



Global Philanthropy
Tracker 2023
Executive Summary



IUPUI
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Lilly Family School of Philanthropy

Introduction

The *Global Philanthropy Tracker (GPT)* is a first-of-its-kind research effort to measure cross-border donations from individuals and organizations around the world. The *2023 GPT*, the 11th edition of the index, bridges the gap between an increasing need for philanthropy and the lack of knowledge about the scope of cross-border giving. Findings presented in this report are based on philanthropic outflows from 47 countries in 2020, or the most recently available year, as well as three externally tracked resource flows: official development assistance (ODA), remittances, and private capital investment (PCI). By reporting on these flows, the *GPT* demonstrates how civil societies, governments, businesses, and individuals collaborate to address societal issues around the globe.

The 47 countries included in the report contributed USD 70 billion in philanthropic outflows in 2020, showing that despite the negative economic, health, and social consequences of the COVID-19 pandemic, philanthropy was a resilient cross-border resource flow. The other two private cross-border resource flows were more altered by global crises. Specifically, while remittances saw a large increase in 2020 as migrants sent more money back home to support their families during the pandemic, PCI suffered from a severe decline as the global economy was hit hard.

The global challenges of 2020, from social injustice to the COVID-19 pandemic and climate disasters, put the philanthropic sector to the test and provided an opportunity to reconceptualize the role of philanthropy in foreign aid and sustainable development. For example, the health crisis inspired generosity worldwide as people mobilized to help others in need. Technology-enabled forms of giving like crowdfunding, crypto donations, and mobile giving offered instant and contact-free ways for people to support others despite lockdowns (Indiana University Lilly Family School of Philanthropy, 2022). International organizations initiated funds to combat the pandemic, such as the World Health Organization's (WHO) COVID-19 Solidarity Response Fund, which raised over USD 256 million

from nearly 680,000 individuals and organizations around the world between March 2020 and December 2021 (WHO, 2021).

Philanthropy serves as an innovator, promoter, and cross-sector collaborator at the local and global level, yet the findings of the *2023 GPT* indicate that there are avenues for improvement. Based on the findings of this report, the *2023 GPT* suggests: the **enhancement of local philanthropic ecosystems through regional collaborations**, the establishment of mechanisms to **mobilize local philanthropy in addressing global challenges**, and the development of **international standards for data tracking and the promotion of data transparency** on specific issue areas, especially climate and racial justice. Leveraging the lessons from 2020 will determine the success of our responses to current and future global issues.

Key Findings

The 47 countries covered in the 2023 GPT have varying levels of economic development and represent every world region. Together, they accounted for 22 percent of all countries and economies worldwide, 61 percent of the global population, and 85 percent of global gross domestic product (GDP) in 2020.

THE LANDSCAPE OF CROSS-BORDER PHILANTHROPIC OUTFLOWS AMONG 47 COUNTRIES

1. In 2020, these 47 countries contributed USD 70 billion in philanthropic outflows,¹ and USD 841 billion when adding together all four cross-border resource flows—philanthropic outflows as well as ODA, individual remittances, and PCI (see Figure 1). Philanthropic outflows represent 8 percent of the total cross-border resources.

FIGURE 1. TOTAL CROSS-BORDER RESOURCES FROM 47 COUNTRIES BY FLOW, 2020 (in billions of inflation-adjusted 2020 US dollars)

Total Amount: USD 841 Billion



Source: Indiana University Lilly Family School of Philanthropy, 2023 Global Philanthropy Tracker

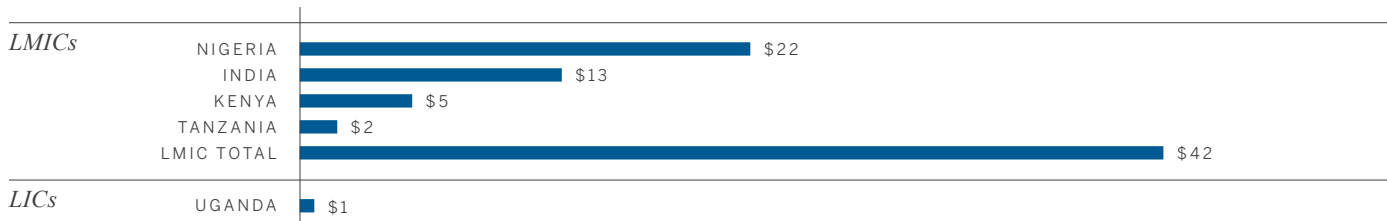
Data: ODA and PCI from OECD; Remittances from the World Bank; Philanthropic outflows from various sources researched by the Indiana University Lilly Family School of Philanthropy and shared by partner organizations for some countries. See Appendix A for specific data sources for each country included.

