually not clear, sorry to say.

— Interview with a Family Foundation

Beneficiaries

One of the factors that hinder the implementation of the running program is the beneficiaries of the program. This study found that there were still many beneficiaries who could not differentiate between charity and philanthropy programs. For example, in the economic empowerment program, the community still value incentive/aid (such as money/the nine essential staples) that given over the benefit of the program, such as being independent economically.

The concept of philanthropy is unfamiliar in Indonesia. Indonesian understand the concept of charity but not philanthropy; both are different.

When we visited our beneficiaries (teachers, principals, schools) and the governments, there were some resistances coming from the community because we were considered to threaten their old customs. The way we transform their old customs into new one become the challenge for us.

— Interview with a Family Foundation

Government

This study found that the government not only had a role as the driving factor of family foundation development, but also played a crucial role that inhibited the implementation of programs carried out by the family foundations. When the government is open to partnerships with family foundations, the government acts as a supporter for family foundations. This role is indeed needed in carrying out the program.

This study found that the change of a leader also had an impact on the program sustainability that the family foundations have been implemented. The family foundation must re-establish communication with the new leader who will continue the leadership in the region.

Sometimes, the district leader (Bupati) changes, similar to what happened recently, at [one of the district] in which the winner was from opposition party. This situation confuses the subordinate's position; they may no longer be in that position. We were asked to wait since there is a possible issue of work transfer

— Interview with a Family Foundation

Sustainable Funding

Although the family foundation is identified as a philanthropic organization that can provide funding for the program, the fact shows that not all family foundations are free from issues related to sustainable funding. There are various ways to obtain sustainable funding for family foundations that do not have regular benefactors, one of which is via venture philanthropy.

Venture philanthropy is often defined as the grant provisions to organizations or social businesses to deliver a stronger impact and sustainability in the form of using a combination of monetary and non-monetary resources to support the development of non-profit organizations that provide social impact.

The family foundations consider that venture philanthropy can be used as a funding scheme for sustainable programs.



So far, we have focused more on grants, even though we do venture philanthropy, but we have not fully done this; we still see this as an innovation in funding since there is a risk of failure. In the future, we want to find out whether we can manage the philanthropic venture optimally, which means that the financial model will also be different, so whether the financial model can be profitable, we can roll it out for other work and so on.

— Interview with a Family Foundation

Collaboration for Impactful Action

This study portrayed awareness for multi-sectoral collaboration, including government, NGOs, and global parties, which began to increase among philanthropists. The compatibility of philanthropic programs with government programs is considered as one of the ways to increase the impact on the beneficiaries and also enable the programs to be run sustainably by family foundation.



At the same time, the family foundations also hope that political, security and economic stability need to be maintained so that activities can continue and provide benefits to the beneficiaries.

Sometimes, district leaders (Bupati) change, and the winner is from the opposing side. So, the position of the subordinate can be replaced by others. It affects our coordination with the government

— Interview with a Family Foundation

We finally decided that our strategy had to change. So, our program must always support what the local government is doing. So, we have to support; we don't want to move alone.

— Interview with a Family Foundation

This collaboration with the government is also expected to provide valid information regarding the profile of the beneficiaries that becomes the focus of each family foundation.

Utilization of Technology in Program Implementation

The COVID-19 pandemic that has hit Indonesia in the past two years has taught all organizations, including family foundations, to include technology elements in designing the planned activities. This is considered as a solution to ensure that the planned program continues and giving impacts to the beneficiaries.

Well, at the beginning of the pandemic, even before the pandemic, we have considered the importance of digitalization in the future. Hence, in early 2019, we started to think about how to incorporate the concept of digitalization into our program.

— Interview with a Family Foundation

However, we found that the technology usage faced challenges in the implementation, especially for community empowerment programs in rural area. This is because of infrastructure changes from offline to online, so it is not only related to the readiness of philanthropic organizations and the ability of beneficiaries in the regions.

Based on this condition, many philanthropic organizations have decided to run both online and offline programs.



Online is good, but it is not supported by the infrastructure available at the beneficiaries' regions. For example, we create links for A, B, and C beneficiaries. They have Android phones with only 2 or 3 GB RAM. So even if they access it, the loading process takes quite a long time, especially in the form of videos that we shared.

— Interview with a Family Foundation

RECOMMENDATION

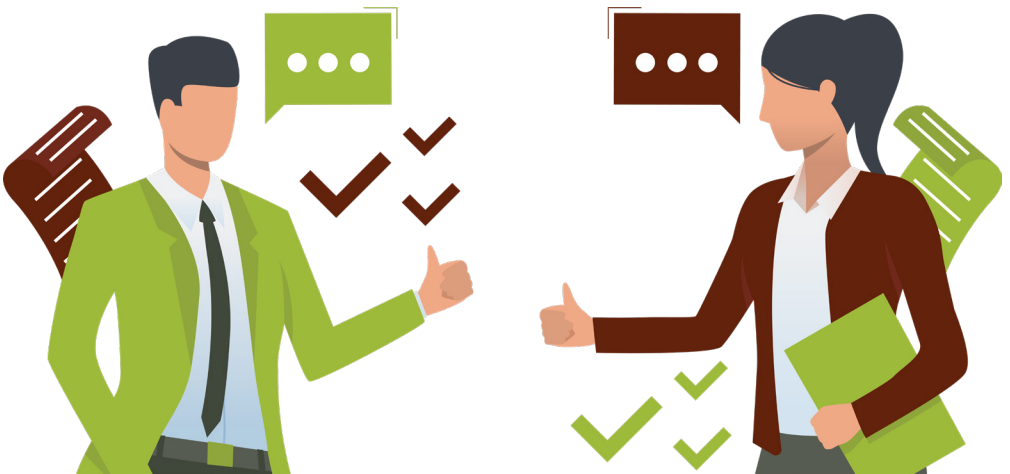
Although family foundations are identified as philanthropic organizations that capable of funding for the programs, the fact shows that not all family foundations are free from sustainable funding issues. There are various ways to obtain sustainable funding for family foundations that do not have regular benefactors, one of which is via venture philanthropy.



The synergy between government and philanthropy, especially family foundations, needs to be encouraged. The government can provide central information that provides more comprehensive data on beneficiaries and the needs of each region in Indonesia.



Based on the understanding that multi-stakeholder participation can significantly impact development, the government can continue the partnership programs that have been implemented so far to support the broader involvement of philanthropic organizations, especially family foundations.





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