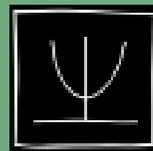


*investing
in
ourselves*

GIVING AND
FUND RAISING
IN PAKISTAN



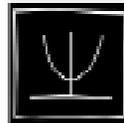
*Leadership for
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INVESTING IN OURSELVES

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WITH SUPPORT FROM

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Development (USAID)

Investing in Ourselves: Giving and Fund Raising in Pakistan

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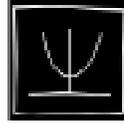
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*Leadership for
Environment
And
Development*

LEAD INTERNATIONAL was established in 1991, in the wake of the UN Convention on Environment and Development (UNCED). The goal of this independent, non-profit organization was to foster global network of future decision-makers that would facilitate environmentally sustainable and socially equitable use of the earth's resources. To quote Ms. Marie Angelique Savane, the organization's president in 1999, LEAD was "seen as a way to ensure that sustainable development would become a global culture." LEAD was established as a Rockefeller Foundation project and continues to benefit from the Foundation's generous support.

LEAD-Pakistan, one of the 13 country/regional programs of LEAD International, was established in 1995 to bring the leadership development program to Pakistan. The non-profit and non-partisan organization is currently engaged in training its tenth cohort of Associates (trainees), amidst a range of other exciting activities. ▶

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Preface

Investing in Ourselves—Giving and Fund Raising in Asia had its origin in the International Conference on Supporting the Nonprofit Sector in Asia, sponsored by the Asia Pacific Philanthropy Consortium (APPC) in January 1998.¹

The central theme of the conference was the need to explore ways in which governments, international financial institutions, philanthropic foundations, corporations, and others could contribute to the continued growth and financial sustainability of nonprofit organizations in Asia during a period of economic decline. Although planned long before, the conference took place at the height of the Asian economic crisis, which began in Thailand in July 1997 and had just a few weeks earlier, in December 1997, brought the Korean economy to the point of collapse.

The economic crisis represented a setback to what had been until then more than a decade of steady growth of philanthropic foundations and other forms of organized philanthropy in Asia. In the short term, the economic crisis ensured that foreign funding would continue to be essential to the economic support of NGOs, but as I stated in my opening remarks at the conference:

From the perspective of long-term resource mobilization, Asian and other nonprofit organizations will ultimately depend for their survival on the quality of the relationships they are able to establish with public opinion in their countries and with their own governments, and only secondarily and for the short-term on their relationships with international public and private donor agencies.

In other words, the fundamental challenge to Asian NGOs was, and remains, to develop local sources of sustained funding.

The Asian Development Bank was represented at the conference by Gordon Wilkinson, who was at the time responsible for the ADB's work with NGOs. Wilkinson took the initiative to approach Jaime Faustino, who

was then APPC's Executive Officer (and, concurrently, The Asia Foundation's Assistant Representative in the Philippines), to express ADB's interest in discussing how ADB and APPC might cooperate to assist NGOs in their quest for financial sustainability.

Subsequently, APPC and Venture for Fund Raising, a newly established nonprofit consulting and research firm, developed a proposal and began the complicated process of negotiating co-financing arrangements with the Asian Development Bank. Before that deal could be consummated, however, USAID became interested in the project and provided funding for research on NGO resource mobilization strategies in the Philippines, a study that served as the pilot test for the eventual seven-country project. Subsequently, the Nippon Foundation in Japan also joined the project as a donor. We are grateful to all three donors for their support, and to The Asia Foundation for its role in facilitating the project and managing its finances.

Investing in Ourselves—Giving and Fund Raising in Asia had four principal objectives:

- to build awareness of successful methods of fundraising employed by Asian NGOs and to identify innovative best practices;
- to increase understanding of the need for transparency and accountability among Asian NGOs if they are to be successful in fundraising;
- to increase the capacity of Asian NGOs to mobilize resources; and
- to establish benchmarks against which to measure the nature and scope of philanthropic giving in selected countries.

The study also sought to document Asian fundraising experience in order to supplement or replace imported models and experience for use in local training; and to demonstrate that charitable giving and volunteering takes place even in relatively poor countries that do not share Western cultural traditions.

The study produced 112 case studies of successful local fundraising in seven countries (Bangladesh, India, Indonesia, Nepal, Pakistan, Philippines, Thailand) and household level surveys of charitable giving in four of these countries (India, Indonesia, Philippines, Thailand).

Investing in Ourselves is a pioneering study. The household survey on charitable donations in Indonesia is the first ever conducted in that country, and the surveys in India, Philippines, and Thailand complement surveys

being conducted by the Johns Hopkins Comparative Nonprofit Project. As a pioneering effort, there are few benchmarks against which to compare our survey findings and only limited experience on which to estimate the impact of potential sample bias. It will take repeated future surveys to validate or revise these results. We hope that publication of these findings, with all the methodological caveats discussed in Chapter 3, will encourage others to continue to gather empirical data that will eventually result in a more detailed and comprehensive understanding of the dynamics of charitable giving in Asia.

These caveats aside, the surveys and case studies begin to provide valuable insights into the dynamics of philanthropy in the countries studied.

The surveys confirm in a practical way what cultural anthropologists have long taught—that philanthropy takes place everywhere, in all cultures. The frequently heard arguments that there is no cultural tradition of philanthropy in Asia, or that it is a Western import, or that philanthropy only occurs in wealthy countries, are once again refuted by the results of this study. In all four countries, almost all high to middle income households, as defined in the local context, made philanthropic gifts during the preceding twelve months, a pattern similar to that found in “developed” countries.

In addition, the amounts donated to charitable causes are substantial in local terms. In Thailand, Philippines, and Indonesia, for example, the average amount given per capita was reported to be US\$546, \$400, and \$123, respectively. Restated in terms of purchasing power parity (PPP), which provides a more meaningful international comparison, these amounts convert to the equivalent of US\$1610, \$1385, and \$538, respectively. On the other hand, the Indian respondents reported significantly lower levels of giving and a lower giving *rate* (that is, fewer of the respondents reported giving).

There is a similar hierarchy of giving in all four countries. Individuals are the main recipients of philanthropy, followed by religious organizations, then voluntary organizations. Individuals were the recipients of about 40 percent of charitable giving in three countries, and about 58 percent in Thailand. Although the four countries have different religious traditions, in each of them religious organizations received almost a third of all giving except in Thailand. In that country, although 95 percent of the respondents reported that they had made “religious contributions” during the previous year, only about 16 percent of their cash donations on a per capita basis were reported to have gone to religious organizations.² (In contrast, the

annual estimates of private charitable donations compiled in *Giving USA* indicate that almost half of all charitable donations made in the United States go to or through religious organizations.) Voluntary organizations, particularly social service providers and those in education, received between 21 and 28 percent of charitable donations.

Both the surveys and the case studies suggest that there is considerable scope for increased fundraising from local sources in the seven countries studied, but that some significant obstacles need to be overcome. On the one hand, the household surveys and the case studies demonstrate that there is already a significant pool of current contributors in each country. As fundraisers everywhere know, it is often most fruitful to focus on increasing donations from those who already give. It also appears that at least some fundraising approaches common in the US and Europe, but previously presumed to be inappropriate in Asia, such as direct mail, media advertising, telephone solicitations, selling tickets to special events, workplace giving, and selling NGO products, publications, and services, have also been used successfully by NGOs across the region.

In a statement that draws together the survey findings and the case studies, the authors of the chapter on fundraising principles assert that “people don’t give money to causes; they give to *people* with causes.” While individual donors in each of the seven countries studied may differ in their motivation to give to others, they share the need for a sense of connection to the organization and its cause. Most often, that sense of connection takes a personal form—knowing the organization’s founder, trustees, or staff; believing in the personal integrity of key organizational leaders; serving as a volunteer; or being approached in a manner that takes into account the potential contributor’s interests and concerns. Advocating a good cause may not be enough to attract local funding; even more critical is building and nurturing positive personal and community relationships, based in large part on the organization’s demonstrated legitimacy, accountability, transparency, and impact.

The challenge for voluntary organizations, particularly for development-oriented NGOs, is whether and how they can increase their share of charitable giving from local sources. Given the importance of religion as a motivating force for charitable giving in all the countries studied, the obvious question is whether those who give to religious organizations also give to voluntary organizations or whether these are separate markets. Is it possible to increase local levels of giving so that both types

of organization benefit, or does giving to one come at the expense of the other?

From the perspective of an NGO fundraiser, we now know that ordinary people in relatively poor countries do make charitable contributions to causes they believe in, but voluntary organizations, even those that provide direct educational and social services, appear on average to receive less than a quarter of those contributions. Even less appears to be donated to development-oriented NGOs, except possibly in Indonesia, where the survey respondents reported that they give slightly more to development NGOs than to education providers. Is it because NGOs are still not well known to their communities? Is it therefore a matter of public education and better media coverage? Or are there also deeper issues at work—perhaps related to public expectations about the role of the State, or to issues of NGO legitimacy and accountability? The data in this study do not allow us to address these questions, but we now know that it is not simply a matter of “poor” people not having funds to give, or not having a tradition of charitable giving. If I were an NGO leader, I would be interested to ask: since local people do give money, why doesn’t more of it come to us? what can I and my organization do to raise our share of the charitable gift market? This book may help provide some of the answers, based on Asian experience.

I would like to express my thanks, on behalf of the Asia Pacific Philanthropy Consortium and The Asia Foundation, to the Asian Development Bank, the Nippon Foundation, and USAID for their financial support, and to all the researchers and participants who contributed their energy, enthusiasm, and insights to make this project a success. Above all, I would like to express thanks and appreciation to Jaime Faustino and his colleagues at Venture for Fund Raising for having the vision and the managerial capacity to conceptualize and implement so well this complex, multi-country and multi-donor effort. ▶

BARNETT F. BARON

Founding Chair, Asia Pacific Philanthropy Consortium

Executive Vice President, The Asia Foundation

January 2002

Notes

- 1 Reported in Lori Vacek, *International Conference on Supporting the Non-profit Sector in Asia*, Bangkok, January 9–11, 1998 (available from The Asia Foundation)
- 2 Higher than average educational levels and employment patterns in the Thai sample may account for their unexpectedly low level of support for religious organizations, in a country otherwise known for its well-endowed temples and generally well-funded religious societies.

