Outline

• Examine changes in international grantmaking through 2006

• Discuss prospects for international giving
International Grantmaking Trends through 2006
## Growth of International Giving by U.S. Foundations
### 1994 to 2006

<table>
<thead>
<tr>
<th>Year</th>
<th>Dollar Amount</th>
<th>% Change</th>
<th>No. of Grants</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1994</td>
<td>$679.4 million</td>
<td>—</td>
<td>6,649</td>
<td>—</td>
</tr>
<tr>
<td>1998</td>
<td>$1.1 billion</td>
<td>57%</td>
<td>9,230</td>
<td>39%</td>
</tr>
<tr>
<td>2002</td>
<td>$2.2 billion</td>
<td>106%</td>
<td>11,294</td>
<td>22%</td>
</tr>
<tr>
<td>2006</td>
<td>$4.2 billion</td>
<td>92%</td>
<td>13,112</td>
<td>16%</td>
</tr>
</tbody>
</table>

Growth of International vs. Overall Giving by U.S. Foundations
2002 to 2006

- Change in International Giving:
  - Grant Dollars: 92%
  - Number of Grants: 16%

- Change in All Giving:
  - Grant Dollars: 21%
  - Number of Grants: 10%

Growth of International vs. Overall Giving by U.S. Foundations*
2002 to 2006

*Excluding Bill and Melinda Gates Foundation

Source: The Foundation Center, International Grantmaking IV, 2008. Based on a sample of more than 1,000 larger foundations.
Growth of International Giving by Foundation Type

2002 to 2006

International Giving as a Share of Overall Foundation Giving
1982 to 2006

Domestic and International Grant Dollars
2006

- Domestic: $14.9 billion (78%)
- International: Overseas Recipients: $1.9 billion (9.9%)
- International: U.S.-Based Recipients: $2.3 billion (12.1%)

Growth of Overseas vs. U.S.-based International Giving
2002 to 2006

Source: The Foundation Center, International Grantmaking IV, 2008. Based on a sample of more than 1,000 larger foundations.
Total Overseas Giving = $1.9 billion

- Asia & the Pacific: 11.5%
- Sub-Saharan Africa: 18.1%
- Latin America: 6.6%
- Canada: 1.9%
- E. Europe, Russia, & Independent States: 3.3%
- N. Africa & the Middle East: 3.2%
- For Other Regions: 12%

Source: The Foundation Center, *International Grantmaking IV, 2008*. Based on a sample of more than 1,000 larger foundations.
Giving to U.S.-Based International Programs by Major Region
2002 and 2006

Source: The Foundation Center, International Grantmaking IV, 2008. Based on a sample of more than 1,000 larger foundations.
International Giving by Major Program Area
2002 and 2006

2002
Total = $2.2 billion

- Health 32%
- Int'l Development 13%
- Environment 8%
- Social Sciences 8%
- Public Affairs/Society Benefit 7%
- Education 8%
- Int'l Affairs 9%
- Religion 3%
- Human Rights 6%
- Science 2%

2006
Total = $4.2 billion

- Health 43%
- Int'l Development 21%
- Environment 8%
- Education 6%
- Int'l Affairs 6%
- Religion 1%
- Science 1%
- Social Sciences 4%
- Arts 4%
- Public Affairs/Society Benefit 4%
- Human Rights 3%
- Religion 1%
- Science 1%

Source: The Foundation Center, International Grantmaking IV, 2008. Based on a sample of more than 1,000 larger foundations.
The following is an examination of trends in foundation giving priorities during times of financial difficulty. It is part of an ongoing Foundation Center research series intended to shed light on the potential impact of the current economic downturn on the nonprofit sector.

Do Foundation Giving Priorities Change in Times of Economic Distress?

As nonprofit organizations brace themselves for the possibility of reduced charitable giving, we have been asked whether specific funding areas may be more vulnerable to cuts than others. For example, do foundations reduce their funding for the arts to increase support for social services, or do they cut back on international giving to address increased domestic demands? Some fear that society in general, and grantmakers in particular, may not place as high a value on staging a new symphony, funding economic development activities in Africa, or preserving green space at a time when domestic unemployment is rising and the social safety net is growing weaker.

While we cannot guarantee that future actions will mirror past behavior, an examination of giving by U.S. foundations during the economic downturn of the early 2000s suggests that overall grantmaking priorities do not shift suddenly in the face of reduced resources and over the longer term are remarkably consistent.

Foundation Giving Trends by Major Field, 1999 to 2005

[Graph showing trends in foundation giving by major field from 1999 to 2005]
Prospects for International Grantmaking
Estimated International Giving Through 2007 for All U.S. Foundations

<table>
<thead>
<tr>
<th>Year</th>
<th>Billions of Dollars</th>
</tr>
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<tbody>
<tr>
<td>'98</td>
<td>$1.6</td>
</tr>
<tr>
<td>'99</td>
<td>$2.0</td>
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<tr>
<td>'00</td>
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<tr>
<td>'06</td>
<td>$5.0</td>
</tr>
<tr>
<td>'07</td>
<td>$5.4</td>
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</tbody>
</table>

International Grantmaking Survey
“Compared with 2007, do you expect your foundation’s total international giving in 2008 to increase, decrease, or remain the same?”

- Increase: 47%
- Decrease: 7%
- Remain About the Same: 46%

“Over the next two or three years, how do you expect the total amount of international giving by U.S. foundations to change?”

Survey Response

“Because of the recent downturn in the U.S. economy, U.S. foundations are likely to turn their focus more to domestic rather than international issues.”

Negative Factors Affecting International Giving

• Stock Market Downturn
  – decline in foundation assets

• Economic Recession
  – decline in foundation assets
  – increase in domestic needs
Mitigating Factors Affecting International Giving

- Asset averaging
- Increased payout
- New gifts into foundations
- Establishment of new foundations
- Consistency of funding priorities
- Greater urgency to address global problems
International Grantmaking IV
Recent Trends and the Outlook for Giving in Challenging Times

April 3, 2009

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