¹ The data on philanthropic outflows from the 47 countries included in this report vary in terms of data quality. The data discussed in this report, therefore, may underestimate the true scope of philanthropic outflows in some cases.

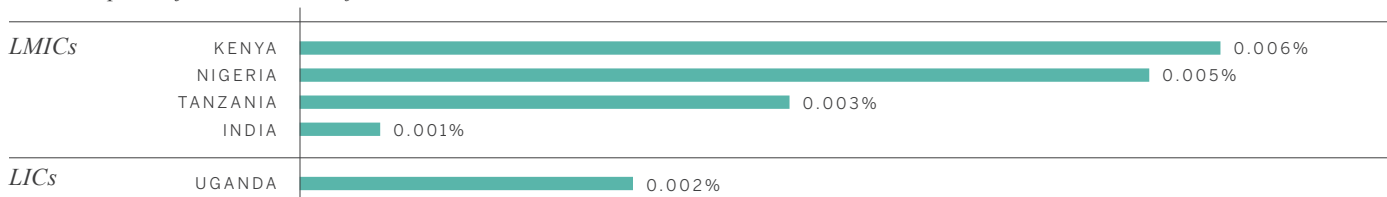
2. In 2020, of the 47 countries, the five in the low-income and lower-middle income groups donated a total of USD 42 million to other countries (see Figure 9); the 10 upper-middle income countries contributed around USD 644 million (see Figure 10); and the 32 high-income countries contributed nearly USD 70 billion (see Figure 11) of cross-border philanthropy.

FIGURE 9. PHILANTHROPIC OUTFLOWS FROM LOW-INCOME AND LOWER-MIDDLE INCOME COUNTRIES, 2020

Philanthropic Outflows (in millions of inflation-adjusted 2020 US dollars)



Philanthropic Outflows as a Share of Gross National Income



Source: Indiana University Lilly Family School of Philanthropy, 2023 *Global Philanthropy Tracker*

Data: GNI from the World Bank; Philanthropic outflows from various sources researched by the Indiana University Lilly Family School of Philanthropy and shared by partner organizations for some countries. See Appendix A for specific data sources for each country included.

Note: LMICs: Lower-middle income countries; LICs: Low-income countries.

FIGURE 10. PHILANTHROPIC OUTFLOWS FROM UPPER-MIDDLE INCOME COUNTRIES, 2020

Philanthropic Outflows (in millions of inflation-adjusted 2020 US dollars)



Philanthropic Outflows as a Share of Gross National Income



Source: Indiana University Lilly Family School of Philanthropy, 2023 *Global Philanthropy Tracker*

