## **Corporate Foundations**

Presented by Eli de Castro

**Executive Director** 

League of Corporate Foundations (LCF)

### Outline

- 1. About LCF
- 2. Understanding Corporate Foundations
  - 1. What are CFs?
  - 2. Why corporations engage in partnerships
  - 3. Types of partnerships
  - 4. What do CFs look for when engaging in partnerships?
  - 5. Challenges for NGOs
  - 6. Advantages of partnerships
  - 7. Lessons learned from partnerships

# The League of Corporate Foundations is...

- a network of over 70 operating and grantmaking corporate foundations and corporations
- an advocate of the effective practice of Corporate Social Responsibility (CSR)

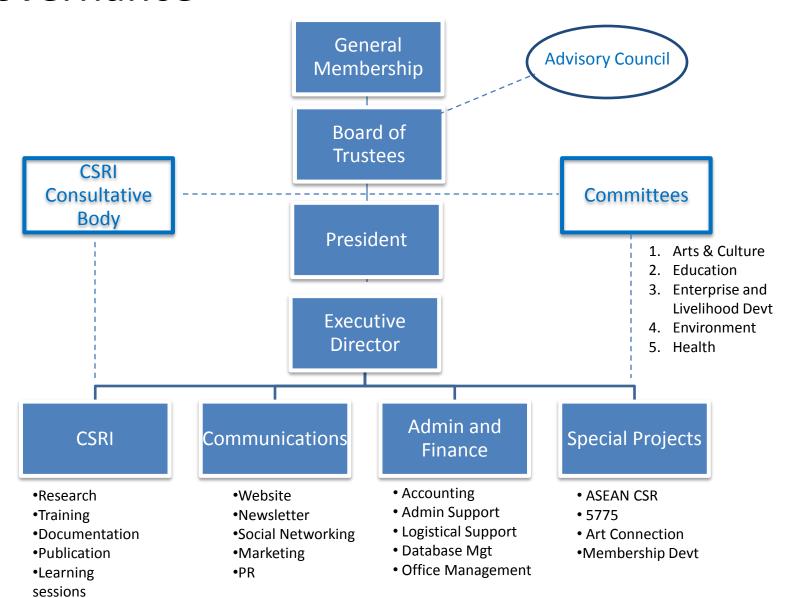
#### **OUR MISSION:**

To promote and enhance the effective practice of Corporate Social Responsibility (CSR) among its members and the larger business community, thus contributing to sustainable national development.

#### **OUR VISION:**

To be the driving force in the formation of a highly-committed business sector working effectively with communities and partner institutions toward the attainment of equitable and sustainable development

#### Governance





A division of the LCF that provides capacity development and learning resources for CSR practitioners, the academe, and the private sector.

- Projects & Events:
  - Kapihan sa CSRI
  - Gearing Up Your CSR Program
  - Training Sessions and Professional Development
  - Partnership with CHED, PCDEB, MAP

### Committees

- Arts & Culture
- Education
- Enterprise & Livelihood Development
- Environment
- Health

## Membership profile

CAR	6
NCR	21
I	6
II	4
III	5
IVA	10
IVB	5
V	6
VI	3
VII	7
VIII	2
IX	2
X	3
XI	7
XII	2
XIII	2
ARMM	1



## PARTNERSHIPS OF LCF

# **Local Partnership: 57-75 Education Reform Movement**



- "57-75": inspired by the National Achievement Test Results
- Features:
  - Focused interventions
  - Accountability for results
  - Community involvement
  - Multi-sector participation
  - Potential for scale
- The 57-75 Consortium:
  - League of Corporate Foundations
  - Ateneo Center for Educational Development
  - Foundation for Worldwide People Power
  - Philippine Business for Education
  - Philippine Business for Social Progress
  - Synergeia Foundation

### CSR Walkabout: Partnership with Academe



### CSR Walkabout: Partnership with Academe

- Participating LCF members
  - Pilipinas Shell
  - Ang HortalezaFoundation (formerly Splash Foundation)
  - Globe Telecom
  - Petron Foundation
  - BPI Foundation

- Team Energy Foundation
- Coca-Cola Foundation
- Zuellig Family Foundation
- Manila Water
- Lopez Group Foundation
- Energy Development
   Corporation (EDC)
- Figaro Corporation

# Regional Partnership: ASEAN CSR Network



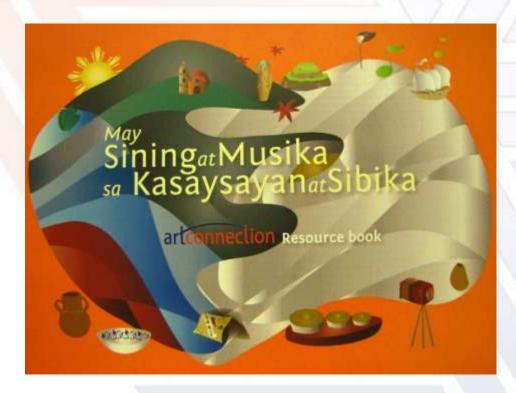




# International Partnership:



- A pilot teacher training program funded by Charities
   Aid Foundation of Australia
- Sourcebook for teachers



### **LCF CSR Expo-Conference**











July 8 to 10, 2009 \* Hotel Intercontinental Manila







# UNDERSTANDING CORPORATE FOUNDATIONS

 Corporate foundations are established by a business entity to be the social development arm to deliver CSR to its clients and stakeholders.

### Why corporations engage in CSR

Moral Obligation

License to Operate

Reputation

Sustainability

## **Corporate Foundations**

- Social arm of parent company
- Governance
  - Board members
  - Sustainable Development
  - Social Performance
  - External Affairs

- Types of Partnerships
  - -Service contracts
  - Operation and management contracts
  - –Leasing-type contracts
  - -Build-operate-transfer (BOT)
  - -Design-Build-Finance-Operate (DBFO)

- What do CFs look for in considering a partnership as the best approach in delivering CSR?
  - 1. Value proposition
  - Track record of NGO (V-M, governance, delivery mechanism, transparency)
  - Common stakeholder issues
  - 4. Sustainability plan
  - 5. Systems capacity
  - 6. Transparency
  - 7. Accountability
  - 8. Data management

- Challenges in NGO-CF partnerships
  - Bridging the gap in standards and parameters
    - Corporate culture of CFs vis-a-vis NGO perception
  - Perception: CFs have a lot of money
  - Reporting systems
  - Roles and responsibilities must be clearly defined
  - Donor-driven VS mandate-driven propositions
  - Output/results-driven VS process-driven
  - Financial management (fund utilization and accountability)
  - Quality standard of outputs: ISO 26000

- Advantages of Partnerships with CFs
  - raises the bar of performance-related programs
  - Pollination of corporate practice in NGO partners
  - Imbibing business sense to increase reach to beneficiaries & empowering partners
  - Share risks and rewards
  - Potential to reduce life-cycle cost
  - Improve service quality

- Lessons Learned:
  - Start with getting to know potential partners
  - High degree of transparency and accountability determines the likelihood of success or failure of partnerships
  - Balancing donor-driven VS mandate-driven propositions

#### Recommendations to NGOs

- Know the social impacts of the industry
- Draw interest from corporate foundations
- Creativity in partnerships
- Development of capabilities
- ICT in NGO community
- Proposal development
- Transparency
- Accountability



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