



TRANSFORMING PHILANTHROPY:

For Exponential Impact of
Individual Donations to Facilitate Poor
And Make Poverty History

COVA

EXECUTIVE SUMMARY

Give Donations

To Initiate, Promote and Support Organisations Undertaking Awareness and Facilitation

To Access Resources

To fully utilise Massive Government Budget Allocations for Education, Scholarships, Health, Housing, Livelihoods, Bank Loans, etc

And Multiply Impact

Of Individual Donations from 20 to 100 fold to Empower the Poor

Make Poverty History

1 % Tax Payers can Free 3% of the Poor from Destitution through 3rd Generation Philanthropy Every Year!



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3

Generations of Philanthropy



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CHARITY

1st Generation
Philanthropy

Direct giving:

Donors themselves provide, food, clothing, money etc. to poor - little admin expenses

Disadvantage

Does not develop the abilities of the receivers to make them self reliant

Donations

2nd Generation
Philanthropy

Indirect giving by donating to organisations providing education, scholarships, healthcare, Livelihoods etc

Helps to promote capacity building of the deserving to enable them to become self reliant - Hundreds of thousands have benefitted

Gaining Currency in last Three to Four Decades

Socially conscious people with larger volumes of funds are increasingly adopting the Second Generation approach



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2nd Generation Philanthropy

DEVELOPMENT

Disadvantage

When education, skill training, healthcare etc are provided by philanthropists, people stop using government facilities like schools & hospitals

Decreases pressure on the government and its accountability to provide basic services to the citizens that is its prime responsibility.

Involves administrative expenses and there could be possibility of misappropriation and /or improper implementation if very high standards of implementation, transparency and accountability are not maintained



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CHANGING SCENARIO

Areas of Change



Education



Health



Banking



Civic
Amenities



Livelihoods
etc

Government of India is allocating
Large budgets for Social Development
Stipulating conditions for access to the poor
As a matter of mandatory and legal entitlements



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CHANGING SCENARIO IN EDUCATION

Expenditure on education from **Rs.86.5 cr** in 1951-52 to **99,312 cr** in 2021-22

Over 1145 fold increase in the last 70 years.

Union Government
Scholarships in 2021-20
Rs. 13237.62 Crores

CHANGING SCENARIO IN BANKING

Bank Loans and Subsidies for Agriculture- MSMEs, SHGs in 2021-22

17 lakhs 65 Thousand and 7 hundred and 44 crores

Average Loan / Subsidy
Available for each Indian
Rs. 13,582

CHANGING SCENARIO IN HEALTH

Union Budget for Ministry of Health

Rs. 85250 Crores allocated in 2021-22 v/s **Rs 5780 crore** in 2000-01.

14.75
times increase
In 20 years



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FUNDAMENTAL PROBLEM

IMPLEMENTATION

Only 20% of Budget allocations utilized

- Sushma Berlia - Reactions to Union Budget 2013-14

REQUIREMENT

Enable Citizens to Secure Their Entitlements

Educate
About Schemes



Facilitate
to Apply



Advocate with
Authorities



To Enable
People's Access
to Resources

Towards 3rd Generation Philanthropy

Promote and Support
Organisations to provide
Awareness and Facilitate
People

To successfully access all
schemes of Central and
State Governments worth
Lakhs of Crores every year

That could transform
lives and eliminate
poverty



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The 3 Generations

1st Generation Philanthropy

Involves direct donations to the needy in the form of cash / kind. Can make recipients dependant on charity always.

2nd Generation Philanthropy

Indirect giving by donating to organizations providing Education, Livelihoods etc. makes recipients self-reliant through capacity building

Ambassadors Of

3rd Generation Philanthropy



**Nobel Laureate
Kailash Satyarthi**

- That promotes and Supports Organizations to provide Awareness and Facilitation (A & F) to people & communities
- Enables people - especially the poor, to successfully access all government schemes worth Lakhs of Crores each year
- Transforms lives of the poor to make poverty History



**Actor & Activist
Shabana Azmi**



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Relative Impacts

2nd Generation Philanthropy

- **Banking:** Donation of Rs. One Lakh to start petty businesses can support 6 - 7 people
 - **Scholarships:** Scholarships: Donation of Rs. 4 lakhs can help 114 students get
 - scholarships of Rs. 3500
- Empowering Citizenship:**
Negligible

3rd Generation Philanthropy @ COVA

- **Banking:** Rs. One Lakh to leverage Bank Loans helped 60 people get over Rs. 14 lakhs
- **Scholarships:** Rs. 4 Lakhs enabled 3522 students to get over 1 crore 24 lakhs as scholarships from government in 2019-20
- **Empowering Citizenship:** Citizens Entitlements Campaign costing Rs. 3 lakhs reached out to 2 lakh citizens in a month to access 56 civic services from Government