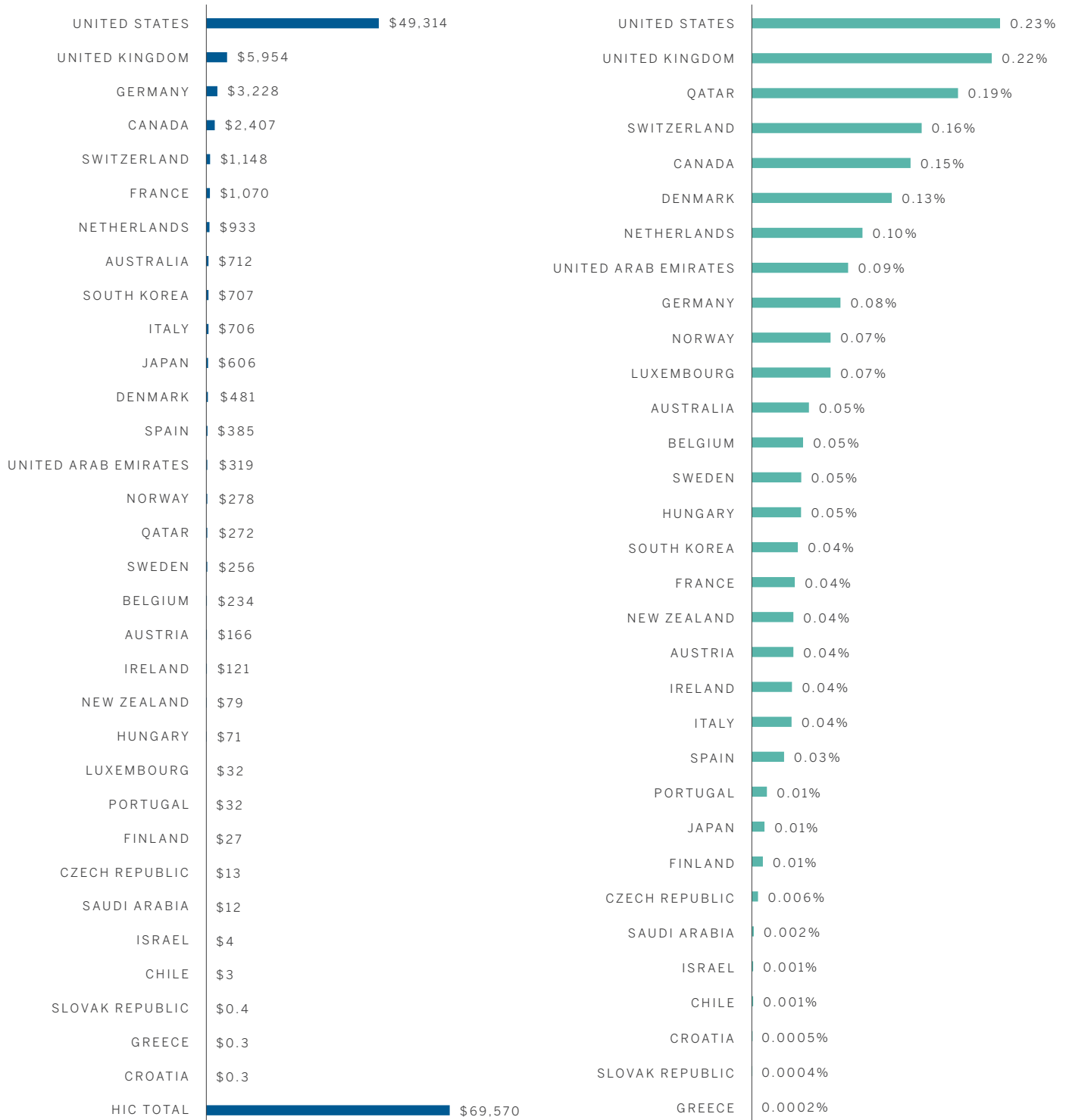
Data: GNI from the World Bank; Philanthropic outflows from various sources researched by the Indiana University Lilly Family School of Philanthropy and shared by partner organizations for some countries. See Appendix A for specific data sources for each country included.

Note: UMICs: Upper-middle income countries.

FIGURE 11. PHILANTHROPIC OUTFLOWS FROM HIGH-INCOME COUNTRIES, 2020

Philanthropic Outflows (in millions of inflation-adjusted 2020 US dollars)

Philanthropic Outflows as a Share of Gross National Income



Source: Indiana University Lilly Family School of Philanthropy, 2023 *Global Philanthropy Tracker*

Data: GNI from the World Bank; Philanthropic outflows from various sources researched by the Indiana University Lilly Family School of Philanthropy and shared by partner organizations for some countries. See Appendix A for specific data sources for each country included.

Note: HICs: High-income countries.

CHANGES IN PHILANTHROPIC OUTFLOWS SINCE 2018

3. The combined level of cross-border philanthropic outflows and the other three resource flows from the 47 countries declined slightly by 2 percent when adjusted for inflation, from USD 859 billion² in 2018 to USD 841 billion in 2020 (see Table 3).

- Philanthropy proved to be resilient during the year 2020, with only a small decline of 0.5 percent from USD 71 billion in 2018. About 60 percent of the 47 countries had updated data that are directly comparable to the amount in 2018. Among this subgroup of countries, philanthropic outflows went up modestly by around 4 percent, though the change varied greatly by country.
- ODA remained at a similar level in 2018 and 2020, dropping by only 1 percent.

- Remittances saw the largest increase and remained the largest flow, growing by 19 percent between 2018 and 2020, from USD 496 billion to USD 590 billion. This can be attributed to their counter-cyclical nature, to stimulus packages from host-country governments leading to favorable economic conditions, as well as to movements toward digital and formal ways of money transfer that could be tracked by governments due to COVID-19 restrictions which increased the visibility of previously un-tracked remittances, and fluctuations in oil prices and exchanges rates (Kpodar et al., 2022).
- PCI showed a drastic decline from USD 112 billion in 2018 to USD 0.4 billion in 2020. This is due to the combined effects of the global economic recession, a depreciation in the value of investments, and reduced levels of foreign direct investment (FDI) on private capital flows (UNCTAD, 2021).