PART ONE

The Country Report

LEAD-Pakistan

1 | Introduction

This research is the result of a yearlong project initiated by the Asia Pacific Philanthropy Consortium in partnership with Venture for Fund Raising and The Asia Foundation, Pakistan. Funded by the Asian Development Bank, The Asia Foundation, Nippon Foundation and USAID, this publication is part of a multicountry project that identifies non-profit organizations (NPOs) that do not depend on foreign grants, by managing to diversify their fund raising portfolios and rely mainly on indigenous philanthropy. The countries participating in this project include Thailand, Indonesia, the Philippines, Bangladesh, India and Pakistan. The Pakistan chapter developed teaching case studies on the fund raising experiences of 16 non-profit organizations to gain insights into the nature of philanthropy in the country. The best practices identified in this regard will be used to train other NPOs to become financially sustainable.

Research Methodology and Constraints

The teaching case study methodology developed by Frankie Roman¹ was the guiding light of this project. The selection criteria for the case studies set by Venture for Fund Raising dictated that the NPOs chosen must not be dependent on foreign donors and must maintain financial records, which give some indication of their financial status and sustainability. In addition, these NPOs had to represent a variety of sectors from all four provinces in Pakistan.

In order to identify such NPOs, the research team at LEAD-Pakistan sent out over a hundred letters across the country. Perhaps the most perturbing finding of this project was that majority of the organizations approached were found to be dependent on foreign donors. In the initial stages it was difficult for the team to identify even 20 NPOs that did not depend primarily on foreign grants. Although there are several community-based organi-

zations and NPOs in Pakistan which receive no foreign assistance at all, these are usually informal organizations which do not maintain financial records, making it difficult to analyze the effectiveness of their fund raising methodologies and their financial sustainability.

Once the NPOs were identified it was necessary to convince them to participate in the study. All the case studies had to be approved by the organizations and be based on interviews with the major decision makers and other key players in the NPO. In this regard the research team faced no significant resistance and most of the NPOs approached seemed to be willing to share their experiences and speak candidly about their successes as well as failures. Only one of the case studies was prepared without an interview. The case study on the Edhi Foundation, the largest NPO in Pakistan in terms of beneficiaries and volunteers, was based on the biography of its founder, Maulana Edhi. Edhi agreed to have his foundation profiled but was unable to grant an interview on principle. Due to the nature of his commitment to the project, Edhi does not usually grant interviews, but since the Edhi Foundation is the most recognized significant social welfare organization in the country it was impossible to overlook it. Thus the case study was based on Edhi's biography and other research material available on the foundation.

In addition to interviewing and researching the NPOs chosen for this study, the research team also interviewed several citizen-based donor organizations as well as the concerned government donor agencies to gain insights into the donors' perspective on philanthropy in Pakistan.

Structure of the Report

This project was initiated in August 2000. This volume includes summaries of the 16 case studies and an analysis of the tradition of philanthropy in Pakistan. Section I outlines the case study findings, focusing on fund raising methodologies and supporting organizational structures.

Section II is an analysis of the donor market in Pakistan. This section draws on the case study findings as well as on interviews with different donors, and is supported by data from a recent National Survey on Individual Giving initiated by the Aga Khan Development Network. Section II identifies four types of donors: religious, corporate, government and expatriate. Recognizing the project emphasis on indigenous philanthropy, foreign donors have not been included in this analysis.

Using the fund raising experiences of the NPOs profiled, this section contains separate essays analyzing each of the four categories of donors. These donor profiles analyze the potential and nature of giving and identify specific fund raising strategies which have been most successful in enlisting the support of these donors.

Section III is an introduction to the NPOs profiled and includes abridged versions of the case studies. These abridged versions were developed to appeal to a general readership. They are based on interviews with board members, staff and volunteers and draw on a variety of research publications, magazines and newspaper articles.

The non-profit sector in Pakistan is largely informal and undocumented and has been criticized by the media for allegedly being financially unaccountable, inefficient, and unresponsive to the needs of the people and even for operating against the national interest. Though there have been NPOs that have acted irresponsibly, these cases have been few, yet they have been widely publicized and used to defame the entire sector and eclipse the valuable contributions of NPOs and their potential for good. It is hoped that this research project with its emphasis on the ability of NPOs to raise and channel indigenous funds for development purposes will not only serve as a model for other NPOs, but also draw attention to the non-profit sector's capacity for good. ▶

Notes

- 1 Frankie Roman is a professor at the Asian Institute of Management in Manila, and the case study consultant of this project.

2 | Case Findings

General Background of Philanthropy in Pakistan

Pakistanis have a rich tradition of giving, which is an amalgam of influences from various cultures and religions that have prevailed in this land for centuries. According to the 2000 National Survey on Individual Giving, Pakistanis have at 58 percent one of the highest rates of volunteering in the world.

In 1998, individual giving in the country was estimated to value Rs. 41 billion. The survey indicated that Pakistanis donated Rs. 30 billion in cash alone, which was six times the value of foreign grants received in 1997–98.

A large percentage of the giving in the Islamic Republic of Pakistan, with a 97 percent Muslim population, is religiously motivated. Islam enjoins giving as one of its basic principles and creates several incentives and opportunities for philanthropy. Therefore it is not surprising that 20 percent of all individual giving in 1998 was religiously motivated.

However, NPOs in Pakistan have not been able to secure a significant share of this indigenous philanthropy since 65 percent of all monetary giving is directed at individuals. This statistic is reflective of the religious tradition of giving in Islam which instructs Muslims to give directly, and preferably anonymously, to the poor and needy without the involvement of an intermediary organization or individual. This religious injunction, coupled with the public's lack of awareness and trust in the non-profit sector, has resulted in a diminished share of indigenous philanthropy being dedicated to development organizations.

The non-profit sector in Pakistan has generally not inspired much trust in the public because it is perceived to carry the Western agenda of its foreign donors. NPOs in Pakistan are often castigated in the media and the court of public opinion for being inefficient, unaccountable and unrespon-

sive to the needs and realities of the people. Therefore it is not surprising that in 1998, 94 percent of individual giving to organizations went to religious groups and causes.

However there is a growing awareness of the importance of indigenous philanthropy in the non-profit sector, and many NPOs are investigating the means of raising funds through local resources. In this effort to engage indigenous donors, NPOs across the country are becoming increasingly conscious of the need to emphasize transparency, accountability, efficiency, and to adopt a people-centered approach. Perhaps the most credible and concerted effort in this regard has been spearheaded by the Aga Khan Foundation, which initiated an Initiative on Indigenous Philanthropy and sponsored the first National Survey on Individual Giving in Pakistan. Under the guidance of a remarkable steering committee comprised of eminent citizens and members of the non-profit and corporate sectors, the Initiative on Indigenous Philanthropy proposes to establish a Center for Philanthropy in Pakistan, to institutionalize and encourage giving in the country by creating a more enabling environment. The center is expected to play a vital role in bridging the gap between the non-profit sector and individual donors, the government and the business community, and to build the capacity and credibility of the non-profit sector.

This report is a small step in achieving that same goal. It is hoped that this publication along with the teaching case studies will be a valuable tool in helping NPOs in Pakistan to become financially sustainable and get a share of the indigenous philanthropy in the country. It is time we converted this giving for charity into a social investment for development in Pakistan.

Case Findings

Perhaps the most significant finding of the report is that there is no dearth of philanthropy in Pakistan and that the non-profit sector has much to gain by investing in indigenous fund raising.

The history of the non-profit sector in Pakistan dates back to the creation of the country in 1947. It was a time of great national pride, as the people of Pakistan joined hands to address the awesome challenges of nation-building, in the face of a grave refugee crisis and the threat of foreign invasion. Many voluntary and social welfare organizations were established at that time to assist the fledgling government in its efforts to provide basic

services to the citizens. Then in the 1980s there was another upsurge in the number of NPOs in the country, partly encouraged by the availability of government funds for development activities, and partly in response to the military government's human rights policies. Today the non-profit sector in Pakistan is largely uncharted and includes a diversity of sizes, agendas, budgets and interests.

This section focuses on the lessons in fund raising drawn from the experiences of the 16 NPOs profiled. The case findings focus primarily on identifying the best organizational practices and methodologies that were instrumental in the successful fund raising efforts of the NPOs profiled. The emphasis is on the ability to harness human capital and develop appropriate support structures that allow organizations to diversify their sources of funding and achieve a degree of financial sustainability. The following section outlines the lessons learnt in the context of the types of donors targeted and fund raising activities pursued.

Harnessing human capital for fund raising

Since it is widely accepted that people give to people and not to causes, the staff, board and volunteers of an NPO were found to be the key ingredients of a successful fund raising strategy. Based on the case findings, we can outline the following best practices with regard to human resource management for fund raising:

Role of the board

In most of the NPOs profiled, it was noted that the members of their boards of directors were people chosen for their prominence, excellence in their fields and good name. Under these circumstances, board members were best employed in a supervisory position where they could be consulted only when the need arose. Most board members were useful to their organizations because of their personal connections and added much to the organization's credibility through their positive public image/position. In the case of organizations like The Citizen's Foundation and others, the same board member served on the boards of more than one organization, thus he/she was in a better position to not only provide management advice, but also to connect potential donors to appropriate causes. Most board members due to their prominent social status were also in a better position to

approach corporate sponsors and high net worth individuals for donations. However, since these successful, accomplished people were also usually busy, they were often not very helpful in the day-to-day management of the organization.

The Edhi Foundation and the Shaukat Khanum Memorial Trust are two examples of NPOs that rely heavily on the personal appeal of their founders/board members, and have in the past raised tremendous amounts of money on the basis of their good names. However, both organizations recognize that dependence on one particular personality not only makes them financially vulnerable but also limits institutional building. In the interviews with the administration of the Shaukat Khanum Memorial Trust it was apparent that the organization was very consciously trying to reduce its dependence on the celebrity appeal of its founder, Imran Khan, the famous cricketer. According to the administration, the hospital and the Trust are “passing through a transitional phase... we are transforming this organization from a personality-run one to a very professional one.” The Trust has consciously started hiring professionals to handle the administration of the hospital and tries to project them and their offices rather than Khan in its fund raising activities.