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Giving for Service Delivery V/S Giving to Access Resources of Governments

Many organisations are receiving generous contributions for Second Generation activities like starting schools, distribution of scholarships, operating dispensaries- **The Service Delivery Approach**

But hardly any donations to organisations to undertake **Awareness and Facilitation** to access government schemes and programs

Result: Donations in Crores that could be utilised to leverage Lakhs of Crores are wasted in attempts to provide direct services that cannot provide even a fraction of the development requirements of the country



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3rd Generation Philanthropy

EMPOWERMENT

Advantage

- **Impact:** Multiplier Effect of Third Generation Philanthropy of 20 to 60 times the Second Generation Philanthropy for same amount of donation
- **Long Term Benefits:** Results would take time as policies, systems and processes have to be in place. Once in place, they give long term benefit without much investment
- **Accountability of Organisations:** To seek repeat donations for Third Generation Philanthropy from individual donors, organisations will have to become accountable, transparent and result oriented

A Small Drawback

Does not give immediate satisfaction of First or Second Generation Philanthropy of seeing our donations reaching people directly



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3rd

**Generation
Philanthropy**

**To Strengthen Democracy
And Transform Society**

Your Contribution to 3rd Generation Philanthropy:

**Can educate
people about their
entitlements as
citizens to strengthen
Democracy**

**Help undertake
Advocacy to change
archaic rules and
regulations of
government schemes
and programs**

**Facilitate organised
follow up
mechanisms to
ensure officers
deliver services as
required**

**Net Impact: Policy Transformations and Responsive Governance
to Empower People and Create an Egalitarian and Just Society**



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Third Generation Philanthropy: Support and Output

Rs. 50 Lakhs per Annum per Awareness & Facilitation (A&F) Organisation

Can enable access to scholarships, pensions, healthcare, bank loans,
land pattas, housing etc To **11000 people**

Through **15 full time staff** members and **30 volunteers**

Each staff and 2 volunteers enable **60 persons per month**

To access schemes worth **Rs 20,000 each**

Target Achieved for One Year: **Rs. 22 crores**

Impact: 1:44 for Every Rupee Donated



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Third Generation Philanthropy in India The Possibilities

Promotion of 2000 **Awareness and Facilitation (A&F) Organisations** in India (four for each district) can be game changer in transforming lives of the poor and marginalized and eliminate poverty

Existing organisations working on service delivery can be easily oriented and transformed to become **A&F Organisations** with a Budget of only Rs 50 Lakhs per year

Total Donations Required a year: **Rs One Thousand Crores**

To Access Schemes Worth at least: **Rs.44 Thousand Crores & More**

Requirement:

**Individual Donors to Reorient Perspective to
Provide Funding Support to A&F Organisations**



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Third Generation Philanthropy- A&F Organisations: Possible Support Sources

India's Population with an income of over 2.5 lakhs per year: **Over 7.25 Crores**

All donate but mostly to Charity or Service Delivery of Second Generation

If 1% motivated to give for Third Generation Philanthropy: **7.25 Lakhs Donors**

Each donates just Rs. 14,000 on average per year: **1000 Crores**

A & F Organisations that could be supported: **2000** -

Persons Enabled to Access Resource over Rs. 20,000: **2.2 Crore**

Note: Foundations, Trusts and Corporate Bodies can also be approached to transform their philanthropy to support A&F Organisations

**Third Generation Philanthropy can enable
1% of Individuals with income of over 2.5 lakhs
and above per year to help
5% of India's poor to get Rs 20,000
to Transform their Lives!**



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Time For Individual Donors To Modify their Giving Patterns

From Charity to Facilitation
To Promote and Support Organizations
That can access and utilize Resources of Government

To Make Poverty History!



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Become an Ambassador

3rd Generation
Philanthropy

Facilitate Sessions (can use this PPT) to introduce 3rd Gen Philanthropy to members of your Staff, Colleagues, Friends, Relatives and Associates. Just takes 40 Minutes and can transform some mind sets forever!

Identify and encourage Service Delivery Organisations to adopt the 3rd Generation Philanthropy approach to enable people to access various government schemes and programs.

Orient and motivate individuals, businesses and corporates to provide support to access resources of the government through 3rd Generation Initiative.

Any financial contribution (monthly, annual etc) to 3rd Generation Philanthropy Organisations can help bring about magical social transformation.

Options for your Collaboration:

You may associate with one or more organizations of your choice that enable accessing government resources for: Education, Health, child Care, Financial Inclusion, Rural Development and so on

For more details please visit our website: www.covanetwork.org
To contribute to COVA please write to covanetwork@gmail.com
Or [Click here to send donations online.](#)



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Thank You



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