WINGS
ELEVATING PHILANTHROPY

Enabling and Partnering with Philanthropy: A Guide for Governments and Policymakers

Executive Summary

Governments today face a convergence of pressures that affect their capacity to implement local development policies. Official development assistance is declining, climate commitments continue to outpace fiscal capacity, and social inequalities are deepening in ways that public institutions alone cannot address. This is not simply a funding gap; it reflects a structural shift in how development must be financed and delivered.At the same time, significant private resources exist that are not yet fully mobilised for public good. Global estimates suggest that philanthropy already contributes between $885 billion and $1.3 trillion annually, with far greater potential as wealth continues to grow and transfer across generations (CitiWarrants, 2024, ClimateWorks, 2025). Yet in most countries, philanthropy remains an underutilised development resource, not because of a lack of generosity, but because of unclear legal frameworks, weak incentives, administrative friction and the absence of structured engagement between governments and philanthropic actors.

The result is a widening gap between the scale of development challenges and the resources currently flowing toward effective solutions. This gap is not inevitable. It can be addressed, in part, through deliberate policy design.

The fiscal opportunity is concrete. In Africa, if just 0.5–1% of total private wealth was channelled annually into structured local philanthropy, governments could mobilise an additional $14–28 billion per year – without a single dollar of new public expenditure. In Latin America, comparable flows would generate $50–100 billion annually. In the Asia-Pacific region, home to the world's largest concentration of private wealth, channelling 0.5–1% into structured philanthropy would yield between $840 billion and $1.68 trillion per year – exceeding total global official development assistance.

Philanthropy – understood as private resources, both financial and non-financial, directed toward public good – encompasses giving by individuals, communities, corporations, foundations and diaspora networks. Its value lies not only in scale. Philanthropy provides catalytic capital, tolerates risks that public and commercial finance often cannot, supports research and early-stage innovation, and brings convening power that connects actors, ideas and resources across sectors and borders.

The Opportunity for Governments

Philanthropy does not replace public funding, nor should it. But when supported by the right policy architecture, it can play a distinct and complementary role. Philanthropic capital is often more flexible, more tolerant of risk and better suited to early-stage innovation than either public or commercial finance. It can support experimentation, strengthen delivery through partnerships and help build the institutional and social foundations that enable long-term development progress.

Evidence from more than 20 country cases examined in this Guide shows a consistent pattern: where governments have taken deliberate steps to enable and engage philanthropy, they have mobilised additional private capital, implemented development strategies more effectively and strengthened institutional resilience over time.

A framework built around practical pathways

This Guide organises those policy choices around three roles that governments can play. These roles are cumulative but not strictly sequential. Governments can act across all three, depending on their context, institutional capacity and political opportunity.

	Tier 1 — **The Enabler Role**	**Establishing foundational conditions**	Governments create the legal, regulatory and institutional basis for philanthropy to exist, operate and be trusted. Clear and predictable rules reduce administrative burden and build public confidence.
	Tier 2 — **The Catalyst Role**	**Activating growth**	Governments deploy fiscal policy and financial architecture to expand the scale and reach of formal giving, putting capital in motion toward development priorities.
	Tier 3 — **The Partner Role**	**Building collective impact**	Governments co-invest in the shared infrastructure and collaborative mechanisms that enable philanthropy, government and other sectors to work together at scale on national priorities.

The 12 recommendations

The Guide sets out 12 recommendations, each grounded in real-world experience and supported by concrete policy actions and examples. These recommendations reflect different entry points, from establishing legal clarity and simplifying administrative procedures to designing tax incentives, enabling new giving mechanisms, strengthening data systems and building multi-stakeholder partnerships.

Tier & Role	#	Recommendation
Tier 1 – **Enabler**	1	Legally recognise philanthropy as a public-benefit development actor
	2	Simplify registration and administrative procedures
	3	Promote transparency, accountability and voluntary self-regulation
	4	Institutionalise consultation processes in policy and regulatory reforms
Tier 2 – **Catalyst**	5	Introduce or expand fiscal incentives for charitable giving
	6	Encourage long-term philanthropic capital vehicles, including endowments and faith-based giving
	7	Enable innovative giving instruments and digital platforms to mobilise individual and institutional philanthropy
	8	Promote cross-border and diaspora giving
Tier 3 – **Partner**	9	Support philanthropy ecosystems through data and statistical infrastructure
	10	Establish a dedicated government liaison office for the philanthropic and social sector
	11	Enable and co-invest in philanthropy and social sector support networks
	12	Promote multi-stakeholder partnerships for national priorities

Acknowledging different starting points.