The case of the Edhi Foundation is slightly more complex. The foundation is defined and largely managed by Edhi himself. In this sense it is difficult to extricate the man from the cause. Although Edhi recognizes that his own appeal in some ways has limited the foundation, he is wary of distancing himself for fear that without his vigilant supervision the foundation would become wasteful, inefficient and unresponsive to the needs of the population.

Thus it must be noted that while prominent board members are a valuable asset, defining the organization largely by these personalities can be limiting.

Role of fund raising staff

Of the non-profit organizations profiled in this study, the Shaukat Khanum Memorial Trust was the only one with a separate fund raising/marketing department. All the other organizations relied on volunteer fund raising teams or fund raising was assumed to be a general responsibility of everyone associated with the organization. In the case of Shaukat Khanum, it was obvious that having a separate fund raising/marketing department in

each of the major cities, supported by the main marketing department in Lahore, enabled it to foster better relations with local donors in each city.

It was apparent that most of the organizations profiled did not have a scientific approach to fund raising and were often unable to differentiate between the most and the least effective strategies. This was largely due to lack of resources but also because of the non-competitive nature of fund raising in Pakistan which made it easier for NPOs to avoid financial analyses without facing any major consequences. In addition, lack of dialogue/awareness on the effectiveness or potentials of various fund raising strategies discouraged innovation and diversification of fund raising methodologies and sources.

Interestingly, most of the NPOs profiled did not feel that the worsening economic situation in Pakistan had any significant impact on their fund raising ability and there were no real pressures of fund raising experienced.

Role of volunteers

In 1998, volunteerism in Pakistan was valued at Rs. 29.4 billion. The country is featured in the Guinness Book of World Records for having the largest volunteer ambulance service in the world, managed by the Edhi Foundation. There are several examples of NPOs which have built a strong volunteer base to support their development agenda.

Several of the NPOs profiled which had a large volunteer base indicated that it was best to employ volunteers in positions where no other person was being paid to do the same job. Volunteers were also best employed to fundraise within their local communities/circle of friends and family. They could approach potential donors more easily and they were in a better position to know how to convince these potential donors to support their causes.

Many of the volunteers interviewed had once been clients/beneficiaries of their organizations. This personal association with the organization strengthened their commitment to the cause and made them better ambassadors for the organization. Most volunteers were best employed to support causes that they felt passionately about or where they felt they were making a difference. This increased their sense of satisfaction.

The NPOs profiled relied on volunteers for a range of activities, especially fund raising. The majority of these volunteers were women and the NPOs representative interviewed confessed that women made better volun-

teers not only because they were generally more willing to work for free, but also because they were more compassionate in their dealings. Maulana Edhi, the founder of the Edhi Foundation, said, “(From the start) I had recognized that women were better social workers than men; apart from a higher degree of compassion, they had a sense of mission and order and were more energetic.”

Best organizational structure for fund raising

For most of the organizations that had chapters in more than one city, it was seen that having volunteers/staff members in each city made fund raising more successful. Most large organizations encouraged the local fund raising teams to support the local chapter's expenses through their own efforts. Many like LRBT, The Citizen's Foundation, SOS and Behbud, have volunteer fund raising teams in all major cities in the country. These local teams receive support from their headquarters and boards and work closely with the NPO's office in their cities. Others like the Shaukat Khanum and Edhi Foundation not only have fund raising efforts in each city but also have collection offices in all major cities to facilitate donations.

All local fund raising chapters work in conjunction with the organization's board, institutional ideology and fund raising strategy, but approach local donors and initiate fund raisers through their own resources. Having a fund raising committee in each city not only increases the NPO's donor base and encourages participation from local donors, but also allows local fund raising teams to act independently and cultivate a sense of ownership in the NPO's future well-being.

In such an organizational structure the board is in charge of approaching large institutional donors, while the main responsibility for local donations is with the local fund raising team. All letters to local donors are signed by both the chairperson as well as the local fund raising team member who is the NPO's representative in that community. It is the responsibility of that local fund raising team member to cultivate a good working relationship with all local institutional and individual donors.

Lessons learnt from fund raising activities

The teaching cases prepared highlight the importance of certain principles of fund raising in Pakistan, including:

Credibility, transparency and accountability: the cornerstones of successful fund raising.

All the organizations profiled acknowledged the importance of incorporating these three basic principles in their dealings. Interviews with different types of donors further reinforced the significance of credibility, accountability and transparency in the selection of projects to fund. Perhaps the most accountable NPO profiled is the Edhi Foundation, which decades ago introduced a system of receipts acknowledging each donation, no matter how small. The Edhi donation receipts come with a guarantee that “*whoever contributes is entitled to a refund whenever in doubt,*” and the foundation is known for refunding donations on request. With such admirable principles in practice it is not surprising that the foundation is the most recognized and well-regarded NPO in the country.

Emphasizing quality.

The Citizen’s Foundation distinguishes itself from other educational initiatives by focusing on quality education rather than functional literacy programs. This emphasis on quality has helped the foundation attract many donors especially in the corporate and expatriate sectors and ensure their continued support.

Knowing your donor.

Nearly all the NPOs profiled declared that in order to develop a successful fund raising strategy you have to be aware of the donor’s motivations, requirements and their selection criteria.

Being professional.

Although none of the NPOs profiled except the Shaukat Khanum Memorial Trust have a separate fund raising department, nearly all of them agreed that fund raising practitioners have to be very professional in their approach. From identifying donors, to approaching them, to writing proposals and making presentations, at each stage the fund raising committee members have to be prepared, punctual, organized, flexible, patient and attentive to the needs of the donor.

People give to people not to causes.

This is a widely accepted principle of fund raising and emphasizes the importance of recruiting the support of prominent, committed, respected and well-connected supporters, ambassadors and fund raising practitioners. The previous section highlighted the significance of the organizations' human capital for fund raising purposes.

Leading by example; putting your money where your mouth is.

“We spent our own resources and went to others for funding when our pilot project was successful.”

—Mushtaq Chhapra
Chairman
Supporters of The Citizen's Foundation

Several of the NPOs profiled were initiated with the funds of the founding members alone. These included the Citizens-Police Liaison Committee, The Citizen's Foundation, Layton Rahmatulla Benevolence Trust and others. Their founders provided the seed money and only approached the community for donations after demonstrating the viability and benefits of their efforts to the public. All three named organizations reported that the initial investment by the founders and the track record of the organizations inspired other donors to give generously.

Seeing is believing.

“There was no argument more convincing than to see the schools functioning with their own eyes.”

—General Sabeeh Qamar-uz-Zamar
Chief Executive
The Citizen's Foundation

NPOs like The Citizen's Foundation and SOS Children's Village empha-

size the importance of taking potential donors to the project sites to reinforce the credibility of their cause and allow donors to see for themselves how their money are being utilized. Both these NPOs insist that these site visits are the most convincing method in converting potential donors into committed supporters. Other NPOs have inducted their major donors into the organization's board and other decision making bodies. This not only creates transparency but also strengthens the donor's commitment to the project by fostering in them a sense of ownership.

Raising awareness rather than funds.

“The key to fund raising is awareness; it's not looking for money, it's looking for people who will know what you are doing. That is about it. You create consciousness, people give, they really give, but if they don't know (about your cause) and it's just money, money, money, sometimes they won't want to give.”

—Mehnaz Sheikh
General Secretary
SOS Children's Village-Multan

An increasing number of NPOs are beginning to recognize the importance of creating awareness about their organization and cause through a series of marketing schemes which include developing a media strategy, brochures and communications, organizing special events and utilizing public forums to inform others about their organization's objectives and activities.

Building partnerships.

Relying on a single or a few sources of funding has been detrimental to several NPOs in Pakistan. The encouraging case of ALAST is that of the transition of this NPO from donor dependence to self-reliance. ALAST diversified its fund raising portfolio by building and strengthening partnerships in the local community, with the government and corporate donors. Another NPO with strong partners in the government and local and business communities is the Citizens-Police Liaison Committee. And the Layton Rahmatulla Benevolence Trust demonstrates that partnerships can be de-

veloped not only to raise funds but also to expand services to areas where the NPO may not have a presence. This is what LRBT has done in Khewra through its partnership with ICI Pakistan Ltd.

Encouraging community participation.

“Any project with community participation has success, less criticism and it is shared by the people.”

—Jamil Yousaf
Chief

Citizens-Police Liaison Committee

Several other NPOs have also emphasized the importance of community participation to ensure financial sustainability of the project and to indicate the appropriateness of the project’s objectives.

Organizing gala fund raisers; “robbing from the rich” to feed the poor.

High-profile fund raisers have become popular tools targeting corporate and high net worth donors. Although criticized by many for being elitist and wasteful, these gala events have been an important fund raising strategy of many NPOs. The Umeed-e-Noor case study documents the preparation of one such high-profile fund raiser.

Creating marketing opportunities.

An increasingly significant means of raising funds through corporate donors is cause-related marketing. Although a relatively new concept in Pakistan, cause-related marketing has been adopted by several businesses. The Hunza Environmental Committee is one NPO that is using cause-related marketing to raise funds and support for its work. The Escorts Foundation is another NPO that has created marketing opportunities for its corporate sponsors by naming their schools after their sponsors. In addition, gala fund raisers offer a variety of marketing opportunities to corporate sponsors, including sponsorship credit, advertisements in the charity’s annual brochure, public acknowledgement of donation or gifts, and so on.

Pursuing promising income generating activities.

“Philanthropist may give or may not, everyone has their own limitations. Similarly we may or may not get grants or support from local industrialists. Now our objective is to create our own setup to start our own business and use the income/profit from that to support our efforts and become independent of the rest.”

—Riaz Ahmed
Chief Executive, ALAST

Like ALAST, an increasing number of NPOs in Pakistan are beginning to recognize and investigate income generation activities as an important tool for achieving financial sustainability.

Obtaining tax-exempt status.

Income tax exemptions are fast becoming a necessity for all NPOs targeting corporate sponsors. The Layton Rahmatulla Benevolence Trust, Shaukat Khanum and The Citizen’s Foundation have even registered as tax-exempt charities abroad to attract expatriate donors.

People-centered approach.