TABLE 3. TOTAL CROSS-BORDER RESOURCES FROM 47 COUNTRIES BY FLOW, 2018 AND 2020 (in billions of inflation-adjusted 2020 US dollars)

Financial Flows from 47 Countries	2020	2018	% Change from 2018 to 2020
REMITTANCES	\$590	\$496	19%
OFFICIAL DEVELOPMENT ASSISTANCE (ODA)	\$180	\$181	-1%
PHILANTHROPIC OUTFLOWS	\$70	\$71	-0.5%
PRIVATE CAPITAL INVESTMENT (PCI)	\$0.4	\$112	-100%
TOTAL	\$841	\$859	-2%

Source: Indiana University Lilly Family School of Philanthropy, 2023 *Global Philanthropy Tracker*, 2020 *Global Philanthropy Tracker*

CROSS-BORDER PHILANTHROPIC OUTFLOWS BY CAUSE AND RECIPIENT REGION

4. Education and health remained the top two most supported charitable causes, as in 2018, each receiving cross-border donations from 9 countries in 2020, based on a subgroup of 14 countries with available data. These causes directly align with UN Sustainable Development Goals (SDGs) 4 and 3 (Quality Education and Global Health and Well-Being, respectively). Most countries with available data did not detail how their causes aligned with the SDGs, and only a portion of those causes could be categorized within the SDG framework.

5. Africa was the region cited most frequently as a top recipient of philanthropic support, according to countries that reported data on this matter. Among the subgroup of countries that reported data on recipient countries or regions, 15 cited Africa, 9 cited Asia, and 9 cited Europe. Compared with 2018, Africa and Asia remained the top two regions supported by cross-border philanthropy, while the number of countries that gave to Europe increased in 2020.

THE FUTURE OF CROSS-BORDER PHILANTHROPY

6. Technological innovations and innovative ways of giving have the potential to revolutionize cross-border philanthropy. The proliferation of emerging giving vehicles, such as crowdfunding, crypto donations, and collaborative global funds have facilitated and accelerated both local and global philanthropy during the COVID-19 pandemic.

7. The findings emphasize the need for increased collaboration between countries, sectors, and philanthropic actors, and highlight the importance of improved data collection on new areas of giving, a better reporting structure to capture giving that supports the SDGs, and more intentional data tracking efforts to enhance diversity, equity, and inclusion in global giving.

8. Cross-border philanthropy can be bolstered by highlighting and utilizing the expertise and dedication of diaspora communities who, especially during times of crisis, rally and provide targeted and informed philanthropic relief to their home countries.

² In this report, all currencies were adjusted into 2020 USD values.

Suggestions

The *2023 GPT* identifies three opportunities for the international community to bolster the role of philanthropy in sustainable development. By leveraging the lessons learned, leaders can respond appropriately to current and future challenges.



Enhance Local Philanthropic Ecosystems Through Regional Collaborations

The increasing number of natural and human-made disasters highlights the need for an improved ecosystem for cross-border philanthropy, especially through local grassroots organizations and their leadership, which are often the first responders in times of crisis. With regional collaborations, philanthropic organizations have the potential to advance the local and global philanthropic ecosystem with knowledge sharing, local capacity building, and advocacy work. These organizations could also facilitate the connections and communication between international donors and local philanthropic organizations to enhance equity and cultural awareness in cross-border philanthropy.



Establish Mechanisms to Mobilize Local Philanthropy in Addressing Global Challenges

During the COVID-19 pandemic, several innovative initiatives proactively cultivated a more enabling environment when traditional channels of sending and receiving cross-border philanthropy weren't accessible, a finding that is reinforced in the *2022 Global Philanthropy Environment Index*.³ Philanthropic organizations could implement novel ways of giving to reinforce local philanthropy and provide more equitable, localized funding. Additionally, local, regional, and global philanthropic actors could support donors navigating the regulatory and administrative requirements of foreign donations by providing official guidelines and best practices for cross-border giving.



Develop International Standards for Data Tracking and Promote Data Transparency

There is a dearth of data on cross-border giving to specific causes, such as giving to fight climate change or racial injustice and inequity. Concerns related to climate change have become increasingly relevant and necessary in the past few decades, and racial justice and racial equity are long-standing global concerns, caused by pervasive and systemic racism, colonialism, and xenophobia. This significant lack of public data presents an ongoing challenge to fully understanding the patterns and trends of cross-border generosity. It also limits our understanding of the role that philanthropy plays globally, especially during global crises like the COVID-19 pandemic, when all sectors are called upon to respond. Promoting data sharing and transparency, building infrastructure for systematic data collection, and establishing international standards for data reporting could help improve data availability and quality in the long term and support individual and institutional donors to make informed, data-driven decisions.

³ Published by the Indiana University Lilly Family School of Philanthropy, the *Global Philanthropy Environment Index* examines the enabling environment for philanthropy within a country and across countries. For more information, visit <https://globalindices.iupui.edu/index.html>.

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