INTERNATIONAL FUNDRAISING

Business models and challenges for monitoring agencies

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International Fundraising ???

Does it really matter?

How does it look like?

How will it develop?
Does it really matter?  
Yes and No...

- Big companies and big foundations increasingly have an international perspective
- More and more special consulting services
- INGOs are growing
- The vast majority of charities still restrict their fundraising activities to their national boundaries
- Tax systems still “prefer” national fundraising
- National fundraising markets still show significant differences with respect to “donation culture”
How does it look like?

- International NGOs (INGO)
- “LookALikes”
- Direct cross-border fundraising
- Online Platforms
How will it develop?

• Slowly – like it did in the past 20 years
• As a completion to national fundraising – not as an alternative
• Online giving will create the main dynamism
INGOs

- Headquarter and national affiliates
- Increasing coordination of fundraising methods and cross-border investment in fundraising
- Different degree of cooperation in their program activities
- Coordinated or consolidated financial statements
"LookALikes"

- Look like a charity but are not more than a legal body + mailbox + lawyer
- One central body – mostly in the U.S. – has the ownership and receives the donation transfers from its "look-alikes"
- Poor transparency and lacking accountability
Direct cross-border fundraising

- Bordercrossing fundraising without INGO structure
- “Hein-Persche” case slowly opens tax borders
- Consulting firms provide increasing training
Online Platforms

- www.betterplace.org proposes thousands of projects worldwide – with or without public benefit status
- Internet community has no borders
- “direct” access to beneficiaries seems attractive
Challenges for monitoring agencies

• Money flow difficult to follow
• Clear responsibilities and accountability?
• Truthful information on international structure?
• Outsourcing of costs and difficulties
• How to monitor online platforms?
How does DZI handle INGOs?

- International audit report if > 50% of program expenditures on the international level
- Applicable international costs for administration and fundraising included in the national number
- Truthful information on international structure
- International subsidies for fundraising campaigns do not influence DZI cost calculation
More Information?

www.dzi.de

Thanks!