People-centered organizations have generally been more successful in raising funds through indigenous donors. Thus service delivery organizations, particularly those in the health and education sector, have been most popular with local donors. ▶

3 | Donor Profiling

This section seeks to segment and analyze the donor market in Pakistan. Although none of the NPOs in this study differentiated between types of indigenous donors, nevertheless based on the research, donors in Pakistan can be divided into roughly four major categories: religious, government, corporate and expatriate. This section develops the profiles of these donors, which include an analysis of their significance, insights into their motivation and criteria for giving, as well as their potential for philanthropy. Each donor profile identifies the fund raising strategies that have been most successful in enlisting their support.

While the case studies provided useful insights into how NPOs successfully targeted each of the donors identified, and the recent National Survey on Individual Giving provided the data, the research team also conducted a series of donor interviews to understand the donors' perspective. During these interviews, individual donors and representatives of donor organizations spoke candidly about their experiences with the non-profit sector, their selection criteria, expectations and reservations. They shared their insights regarding the tradition of philanthropy in the country, and made recommendations for creating a more enabling environment for "giving" in order to build on this tradition.

It must be noted that none of the donor profiles can fully capture the nature, potential and role of these donors in philanthropy in the country. However it is hoped that these profiles will lead to further research and analysis to document and encourage social investment in Pakistan.

Religious Donors

Religion has been central to the spirit of philanthropy in Pakistan. Nearly 98 percent of the individuals surveyed by the Aga Khan Foundation team for the Report on Philanthropy in Pakistan cited religion as their main

motivation for giving.

As an Islamic republic where 97 percent of the citizens are Muslims, Pakistan has a rich tradition of religious giving. For Muslims the world over, Islam has often been cited as more than a religion, it is a complete way of life with strong emphasis on the community (ummah¹) and a definite sense of social responsibility.

To emphasize the spirit of social welfare, Islam enjoins zakat, a religious tax compulsory for all Muslims, as one of its five fundamental tenets. Zakat is a kind of progressive tax which amounts to 2.5 percent of each Muslim's wealth² and is used for social welfare purposes. Zakat is one of the earliest forms of a social welfare system and exists in most Muslim societies. The Quran encourages zakat as a means of purifying wealth: "Take alms of their wealth wherewith thou mayst purify them and mayst make them grow." (The Holy Quran 9:103)

According to the estimates drawn on the basis of the National Survey on Individual Giving, zakat receipts for 1998 amounted to Rs. 13.7 billion or 20 percent of all giving in the country. However, this may not be a true reflection of the value of zakat because the Quran favors anonymous giving:

"If ye publish your almsgiving it is well, but if ye hide it and give it to the poor, it will be better for you, and you will atone for some of your ill deeds. Allah is informed of what ye do." (The Holy Quran 2:271)

Thus religious giving is difficult to quantify, and its actual value may well exceed the estimated figure.

Nevertheless, in conjunction with Islamic guidelines, the majority of these zakat receipts are directed at individuals rather than institutions, because Islam instructs Muslims to give directly to the mustahiqeen or needy without the intervention of any intermediary organization or person.

The National Survey on Individual Giving indicates that household income and age have significant impact on a person's choice of giving to individuals vs. organizations. According to the survey, the highest household income group and the elderly were more inclined to direct their zakat to institutions rather than to individuals. But even this institutional giving may not be for development purposes since the survey estimates that 90 percent of zakat to organizations in 1998 went to religious groups, indicat-

ing the inability of NPOs to capture a share of this valuable source of philanthropy in the country.

However there are some NPOs which have had tremendous success in capturing a significant share of zakat receipts. The Edhi Foundation secured 16 percent of all zakat receipts to organizations. This despite the fact that the foundation unlike some other NPOs does not invest in a marketing/advertising strategy because Maulana Edhi believes that his wide network, offering vital public services, is the foundation's best advertisement. "It is not my style to spend money on advertisements," he said. "The concept is wasteful despite the fact that the investment brings in larger donations. I have already advertised through ambulance services and other relevant facilities. Expensive publicity deviates from the foundation's commitment to substance."

Aside from capturing the most significant organizational share of zakat, the foundation also harnesses other forms of religious philanthropy. Maulana Edhi introduced the concept of a hides-collection campaign wherein the hides of animals sacrificed on the occasion of Eid-ul-Adha are collected and then sold in the market to raise funds. Several other NPOs have adopted this innovation as a means of meeting their expenses. In fact this has become a considerably high-profile annual fund raising activity with hides-collection centers set up in many parts of the major cities.

Unlike the Edhi Foundation, other NPOs like the Shaukat Khanum Memorial Cancer Hospital have devised specific zakat appeals. In 1998 the hospital collected Rs.102 million in zakat alone; zakat funds account for nearly a third of all funds generated and have been consistently increasing. Yet getting a portion of the zakat funds is becoming more challenging each year. Mehmood Akhtar, director of marketing at the Shaukat Khanum Memorial Cancer Hospital, explained that with the mushrooming of charities and the drop in the country's per capita income, many credible organizations are finding themselves competing with one another for their share of zakat. According to him the success of any zakat campaign hinges on the reliability of the cause and the creativeness of the marketing technique. "Now the battle will be on how precisely you can convey your message and how much people trust your work," he said. "(You have to ensure that) the appeal should be with them (the public) well in time... and also that your cause is good. You should be able to show people what you are doing; it should be transparent and people will come and visit and see for themselves."

Aside from zakat, Islam creates several opportunities and incentives for giving and discourages hoarding as a sin:

“And let not those who hoard up that which Allah hath bestowed upon them of His bounty think that it is better for them. Nay it is worse for them. That which they hoard will be their collar on the Day of Resurrection. Allah’s is the heritage of the heavens and the earth and Allah is informed of what ye do.” (The Holy Quran 3:180)

Other forms of Islamic giving include sadqa,³ khairat⁴ and fitrah.⁵ Although, unlike zakat, these are not compulsory forms of giving, they do constitute a significant portion of giving in the country. Maulana Edhi explained the significance of these forms of giving in creating an Islamic system of social welfare: “The ingenious Islamic method of sadqa to ward off calamities, encourages charity without making the receiver a debtor. Zakat, khairat and sadqa are simultaneous blessings for the giver and the receiver. When this subtle interaction of interdependent classes is activated it creates a natural cycle of welfare. The Islamic concept of discretion can be best maintained by a collective welfare system.”

Mehnaz Sheikh, general secretary of SOS Village-Multan, cites a remarkable case of sadqa as a form of giving: “There are only a handful of families (who give) over there (in Multan), but they have really come through... (for example) there is one family in Multan which has provided us meat ever since I started. They really believe in sadqa and giving for almost everything. And each and every time I am out (of meat) all I have to do is call them and the meat is there.”

Another significant form of religious giving is *Waqf* or the religious endowment of income generating property regulated by Islamic law. Religious scholars have described waqf as “a permanent dedication, *fi sabili-llah*,⁶ by a Muslim of movable or immovable properties he owns with the purpose of providing stipulated religious, charitable or social services.”

Awqaf (the plural of waqf) were very common during the Ottoman Period; thousands of people founded waqf institutions with their own property and money. In fact according to some historians, at one time awqaf revenues amounted to nearly one-third of the state budget. The establishment of awqaf was encouraged by Muslim clerics and scholars who preached the benefits of this religiously inspired endowment:

“There is great reward in endowing one’s building, property, orchard, etc. in the name of Allah... this act of endowing a particular property or building is such that the person will continue reaping the rewards as long as that property or building is in use. This could continue until qayyamah.⁷ As long as the poor and needy are benefiting from it, the rewards of this act will continue to be written in this person’s book of deeds.”

Awqaf are governed by Islamic law or Shariah, which dictates that the founder of the waqf can determine the terms of the waqf:

“When endowing anything, it is permissible to make the following condition: ‘As long as I am alive, I will use a portion of the income or the entire income for my personal use. After my death, it must be given in such and such good and noble cause’... Similarly a person could make the following condition: ‘Whatever income is derived from this property, a certain percentage of it should be given to my children first. Whatever remains, should be given to such and such good and noble cause.’”

S/he also determines its purpose:

“The purpose for which a waqf may be created must be one recognized in Mohammedan law as ‘religious, pious or charitable’ [Waqf Act s.2(1)]. A waqf may also be created in favor of the settlers’ family, children and descendants [Waqf Act, s.3].”

According to Islamic law once the waqf has been created, all rights of property are transferred from the founder of the waqf or waqif and now vest in the Almighty:

“Once a particular thing has been made waqf, it no longer remains in the ownership of that person. Ownership of that thing is now transferred to Allah. It cannot be sold or given to anyone. No one can interfere with it. It will have to be used

for the purpose for which it was made waqf and cannot be used in any other manner.”

Professor Muhammad Al Habib Belkhoja in his essay on “Waqf and Development”⁸ emphasizes the importance of waqf as a philanthropic institution committed to social welfare initiatives.

“The main objective for which people spend riches in these required endowments and legitimate funds, pertains to fighting against poverty and unemployment, achieving a developed state, establishing a society which has the necessary cultural economic and military power for its assurance and protection, accomplishing moral balance for each member of the community, as well as providing happiness and approval.”

He argues that waqf as an institution is even more valuable today than it was in the past due to the financial innovations and investment opportunities available to us:

“We have found in this era other ways of development than building and land leasing or field and grove farming. There are other options like mortmain rent, trade-off, ground rent, double lease, long-term lease, order of manufacturing and participation, including a mortmain and a constructor's own land. All those means allow for endowment's money raising and for spreading riches to the various areas which people are in need of.”

The case study on the Hamdard Foundation, a waqf established in 1953, has been included to highlight the workings and significance of awqaf in philanthropy in Pakistan.

Aside from monetary giving, Islam has inspired a great deal of volunteerism in the country through its emphasis on huquq-ul-ibad, or rights of people. Edhi cites religion as the inspiration of his foundation: “The five tenets of Islam continue into the sixth for me. Huquq-ul-ibaad, or humanitarianism... within this tenet lies the essence of all religions and the test of all mankind.”

Conclusion

Religion has been the greatest motivating factor in philanthropy in Pakistan, with 98 percent of individuals citing it as their primary motivation for giving. While Islam favors giving to individuals rather than organizations, thus limiting the potential of religious philanthropy to contribute towards development, NPOs like the Edhi Foundation have demonstrated that it is possible to harness religious giving for development purposes. It is hoped that other NPOs will follow the example of Edhi and successfully convert religious giving in the country to a valuable social investment.

