

How International Human Rights Grantmakers Can Use Pooled Donor Funds

*Contributed by Danielle L. Vermeer and Shoshana Buchholz-Miller, Arabella Advisors
Human Rights Funding News, IHRFG e-Newsletter, June 28, 2012*

Pooled donor funds provide a powerful grantmaking tool -- one that can help international human rights funders work together to accomplish shared goals. Pooled funds can amplify funders' impact on key issues by consolidating philanthropic resources, strengthening grantee networks, enabling organizations to share policy and technical expertise, and more. In some cases, they can also enable funders to respond more rapidly -- and with increased anonymity -- to time-sensitive requests from grantees working on the ground on critical human rights issues.



Characteristics of Successful Pooled Donor Funds

Pooled donor funds come in a variety of shapes, sizes, and levels of complexity, but the basic idea is simple: a group of like-minded donors contributes to a shared fund that then disburses grants according to an agreed-upon strategy. Well-managed (and successful) funds also typically share a handful of characteristics:

- **Clear vision:** Members of a successful pooled donor fund must develop a vision and a set of strategic goals that meet the needs both of the individual funders and of the group. As the founding principles of the collaborative, a shared vision should include benchmarks for impact that provide a way for the members to assess progress toward their common goal.
- **Clear governance:** Well-managed pooled donor funds establish clear guidelines for making final decisions, representing the collaborative externally, and fulfilling members' responsibilities such as connecting with potential grantees and reviewing and recommending funding decisions. These governance guidelines should be available in writing and reviewed periodically.
- **Sufficient infrastructure:** Well-managed pooled donor funds invest in infrastructure -- ensuring, for example, that necessary staff time is dedicated to the fund. Since coordinating staff and time among individual member foundations can be challenging, funders may consider using a (government registered) third-party intermediary to house their pooled fund, potentially reducing administrative burden and transaction costs. Sensitive international human rights issues that require rapid-response grant making or a volume of smaller grants may especially benefit from the services an intermediary can provide.
- **Regular Communication:** Successful pooled donor funds promote transparency and regular information sharing among members. The collaborative should schedule periodic virtual or in-person meetings to build and maintain relationships, as well as communicate regularly via phone and email when making decisions on grants, opportunities, and strategies.

- **Information Sharing:** Successful pooled donor funds leverage existing relationships and knowledge among its members. By sharing best practices and expertise on specific issues, the members of the fund are able to make more informed grantmaking decisions within the pooled fund and in their individual grantmaking.

A Pooled Donor Fund in Action

Recently, a group of funders interested in agro-ecology created a pooled donor fund to increase their cumulative impact on food security and land rights globally. Founded in early 2012, the International Fund to Amplify Agro-Ecological Solutions (AAES) seeks to increase the amount, coordination, and long-term effectiveness of advocacy and movement-building for agro-ecological solutions. (Agro-ecology is farming that centers on food production that respects the rights and practices of local and indigenous communities and makes the best use of nature's resources without damaging them). In addition, AAES is committed to addressing land rights issues in the Global South, in response to "land grabs" that are driving small farmers off their land and compromising the food systems and economic well-being of local communities. The founding donors of AAES came together to work strategically toward a common goal and to bring other donors interested in agro-ecology into the collaborative. Prior to the fund's launch, the members implemented several of the best practices described above.

First, AAES members discussed and decided on a shared vision: the development of sustainable farming systems based on agro-ecological solutions.

The members then agreed on a clear governance structure for the pooled donor fund, which includes an Advisory Committee consisting of outside technical experts on agro-ecology. By utilizing an Advisory Committee, AAES is well-positioned to make more informed grantmaking decisions, access a higher quality applicant pool, and improve grantmakers' own understanding of the issues through interactions with practitioners.

Lastly, the fund has invested in infrastructure by utilizing the services of the New Venture Fund, a US government registered public charity that supports domestic and international donor collaboratives, which will manage the Fund's grant proposal, disbursement, and reporting processes. By implementing these best practices and collaborating strategically, AAES and other pooled donor funds are leveraging resources for maximum impact on important human rights issues around the world.

Resources for Funders

- [*Funder Collaboratives: Why and How Funders Work Together*](#) from Grant Craft
- [*Lessons from A Ten-Year Funder Collaborative*](#) from Partnership for Higher Education in Africa
- [*The Collaborative Fund Model: Effective Strategies for Grantmaking*](#) from Ms. Foundation for Women
- For additional information on and examples of pooled donor funds, visit the [website of the New Venture Fund](#)
- To learn more about partnering with other funders visit the [website of Arabella Advisors](#)