The three-tier framework is cumulative but not strictly sequential. Each recommendation includes concrete policy actions, tested country examples and expected impacts, calibrated to reflect the diversity of legal frameworks, institutional capacities and prior experience with philanthropy across different income levels and political systems.

Lessons learned and calls to action

Across regions, political systems and income levels, five consistent lessons emerge from the research and more than 20 country cases examined in this Guide.

Lesson 1: Recognition precedes effectiveness.

When philanthropy is explicitly recognised as a strategic development actor, collaboration becomes both legitimate and durable. This requires embedding philanthropy and the broader social sector across existing policy domains: finance, taxation, social policy, climate finance and territorial development. Ireland, France, Portugal and the United Kingdom demonstrate that this is built incrementally, not in a single reform.

Lesson 2: Fiscal policy is the fastest lever governments hold.

Chile's 2022 donation reform produced a 15% increase in tax-exempt giving within a single year. Indonesia's integration of zakat into the national fiscal framework generated approximately $1.9 billion in tracked formal giving in 2023 alone. Singapore's Philanthropy Tax Incentive Scheme (MCCY, 2024) re-routes internationally oriented capital toward qualified development priorities. These outcomes are not incidental, but the result of purposeful fiscal design.

Lesson 3: Governments cannot partner with a sector they cannot see.

In every country where a satellite account of non-profit institutions has been established, the sector has proven to be larger and more economically significant than policy had previously assumed. As the Guide highlights, Canada's non-profit sector contributes 8.4% of national gross domestic product (GDP). Mexico's non-profit sector contributes 3.3%. France's social and solidarity economy employs 13.6% of the private sector workforce. Measuring philanthropy's contribution within this broader non-profit sector is a prerequisite for treating it as a strategic partner.

Lesson 4: Philanthropy support organisations matter.

Philanthropy support organisations (PSOs) are an important part of a country's development infrastructure and merit sustained public sector engagement. Our research shows why governments sometimes choose to fund or co-fund national associations of foundations. By investing in data, standards, compliance guidance and coordination capacity, governments reduce their own regulatory burden while improving sector integrity. This approach is often more efficient, and politically more sustainable, than expanding direct oversight of hundreds or thousands of individual organisations.

Lesson 5: Credibility is the most durable form of leverage.

South Africa mobilised about $10.5 billion in climate finance in 2022–2023 – three times more than in 2017–2018. This was made possible by years of philanthropic investment that helped build political support before the Just Energy Transition Partnership (JETP) was launched. Malawi attracted $20 million in World Bank trust funds for governance reform because the process was co-authored by government critics and officials alike. The leverage ratios that multi-stakeholder platforms achieve are determined as much by their financial design as the relational capital built and broad stakeholder alignment before they were formally launched.

The world is not short of private wealth or willingness to give. What is missing, in many contexts, are the public frameworks and partnerships that allow these resources to be directed toward shared development goals.

This Guide provides evidence that such frameworks can be built – and that they work.

Three steps any government can take now

Importantly, governments do not need to begin with large-scale reform. Progress often starts with relatively simple steps: mapping the philanthropic landscape, reviewing existing legal and fiscal frameworks, and establishing structured channels of communication with philanthropic actors. These actions can be taken within existing systems and can unlock significant opportunities for more strategic engagement over time.

01 Map what exists.

Commission a rapid scan of philanthropic and social sector actors in your jurisdiction: who they are, which sectors they support and how their investments relate to national development priorities. In most countries, national philanthropy networks have already done much of this work. Connect with WINGS members.

02 Review the rules.

Conduct a targeted diagnostic of existing legal and fiscal frameworks – such as tax-deductibility rules, endowment regulations, registration requirements, cross-border giving provisions, and how religious and faith-based forms of giving are regulated and supported – to identify where current rules are fit for purpose and where they are unclear, inaccessible or disproportionate. Reforming those rules can unlock capital already present in the economy, with minimum public expenditure.

03 Open a structured channel of engagement.

Whether through a standing advisory committee, a dedicated liaison function or a formal consultation mechanism, governments that create a clear, structured way for the philanthropic sector to engage with the state will have better chances of mobilising catalytic capital, tapping into strategic sector knowledge, and leveraging philanthropy's vast convening power. WINGS and its global network of members stand ready to support this process – from initial actor mapping to designing consultation mechanisms to fostering connections with peer governments who have navigated these reforms.