Government Donors

The government of Pakistan's relations with non-profit organizations in the country has been a source of considerable controversy. In 1999 the Punjab government denotified 1,941 NGOs on the pretext that they were operating against national interest. In 1998-99 the government deregistered 2,500 NGOs in the provinces of Punjab and Sindh; in 1994 the Punjab Minister of Social Welfare presented a bill to the National Assembly which proposed giving the government arbitrary powers of regulation over the non-profit sector; and the non-governmental sector was regularly targeted in the 1980s under the military dictatorship.

However, the current military government has inducted several members of the non-governmental sector into its offices and has made promising overtures to the non-profit sector. At a recent conference, the Minister for Environment, Local Government, Rural Development and Overseas Pakistanis, Omar Asghar Khan, previously a prominent member of the non-profit sector, conceded that "the Pakistani non-governmental sector has had to brave a hostile environment during the last decade. Previous governments have contributed to the creation of a negative image of the philanthropic and charitable sector by resorting to unfair and malafide tactics aimed at maligning them. Vicious anti-NGO media campaigns, personal attacks on NGO workers, unauthorized scrutiny of NGO records and offices have collectively created an atmosphere where the common man has little trust in this sector."⁹

The minister assured members of the non-profit sector that contrary to previous governments' attitudes, his government is committed to creating "a more enabling environment where citizens will feel encouraged to donate generously towards charitable and development institutions."

There is no denying that the military government has been actively seeking input and assistance from a broad spectrum of civil society, especially NPOs. In addition, the government has also introduced new concessions for the non-profit sector by exempting recognized charitable institutions from the 0.5 percent minimum income tax requirement and by offering a range of exemptions from taxes and customs duties.

According to the Aga Khan Report on Philanthropy, “the state remains the largest and most influential institutional actor with respect to philanthropy” in the country. Thus with a sympathetic government at the helm of affairs, and a vast potential for state giving, there are valuable incentives for members of the non-profit sector to understand the requirements of the government as a donor, and to identify promising means of raising funds and expanding philanthropy through government support.

Government-NPO partnerships

The majority of the 16 NPOs profiled in this study reported receiving some form of government support. The government of Pakistan has several programs designed to support NPOs working in the field of development. These include the famous Social Action Program (SAP) launched in 1992 to expand and bring a qualitative change in the delivery of social services¹⁰ in the country. The primary beneficiaries of the program are the poor, particularly women and girls. Currently in its second phase, the Social Action Program works primarily through the government’s offices but is also committed to financing NPOs by fostering partnerships and establishing funding and communication mechanisms to directly support these efforts.

One of the NPOs that has received funding through the Social Action Program is ALAST, a non-profit, non-political organization dedicated to promoting non-formal education for girls in rural Sindh. In 1997 the government of Pakistan through the SAP advertised for innovative development projects to apply for funds. ALAST submitted its application under the category of Community Girls Primary Schools. After initial investigation and field visits by government officials, the project was approved for funding for two years, 1997-98. During this period, the government grant along with community contributions helped sustain 200 ALAST schools.

Although satisfied with the government’s grant-making procedure, ALAST project manager Qadir Bux Otho disagreed with the terms of the grant. “The Social Action Program gave us two years to make the school

sustainable and to motivate the villagers to support these facilities. But this is too short a period,” he said.

Nevertheless as a social service delivery organization focusing on girls’ education in rural Sindh, ALAST did not have any fundamental objections to the selection procedure employed by the government in deciding grants under the Social Action Program.

In addition to the Social Action Program, in 1997 the government of Pakistan established the Pakistan Poverty Alleviation Fund (PPAF). Funded by the World Bank and the government of Pakistan, the PPAF¹¹ provides loans to its partner organizations through its micro-credit schemes, and finances their capacity building and infrastructure development on a cost-sharing basis. The Fund has identified and financed five partner organizations across the country.¹² These intermediary organizations were selected because of their vast networks and ability to disseminate services at the community level.

Another poverty alleviation program launched by the government is the Microfinance/Khushhali Bank. Financed mainly by foreign donors, the bank’s main aim is “to mobilize funds and provide sustainable microfinance services to poor persons particularly women, in order to mitigate poverty and promote social welfare and economic justice through community building and social mobilization.”¹³ The bank delivers these services through the network of the National Rural Support Program and other NGOs.

The Khushhali Bank, the PPAF and SAP have been criticized for being donor dependent and financially unsustainable. In addition the government has recently come under fire for diverting funds from the SAP and the PPAF. Nevertheless, these three programs are essential components of the government’s current poverty alleviation program, which necessitate partnerships with the non-profit sector.

The most unique component of the government’s role as donor is the National Zakat system. To reiterate, zakat is one of the five basic tenets of Islam; a religious tax levied on all Muslims to be used for the social welfare of the Muslim community or ummah. It is a kind of progressive tax, which amounts to 2.5 percent of each Muslim’s wealth. Until 1980 the payment of zakat in Pakistan was each Muslim’s personal responsibility and was not in any way regulated by the state. However in 1980, then President of Pakistan General Zia-ul-Haq introduced the Zakat and Ushr¹⁴ Ordinance as part of his Islamization program. The Zakat and Ushr Ordinance combined ele-

ments of the traditional Islamic welfare institution with those of a modern public welfare system. The ordinance's moral imperative and much of its institutional structure were directly based on the Quran and the Shariah.

By the early 1990s, income from zakat amounted to 2 percent of public current revenue and 1 percent of social expenses.¹⁵ Collected on an annual basis through the banking sector, zakat receipts funded the National Zakat Council which disbursed funds to the poor and needy (mustahiqeen), through its provincial, district and local zakat committees. According to the 1980 ordinance, zakat had to be given directly to its beneficiaries without any intermediary involved, and zakat receipts could not be used for capital expenditure. Recognizing this gap, the government created the National Zakat Foundation to finance the capital expenditure required for institutional rehabilitation.

The National Zakat Foundation was established through a non-lapseable government endowment of Rs. 100 billion in 1983. The foundation was authorized to offer grants to cover the capital expenditure of registered voluntary social welfare organizations. These grants were made on a cost-sharing basis and after a thorough investigation that included field visits to the applicants' organization/project. Disbursement of the grant was done in advance except in the case of the construction of buildings where the foundation would reimburse its agreed share of costs.

The majority of the NPOs in the study who reported receiving government assistance were being funded by the National Zakat Foundation. In all of these cases the foundation provided grants for capital expenditure only, and that too after a thorough investigation of the organization's three-year records to ascertain their financial and managerial capacities.

The Layton Rahmatulla Benevolence Trust (LRBT) is one NPO that speaks highly of the role played by the National Zakat Foundation. LRBT has received a significant amount of funds from the foundation. According to K. Z. Hassan, LRBT chairman, the National Zakat Foundation has been a consistent and committed supporter. The foundation's grant to LRBT accounts for about 50-70 percent of all capital expenditures of the Trust. And Hassan believes that National Zakat Foundation will continue its support of LRBT because it has "implicit faith and trust in us."

Another profiled NPO that receives significant support from the National Zakat Foundation is SOS Villages Pakistan. The foundation recently committed to give a Rs.10 million grant to SOS Multan to furnish the

Children's Village. However, getting the funds was no easy task. Mehnaz Sheikh, general secretary of SOS Multan Village, explained: "It's a very slow process... since it is so technical and they are usually lagging behind in all kinds of work so the installments come at a very slow rate."

Although there have been similar complaints the National Zakat Foundation on the whole is a valuable source of government funds for NPOs in Pakistan. It is noteworthy that in March 2001, the government merged the foundation with the Bait-ul-Maal¹⁶ and it is still not clear what impact this merger will have on the function and mandate of the National Zakat Foundation in the future.

In addition to monetary support, the government of Pakistan also offers valuable in-kind support to the non-profit sector. The most common means of in-kind government assistance have been land grants. There are numerous examples of government land being gifted to NPOs for social welfare projects. All 22 SOS Pakistan projects in the country are built on land donated by the government. The land for the Shaukat Khanum Memorial Cancer Hospital was a gift from the Punjab government, and the Citizens-Police Liaison Committee's (CPLC) Central Reporting Cell is housed in the Sindh Governor's House.

The CPLC is a unique example of a citizens organization partnering with the government to provide an important public service. About 24 percent of the CPLC's average annual operational expenditure comes from a government grant. The grant covers a portion of the staff salaries, printing, stationery, postage, telegram and other operational expenses. Jamil Yousaf, chief of CPLC, explained why the committee insists on government partnership in the program: "I want the contribution of the government... because I want the feeling to go to the people that the government cares for them. How are you going to develop patriotism, how are you going to develop the love for the country? It can only be when the people start feeling that 'the government is doing something for me.'"

However, recognizing that government dependence would rob the committee of its objective non-political status, Yousaf and his colleagues have made no attempts to increase the government's share in CPLC's receipts. "If I am collecting 85 percent to run this institution, stoppage of 15 percent is not going to deter me. So one of the main reasons for sustainability is independent financing," he said.

Yousaf admitted that government partnership has not made his job easy.

Over the past 11 years, successive governments have been alternately cooperative, weary, and even hostile to CPLC's work. Corrupt politicians and bureaucrats have tried to create obstacles for CPLC, for fear of being exposed themselves. But as in any sector, there are also many good people in the government and Yousaf acknowledged their sincere efforts. After all it was an ex-governor who established the CPLC, and since then there have been many notable politicians, government servants and institutions who have offered their generous and valuable support to the Committee. Most importantly, it is the government notification which allows the CPLC members to exercise their special powers in an effective manner.¹⁷

Another example of a successful government-non-profit partnership is the Cooperation for Advancement, Rehabilitation and Education or CARE. CARE is a charitable trust working towards providing quality, marketable education. Today CARE operates five of its own schools and 21 schools belonging to the Metropolitan Corporation Lahore (MCL). Like CPLC, CARE's experience with the government has been both good and bad. Seema Aziz, chairperson of CARE, explained the organization's rationale for partnering with the government: "It costs huge amounts of money, approximately 70 to 80 lakhs,¹⁸ to build a school. It takes a year to construct a school and students come in gradually. In the government schools, the buildings are already standing there, the children are sitting there. We felt that in this way we could reach out to the largest number of people in a shorter period of time with a lower investment of money."

