

BEACONS OF PHILANTHROPY

Philanthropy here gets professional

There is a shift to strategic giving and an inclination to get involved. By Teh Shi Ning

PHILANTHROPY in Singapore has reached an exciting phase of growth, as new trends and concepts could add breadth and depth to giving here. It is the beneficiary of Asia's strong growth, rising prosperity and the speed with which knowledge and information spreads today, both philanthropists and observers in the sector say. For a start, pockets have grown deeper. 'There has been a definite rise in the number of high net worth individuals in Asia, and with that we've seen a rising number of people keen to give from that wealth they've achieved,' says Cynthia D'Anjou-Brown, HSBC Private Bank's senior adviser on philanthropy and governance.

Boston Consulting Group's annual Global Wealth report in June found that the number of US dollar millionaire households in Singapore jumped 35 per cent last year. The concentration of millionaires in Singapore was also the highest worldwide, at 11.4 per cent. That many of the wealthy here made their own fortune, or saw their parents earn it, also makes it more likely that they'll give, says Ms D'Anjou-Brown.

The older family foundations - Tan Chin Tuan Foundation, Lien Foundation, Lee Foundation, Khoo Teck Puat Foundation and many others - illustrate that. Founded by ones who made their wealth in banking, trading and property, these institutions are still seen as cornerstones of Singapore's philanthropy.

Their prominence comes with vintage, but newer ones continue to spring up, like the Lim Hoon Foundation set up by CEO of ARA Asset Management John Lim, and Raffles Education chairman Chew Hua Seng's foundation.

Non-family owned businesses have also followed suit - Temasek Foundation, Raffles Medical Group's Asian Medical Foundation, CapitaLand Hope Foundation, and the SPH Foundation are examples. But there remain many, such as former remisier king Peter Lim and tycoon Oei Hong Leong, who generously sign off their millions to causes that resonate without a formal foundation.

Ms D'Anjou-Brown thinks that with rising exposure to how philanthropy is being done elsewhere, many of Singapore's rich are now more discerning about their giving and more willing to employ the help of professionals to help them.

One organisation that has sprung up in part to meet that demand is the two-year-old Centre for Asian Philanthropy. 'Singapore is still largely at a cheque book philanthropy stage, but there is now more interest both by big-time givers and the man-on-the-street to learn about structured and professionalised giving,' says CAP executive director Leo Chen Ian. 'Some say they don't wish to dilute the altruism in their giving. But structure doesn't do that. More thought does not cheapen the gift, and being personally involved can in fact enhance that gift,' he adds.

Grant-giving entities in Singapore are in fact becoming more strategic about where each philanthropic penny falls, says Albert Teo, director of the Centre of Social Entrepreneurship and Philanthropy at the National University of Singapore. 'They no longer just respond to requests or dispense money in an ad hoc manner. Many are now more strategic, with a clear vision of what they want to give to and how,' he adds.

Ones like the Tan Chin Tuan Foundation for instance, which deputy chairman Chew Gek Khim says maintains a rigour of evaluating returns on its social investments. Strategic giving also describes Lien Foundation's brand of 'radical philanthropy', which chairman Laurence Lien says seeks out niche problems and innovative solutions to scale up.

And strategic giving is embedded into emerging models too - like venture philanthropy. Willie Cheng, who authored a book examining the dynamics of the charity sector, *Doing Good Well*, thinks this is the way forward and has himself helped bring two venture philanthropy groups into Singapore. More

buzz will be generated by the Asian Venture Philanthropy Network, run by the architects of the European Venture Philanthropy Association, which has set up headquarters in Singapore.

Assoc Prof Teo concurs: 'It's a very involved form of giving, one step above strategic giving. You don't just provide capital, you develop human resources, help scope its mission, chart strategies.' An added plus of venture philanthropy, he says, is that it typically seed-funds novel charities or social enterprises, which would help diversify the range of causes reached by philanthropic dollars here - narrow compared to the US and Europe.

Focus on education

'Asian philanthropists tend to have a penchant for education and poverty alleviation,' says Ms D'Anjou-Brown. Preliminary findings from CSEP's ongoing study on grant-giving entities in Singapore corroborates this. Of the data collected on 64 entities so far, 86 per cent support education and 81 per cent, social welfare causes. Those giving in support of culture, the arts, sports and the environment were fewer, as was giving to overseas projects too.

Along with the shift to active philanthropy with a professional edge, social entrepreneurship has been on the rise, with personalities like 77th Street's Elim Chew championing social enterprises' growth and platforms like the annual Global Social Innovation Forum stirring interest.

What has not yet come to Asia, Ms D'Anjou-Brown says, is a hybrid legal entity that bridges the gap between non-profit and for-profit investing, such as the US' low-profit limited liability company (L3C). 'It could be an interesting addition to the philanthropy scene here and encourage social investing,' she says.

Even as philanthropy matures, the face of giving grows younger. 'Instead of waiting for giving to be carried out via their wills when they've passed on, many wealthy individuals are now looking to give within their lifetime,' says Ms D'Anjou-Brown. This could be in part a recognition of the benefits philanthropy brings to business families too, as a way to bond the generations, says Mary Ann Tsao, a director of the Family Business Network Pacific Asia.

Beneath all these trends, is the notion that philanthropy is much more than numbers scribbled on a cheque. 'From our perspective as a bank, philanthropy is not just about giving money. It's about facilitating personal involvement and engagement with a cause close to the client's heart. It's not about the size of the gift either, I've seen small amounts of money do amazing things,' Ms D'Anjou-Brown says.