In contrast, The Citizen's Foundation, a non-profit organization committed to providing quality education to underprivileged children, has avoided government partnership on principle. General Sabeeh Qamar-uz-Zaman (Ret.), chairman of TCF, complained, "The government has given us nothing but headaches...Ministries, the Corporate Law Authority, the Income Tax Department, the provincial education setup, district administration, everywhere one comes across barriers which impose delays, add to costs, and cause great frustration."

Aziz agreed that working with the government has been at times an arduous task, but this has not discouraged her and her colleagues at CARE. "Their interference slows progress," she said. "But this experience has not stopped us. And we've made strides ahead."

The success of CARE indicates that government partnership when managed properly can be a tremendous support to the non-profit sector.

Shortcomings of state philanthropy in Pakistan

Perhaps the greatest limitation of the state as a partner in development efforts has been due to the political turbulence in Pakistan. Between 1995 and 2000 Pakistan has had three different governments and a three-month caretaker government. This political inconstancy makes the government an unreliable partner in any venture. In addition, these mercurial political conditions aggravate existing tensions between the state and the non-profit sector.

Although the current government has been quite supportive of the non-profit sector in spirit and has inducted several members from this sector into positions of power, there still remains a great deal of mistrust between the state and the NPOs. These misgivings are further aggravated by media campaigns maligning the role and reputation of NPOs in Pakistan.

Political specifics aside, any government–non-profit partnership is bound to be precarious especially when NPOs challenge state policy or interests. In such cases government donor agencies may use funds as a means of manipulating the concerned NPOs to suit their interests. Thus while the state may be the largest and most influential institutional actor in philanthropy, NPOs have to be careful not to allow government funding to undermine their objectives.

Corporate Donors

Corporate sponsorship of not-for-profit organizations is on the increase the world over. This is due in part to the changing demands from consumers of the corporations they do business with, and also because of the growing market savvy of NPOs.

In Pakistan, corporate players are becoming more socially responsible because of the obvious business benefits attached to the exercise. These benefits include an enhanced brand image, more investors, increased consumer good will and trust, greater market access and higher employee morale.

According to the Aga Khan Development Network's Report on Philanthropy in Pakistan, the corporate sector in the country has shown an "encouraging pattern of participation" in philanthropy. Nearly 93 percent of the 120 companies interviewed in the survey reported some degree of philanthropic activity. However only 50 percent of corporations surveyed had a

formal policy on giving, and only 36 percent of all corporations directed their philanthropic ventures through citizen's organizations.

Many in the corporate sector conceded that this reluctance to sponsor NPOs and their activities is due to the strained relations between the two sectors. Current relations between corporate and civil society players are estranged at best.¹⁹ Several NPOs profiled in this study reported hesitancy on the part of corporate donors and criticized them for being more interested in marketing opportunities than in doing good.

Successful fund raising strategies targeting corporate donors

Despite the criticism leveled against corporate donors there are several NPOs that have managed to build strong partnerships in the corporate sector and develop a significant corporate donor base. These NPOs have employed different means of capturing corporate donors, including making personal visits, organizing high-profile gala events, pursuing aggressive direct-mailing programs, encouraging field visits to the actual project site, and including corporate sponsors in their decision making bodies/boards.

One such NPO is the Citizens-Police Liaison Committee, a unique citizens organization which functions as an NGO, yet is notified and empowered by the government as an example of state and citizens' honorary participation, for the welfare of the society in general. As an NGO committed to law enforcement and crime-prevention in the business capital of the country, CPLC has been quite successful in raising funds through the corporate sector, due to the nature of its work. All this despite the fact that CPLC does not "aggressively pursue" corporate donors, but relies instead on its reputation as a valuable partner to the business community in its mission to maintain law and order and an investment-friendly climate in the city.

Although only 10 percent of all cash donations to CPLC comes from the corporate sector, Jamil Yousaf, chief of the CPLC Central Reporting Cell, reported that the business community has also offered significant in-kind support and invaluable patronage to the organization. CPLC has been particularly successful in enlisting the support of multinational corporations (MNCs), which were the primary sponsors of CPLC's first walk-for-a-cause fund raiser. The local business community has also been very supportive of the CPLC. In fact many of the founding members of CPLC are from the business community in Karachi,

and several more support the committee in its efforts to create and maintain a secure and investment-friendly atmosphere.

While CPLC has managed to capture a corporate donor base by offering an important public service to the business community, other NPOs in Pakistan have created high-profile marketing opportunities in a bid to secure corporate support. The Layton Rahmatulla Benevolent Trust (LRBT), which among other services offers free eye care to indigent patients, was one of the first NPOs in Pakistan to organize high-profile gala fund raisers; this has now become a popular and lucrative means of fund raising in the country. Today the Trust organizes over 20 such charity balls across Pakistan and abroad each year. Targeting high net worth individuals and the corporate sector, most of these gala fund raisers are sponsored by corporations like Shell Pakistan, which cover the entire cost of the event. For the corporate sponsor, LRBT balls offer a valuable marketing opportunity to enhance their public image. Aside from event sponsorship, the gala fund raisers offer a variety of other marketing opportunities to corporate sponsors, including advertisements in the charity's annual brochure, public acknowledgement of donations or gifts, and so on.²⁰

Aside from their obvious marketing benefits, these gala events also appeal to corporate donors because they are a popular way of entertaining their clients. Therefore, it is not surprising that corporate donors not only sponsor these balls, but also buy the majority of the tickets.

Another increasingly significant means of raising funds through corporate donors is cause-related marketing. Although a relatively new concept in Pakistan, cause-related marketing has been adopted by several businesses. The Hunza Environmental Committee is one NPO that uses cause-related marketing to raise funds and support for its work.

One of the obstacles of popularizing cause-related marketing, as a means of encouraging socially responsible corporate investment, is the lack of trust between corporate players and NPOs as well as a dearth of publicly well-regarded NPOs. Nevertheless it is hoped that the pioneering efforts of the Hunza Environmental Committee and other such NPOs will help pave the way for similar mutually beneficial partnerships between the corporate and the non-profit sector.

Until now we have only discussed initiatives by NPOs to encourage corporate philanthropy in Pakistan. However there are several examples of corporate initiatives to enhance philanthropy in the country. Aside from

sponsoring NPO activities, some corporate players have taken the lead in launching their own development initiatives. One such example is the Escorts Foundation, an NPO committed to the welfare of the village communities settled in and around the Changa Manga forest. Launched under the umbrella of the Escorts Group, a very successful and prominent local business house, the Escorts Foundation not only received initial seed money from the Escorts Group but the corporate house continues to offer valuable financial and professional support to the foundation.

The brainchild of Maryam Bashir, the daughter of the chairman of Escorts Group, the Escorts Foundation is housed in the Escorts Group building and the latter covers all of the foundation's office expenses as well as any other non-project related costs. In addition to the Escorts Group, the foundation has also managed to enlist the support of several corporate sponsors by creating marketing opportunities in the rural areas where it operates. The foundation has devised a very reasonable one-time cost of sponsoring a home school. Each school is named after its corporate sponsor, and the latter's logo and name is clearly advertised on the school's board. This marketing scheme offers valuable advertising to corporations in the most remote areas of the country.

In addition to creating marketing opportunities, Amna Qureishy, executive director of the Escorts Foundation, believes that the most successful and convincing fund raising strategy particularly for the corporate donors has been the foundation's emphasis on field visits to the project site. Qureishy said: "Once we took them (potential donors) to the schools there was no problem, they needed no more convincing."

Similar field visits have been very successfully used by other NPOs like SOS Pakistan to create greater donor involvement in the projects. These visits have not only convinced potential donors to commit themselves to the cause, but have allowed existing donors to strengthen their commitment.

Another such confidence building exercise has been the inclusion of donors to the board/decision making body of the NPO they support. The Escorts Foundation, CPLC, SOS and others, have adopted this approach to create greater transparency in their financial dealings, and to allow their donors to play an active and involved role in the development of the programs they finance.

Like the Escorts Foundation, the Hamdard Foundation is an example of a corporate initiative to finance development and enhance philanthropy

in Pakistan. However, the Hamdard Foundation is not purely a corporate initiative, but rather a religiously inspired philanthropic institution financed by a corporate entity under the rules outlined by Shariah or Islamic law. The Hamdard Foundation is a waqf or a religious endowment of an income-generating property regulated by Islamic law. Supported by Hamdard Pharmaceuticals, a flourishing local business house, the Hamdard Foundation has already sponsored innumerable development initiatives in the fields of health, education, medicine, research and social welfare. The existence of a waqf like Hamdard bears witness to the flourishing Islamic tradition of awqaf in Pakistan and adds a new and unique dimension to the potential of corporate philanthropy in Pakistan.

Shortcomings of corporate philanthropy in Pakistan

Although several of the NPOs in this study reported significant corporate support many of them also accused the corporate sector of not being responsive to the development needs of the country.

The HAWWA women's cooperative, an NGO committed to the social and economic uplift of women through the creation of income-generating activities, reported negligible corporate support for their cause. The director of HAWWA, Kishwar Naheed, conceded that this was partly due to the fact that HAWWA does not have the capacity to organize high-profile fund raisers which corporate donors favor. "They want you to have a big dinner for them, have a dance, and then they'll buy the table and then they'll come ... a big ball is what they want."

The tremendous expenditure and human resources required to organize such events, and the perception that this is the primary means of enlisting corporate support, often discourage NPOs from approaching corporate donors.

Some representatives from the NPOs were particularly critical of multinational corporations (MNCs) in Pakistan. One such representative of an NPO professed to accuse MNCs of employing double standards and making sponsorship decisions on the basis of marketing opportunities rather than the causes involved. "They are very conscious of social responsibility in their own country of origin but here, when they come here they find that social causes are not so important. Of course they will donate if you are holding a function, if there is a dinner function or a dance function they will buy a

table, but tell them to sponsor a school or sponsor a child, suddenly they will start having cold feet.”²¹

Leaders from the corporate sector have not been unmindful of this criticism and have acknowledged the need for them to adopt a more informed and professional approach to giving. Shaukat Mirza, managing director of Pakistan State Oil²² said: “Right now, what is happening is that companies receive any number of requests from all types of people and organizations. Consequently you are at a loss as to who you should support. More often than not you end up doing what a friend tells you to do. But there is a need for a professional and scientific approach to it. There should be a mechanism for NGO evaluation. More research needs to be done to guide corporate entities to decide which causes and organizations they should give to.”

In addition, some of the NPOs profiled conceded that the fault lay with them rather than with corporations. Organizations like the Shaukat Khanum Memorial Cancer Hospital agreed that they need to build their own fund raising capacities and improve their marketing potential in order to attract more corporate sponsors.

There is no denying that NPOs will have to meet the exacting standards of corporate donors in matters concerning accountability, transparency, credibility and a people-centered approach, if they want to capture a greater share of corporate philanthropy. It is hoped that the Pakistan Center for Philanthropy, led by a steering committee comprised of eminent citizens from both the non-profit and for-profit sectors, will play a vital role in bridging the gap between these two sectors.

Expatriate Donors

As the economic situation in Pakistan deteriorates, a growing number of non-profit organizations are beginning to tap into a new source of potential donors: expatriate Pakistanis. The expatriate community, which is concentrated in the United Kingdom, United States and the Middle East, enjoys greater per capita income than their compatriots in Pakistan, and their donations are further inflated by an increasingly favorable exchange rate.

Today there are an estimated five million Pakistanis living abroad. Nearly 2.5 million of these are in the Middle East, about one million in Canada and the USA and nearly 750,000 in the United Kingdom.²³ This exodus first became noteworthy in the 1970s with the beginnings of the “brain drain”

from the country. Until then Pakistan had been exporting mainly semi- and unskilled labor but the trend changed dramatically when highly skilled, educated and professional Pakistanis began to leave their homeland in pursuit of better prospects abroad.

Over the years this brain drain has magnified and resulted in a tremendous loss of valuable human capital in the country. This loss of human resources was further complicated by the flight of capital with the introduction of the “entrepreneur visa.” A Canadian entrepreneur visa applicant needs to invest at least 150,000 to 250,000 Canadian dollars in Canada while the cost of a US “investor’s visa” is an impressive US\$ one million. These visas have proved to be the most popular among the educated elite in Pakistan, with the Canadian High Commission in Islamabad reporting that nearly 3,000 such visas having been issued in the recent past.²⁴ Thus with an existing large and prospering expatriate sector abroad and with the most promising potential donors leaving the country, it is clear that the expatriate sector is going to be an important means of raising funds for development in Pakistan. In fact according to recent reports these expatriate donors have already proved to be a valuable source of funds.

Successful fund raising strategies that target expatriate donors

Today several NPOs have adopted specific fund raising strategies to target expatriate donors. These include registering as tax-exempt charities abroad, organizing high-profile fund raisers and enlisting the support of expatriate organizations such as the Association of Pakistani Physicians of North America (APPNA).²⁵ Each of these NPOs has reported a generous and encouraging response to their appeals.

The Layton Rahmatulla Benevolent Trust is a pioneer in the field of fund raising through expatriates. One of its co-founders, Graham Layton, was a British national who adopted Pakistan, his host country of over 46 years, in order to set up the LRBT.²⁶ Layton played a vital role in defining the fund raising structure of the LRBT. In 1984 he established the Graham Layton Trust (GLT) UK, a sister organization of the LRBT and the most unique fund raising feature of the LRBT. The GLT, which is registered in London with the Charity Commissioner as a tax-exempt organization, has been one of the most consistent and significant sources of income for the LRBT. In 1999-2000, nearly 12 percent of all LRBT receipts was raised by the Graham

Layton Trust—a 60 percent increase from the previous year. Most of these funds were raised through grant-making organizations in the UK such as the National Lotteries Charities Board, Sylvia Adams Charitable Trust and others. The GLT also raised significant amounts of money through donations made by individuals and organizations in the UK. The Trust usually approaches mosques and other institutions. The GLT has also been quite successful in recruiting influential and powerful support for the LRBT cause in the expatriate community in the UK.

In addition to GLT, Graham Layton also initiated the volunteer-based Friends of LRBT Committees to raise money for the charity. The Friends of LRBT was one of the first fund raising committees in Pakistan to organize special events as a means to raise money for their causes. Today the Friends of LRBT organizes 20 such events annually in Pakistan raising almost Rs. 100 million a year for the charity.²⁷ The LRBT holds similar events abroad to target expatriate donors. In 2000 the Trust hosted special fund raisers in Washington DC, London and New York. The LRBT galas in the USA alone were estimated to have raised over Rs. 2.5 million in 2000-2001.

To organize these special fund raisers LRBT has managed to identify and recruit the assistance of prominent and influential expatriates and expatriate-based organizations. With expatriate-based Friends of LRBT chapters operating in the UK, USA and the Middle East, the Trust has managed to successfully target expatriate donors through a series of gala events. Most of these gala fund raisers are sponsored and supported by expatriate-based organizations like the United Fund for Pakistan (UFB)—a US-based non-profit charitable organization which sponsored LRBT fund raisers in Washington DC and New York in 1999-2000. The UFB has been a regular donor of the LRBT and is represented on the LRBT board of trustees by Farrokh Captain.

There are a few other NPOs in Pakistan that have also had significant success with expatriate donors. The Shaukat Khanum Memorial Cancer Hospital (SKMCH), the only comprehensive cancer hospital in Pakistan, which was established in 1994 to offer quality care to cancer patients irrespective of their ability to pay, has followed LRBT's example of fund raising by organizing gala events abroad. Mehmood Akhtar, director of marketing at SKMCH, regards expatriate donors as an important source of the organization's funds because "first of all the Pakistanis who are settled abroad or are working abroad naturally have per capita income which is higher than what is at home. Secondly the conversion rate advantage is also there

... (and thirdly) over there people have a lot of love and affection for people who want to do something for their homeland. They are more patriotic... good values (of giving) which we also have but there (in the First World) they are practiced more aggressively and seen in their day-to-day lives. I found them to be very generous.”

Like LRBT, SKMCH has also registered as a tax-exempt charity in the UK and USA. But SKMCH enjoys a certain advantage over LRBT and that is the celebrity appeal of its founder, Imran Khan. Khan was then the captain of the Pakistan cricket team and an international celebrity when he founded SKMCH in 1994. Having Khan as the chairman and founder of the hospital has attracted much publicity and funds for the project particularly in the expatriate community. Akhtar, who accompanied Khan on a recent fund raiser abroad, said, “He just has to ask and people are willing to really turn out their pockets.”

On such international tours, the Shaukat Khanum marketing team often takes along local musicians, actors and performers to provide the entertainment for the evening. Imran Khan’s international celebrity friends have also played an important role in these special events. The most prominent of these celebrity supporters was the late Princess Diana. The princess visited the hospital twice and managed to raise a great deal of awareness and funds for this worthy cause. Posters of the princess with child patients still adorn the hospital walls and the organization’s brochures.

While LRBT and SKMCH rely heavily on charity balls to raise money abroad, there is another civil society organization that has received tremendous support from the expatriate sector without the use of these high-profile fund raising strategies. The Citizen’s Foundation (TCF) is a non-profit organization committed to providing quality education to underprivileged children. Founded in 1995, TCF has managed to establish an enviable network of custom-built schools providing quality education to over 15,000 children. TCF receives no foreign grants or government assistance but runs primarily on indigenous philanthropy, a large component of which is financed by expatriate Pakistanis. In fact 10 out of the 24 schools built by the foundation in the last year were sponsored by expatriates, and it is believed that in the coming year almost 30 to 40 percent of the new schools will be sponsored by Pakistanis living abroad. According to General Sabeeh Qamar-uz-Zaman, chairman of TCF, “Pakistanis here and abroad by nature are very loyal, very patriotic and very committed to the development of Pakistan.

They are not coming forward because of the frustration and disappointment they have faced all along and secondly they have not found a credible vehicle to operate through.”

TCF has managed to provide such a credible, accountable and accessible vehicle to the expatriate community. Recognizing the donor base among expatriate Pakistanis, TCF has established a Friends of TCF Trust in the UK. The Trust is registered with the Charity Commission for England and Wales, which means that UK donors can enjoy tax benefits on all donations to the foundation. Similar schemes are being launched in the UAE and in the United States. TCF has partnered with the Association of Pakistani Women in America, Inc. (APWA), a non-profit charitable organization with tax deductible status to receive donations on their behalf.

Like LRBT and SKMCH, TCF has also made its donation and pledge forms, along with audited account statements, easily available on the internet. The TCF website is regularly updated and includes information on the philosophy, history, growth and achievements of the foundation.

Perhaps the most successful fund raising strategy targeting expatriate donors has been developed by TCF’s volunteer-based fund raising committee, Supporters of TCF (STCF). STCF has set up local fund raising chapters all over the country and abroad. Mushtaq Chhapra, chairman of STCF, considers the foreign chapters of STCF to be a most valuable fund raising tool for the foundation. These volunteer groups publicize and explain the work of TCF to expatriate Pakistanis. They organize special events such as theater productions to raise money and awareness regarding the foundation’s objectives and achievements, and also host special dinners to introduce TCF directors to potential high net worth Pakistani donors abroad.

Most of the TCF supporters abroad are prominent, accomplished expatriates who are excellent ambassadors for the cause. By identifying and recruiting the support of these highly regarded expatriates, STCF has managed to raise tremendous funds and support abroad. According to Chhapra, the foundation receives an average of US\$200,000 to 300,000 a year from Dubai alone, where TCF has managed to enlist the support of volunteers like Shehzad Naqvi, regional manager of Citibank Dubai. Naqvi recently hosted a dinner for TCF where he invited prominent potential donors to view a presentation on TCF by the foundation’s directors. According to Chhapra, the directors regularly visit all STCF chapters abroad to participate in similar fund raising dinners. In fact STCF was scheduled to hold a series of fund raising dinners in the UK in August 2001 with the support of the Pakistani High Commis-

sioner and other prominent Pakistani expatriates.

While LRBT, SKMCH and TCF have relied largely on the strategy of organizing special events and developing a network of prominent expatriates to raise funds abroad, the Edhi Foundation has been starkly different in its approach with expatriate donors. The Edhi Foundation is the largest, most comprehensive social welfare system in Pakistan. It offers a wide range of services²⁸ but it is its international relief efforts which have allowed the Edhi Foundation to achieve international fame. Maulana Edhi, the founder and driving force of the foundation, has received several awards and accolades²⁹ for his social welfare efforts both in Pakistan and worldwide. This world renown has won the foundation tremendous moral and financial support outside Pakistan. Although the Edhi Foundation prides itself on being largely funded by donors at home, it does draw on average 10 percent of its revenues from donors outside the country. This statistic is particularly noteworthy because the foundation does not actively pursue international donors but instead lets its work speak for itself. This performance-driven approach to fund raising has been fundamental to the foundation's organizational philosophy, and is a strong indicator of the foundation's results-oriented methodology.

There are several other examples of civil society organizations that have managed to successfully capture expatriate donors. However the majority of NPOs in Pakistan are only just beginning to recognize the promise of expatriate donors.

Conclusion

“Global civil society has grown largely out of a cosmopolitan inspiration to provide security, equity and democracy for all persons, regardless of their territorial position on the planet.”³⁰

The growing contribution of expatriate Pakistanis to development in Pakistan bears witness to the emerging concept of supraterritorial solidarity which extends beyond national boundaries and challenges the very definition of civil society confined by geographical boundaries.

There is no denying that expatriate donors have an important place in

philanthropy in Pakistan. In fact there is now a growing number of expatriate donor groups taking the initiative to invest in development in the country. These expatriate philanthropists act both directly by launching their own NGOs, and indirectly by funding existing civil society institutions in the country. The emergence of these expatriate donor groups has institutionalized expatriate giving and revealed some interesting trends regarding the nature and considerations of expatriate donors.

Largely comprised of professional Pakistanis settled abroad, expatriate donor groups like APPNA, UFP and others have demonstrated a growing willingness to invest in development initiatives³¹ that are credible, accountable, need-driven, fiscally responsible and have an effective monitoring system.

The emergence of these donor groups and the success of existing NPOs in Pakistan with expatriate donors is an indicator of the potential of expatriate donors in philanthropy in Pakistan. As a growing number of NPOs in the country begin to pursue the promise of expatriate donors, there is no denying that in the coming years expatriate donors are going to be a widely recognized and essential component of philanthropy in Pakistan. ▀

Notes

- 1 The Islamic emphasis on community is an important factor in most religiously inspired community welfare/development activities.
- 2 Zakat is only paid on wealth that has been held by the individual for more than a year.
- 3 Charity
- 4 Alms giving
- 5 A religious form of giving at the Muslim festival of Eid-ul-Fitar which marks the end of the Islamic month of fasting
- 6 In God's way.
- 7 Day of Judgement.
- 8 <http://www.habous.gov.ma/dorrou/eng/1996/edars06.htm> (1996).
- 9 Proceedings of the Conference on Indigenous Philanthropy, October 16-17, 2000, Islamabad, Pakistan.
- 10 The Social Action Program focuses on improving services in the field of elementary education, primary health, population welfare and rural water supply and sanitation.
- 11 The Fund received \$5million from the World Bank and Rs. 100 million from the government.
- 12 The Kashf Foundation and Family Planning Association of Pakistan based

- in Lahore, the National Rural Support Program in Islamabad, the Taraqqee Trust in Quetta and the Aga Khan Rural Support Program in the Northern Areas.
- 13 Microfinance Bank ordinance, XXXII, August 2000.
 - 14 A religious tax, Ushr is a five percent tax levied on the produce of land, not on its value.
 - 15 S. Jamal Malik [1992]: Traditionale Islamische Institutionen und muslimischer Staat im Spannungsverhältnis: Stiftungen, Almosen und religiöse Schulen. In: Dieter Conrad, Wolfgang-Peter Zingel (eds.): Pakistan. Zweite Heidelberger Südasiengespräche. Beiträge zur Südasiensforschung 150. Stuttgart: Franz Steiner. pp. 77-86.
 - 16 A government agency, established in 1992. Baitul Maal was initially allocated Rs.1billion, which was used to aid about three million families. Ali, M. S., 1997.
 - 17 Mr. Yousaf notes that this special notification is necessary for CPLC to be an impartial and effective organization. He explains that Mr. Shahbaz Sharif, a previous Chief Minister of Punjab, had tried to replicate the CPLC model in his province but the experiment failed because he never amended the police rules and thus the CPLC member had no legal authority.
 - 18 One Lakh = 100,000
 - 19 "At the moment I think there will be a lot of skepticism and uncertainty (between MNCs and NGOs)." Munnawar Hamid, Chairman & Chief ICI Pakistan Ltd. (NGORC Journal March 2001).
 - 20 Please refer to the case study on Umeed-e-Noor for a detailed account of the marketing potential of such charity balls.
 - 21 General (Retd.) Sabeeh-Qamar-uz-Zaman, Chairman The Citizen's Foundation
 - 22 Non-Governmental Organization Resource Center; Journal October 2000.
 - 23 Shamaim Ahmed Rizvi; *Brain Drain and its Impact on the Economy*, Oct 9-15, 2000
 - 24 Ibid.
 - 25 Founded in 1976 in Detroit USA, APPNA is perhaps one of the oldest and most organized network of Pakistanis in America.
 - 26 Under Pakistani Law all Founding Trustees must be Pakistani Nationals.
 - 27 www.lrbt.org.pk
 - 28 Refer to case study on Edhi Foundation
 - 29 ibid.
 - 30 *Global Civil Society* Jan Aarte Scholte; The Political Economy of Globalization edited by Ngaire Woods
 - 31 Dr. Nasim Ashraf, Chairman APPNA explained that in contrast to their compatriots in Pakistan, APPNA members as a principle do not believe in giving for charity but rather prefer to direct funds for sustainable development.

4 | Case Studies

Selection Criteria

Case study selection was carefully executed to ensure representation from all four provinces in Pakistan and a variety of social sectors. None of the cases chosen are donor-dependent and the only significant foreign grant for any one particular NPO amounts to less than 17 percent of the organization's annual budget.

Of the NPOs that were eligible for the study, the research team selected those which were most promising in terms of the diversity of their sources of funding, and most significant in terms of the lessons learnt from their fund raising experiences. Religious or politically motivated organizations were excluded from this study which focuses primarily on discussing replicable examples of fund raising. Table 1 outlines the *raison d'être* for selecting each of these NPOs.

Geographical Representation

The NPOs chosen represent all four provinces in Pakistan and the Islamabad capital territory. The project includes five NPOs from the Punjab, two from Sindh and the federal Capital and one each from the North West Frontier Province and Baluchistan. The remaining five NPOs have country-wide operations.

Sector Distribution

The sector-wise distribution of cases is captured in Table 2.

table 1

Name of Institution	Significance
Anjuman-I-Himayat-i-Islam	The oldest existing charity in Pakistan, the Anjuman's work spans three centuries and offers important insights into our nation's social capital.
Aasthan Latif Welfare Society	This case captures the Society's successful transition from a grant-based organization to one relying wholly on indigenous philanthropy.
CARE	One of the few organizations that works in close partnership with the government. This case highlights the benefits and costs of such an NGO-government partnership.
Citizens-Police Liaison Committee	A remarkable example of an organization whose fund raising strategy relies on the organization's ability to foster important partnerships in the corporate sector, the government and local community, by providing a valuable service.
Edhi Foundation	The largest and most organized social welfare system in Pakistan. According to the Aga Khan Development Network's report on Philanthropy in Pakistan the Edhi Foundation is the only organization at the national level which enjoys public recognition, and Edhi himself is the only prominent social worker who register substantial public recognition.
Escorts Foundation	A non-profit organization supported largely by corporate donors, the Escorts Foundation received seed money for its project from the Escorts Group, a large business house based in Lahore, which continues to be a major donor for the foundation. The Escorts Foundation was selected for this study because of its significant success with corporate donors, and local and multinational corporations in Pakistan.
Hamdard Waqf	The story of the Hamdard Foundation captures the unique Islamic nature of the waqf, which signifies the potential of Muslim philanthropy as a significant force in development initiatives the world over.
HAWWA	Seen as a remarkable example of a non-profit organization relying largely on its own income generation activities to meet its expenditures.
Hunza Environmental Committee	A unique organization offering a much-needed public service through local resources and income generating schemes. With a dynamic marketing strategy and remarkable growth trend, HEC is a model for other such service organizations.

Name of Institution	Significance
Layton Rahmatulla Benevolence Trust	LRBT has managed to build a unique bond between the Pakistani immigrant communities settled abroad and their country of origin. It is a unique case exemplifying the potential of expatriates as significant contributors to development initiatives in their home country.
SOS Villages Pakistan	The only SOS chapter in the world that is completely self-reliant and receives no funds from SOS Kinderdorf International.
Shaukat Khanum Memorial Trust	The only comprehensive cancer hospital in Pakistan that provides free care to indigent patients, SKMCH&RC relies on its income generation activities, donations, special events, school campaigns, zakat appeals and the celebrity appeal of its founder to raise nearly Rs. 400 million a year.
STEP	STEP relies on an innovative fund raising strategy of selective culling or “trophy-hunting”. The proceeds from this trophy hunting are used to expand the conservation program and fund community development to provide incentives for community participation.
The Citizens Foundation	Offers an interesting model of an organizational structure which has adopted a corporate flavor in order to foster essential qualities of efficiency, accountability, transparency, credibility, long-term sustainability and professionalism in its approach.
Umeed-e-Noor	Is supported by an active fund raising committee that relies on high-profile gala events to raise money for the charity. This case study is a diary of the most recent Umeed-e-Noor fund raiser which captures the preparation and planning required to host a successful high-profile charity

Years in Operation

The NPOs selected include organizations as young as the Hunza Environmental Committee which has been in operation for only five years, as well as much older NPOs like the Anjuman-i-Himayat-i-Islam which has been in existence for over 117 years, long before the creation of Pakistan. Six of the NPOs selected have been operating for four to 10 years, another six were established 11 to 20 years ago and the remaining four NPOs have been in existence for more than 25 years. ▶

table 2

Sector	Number of Cases
Education	4
Health	2
Child Welfare	2
Women's Welfare	1
Social Welfare	3
Environment	2
Law and Order	1

PART TWO

The Cases

Case 1

Anjuman-i-Himayat-i-Islam

The Anjuman-i-Himayat-i-Islam holds a special status in any discussion on indigenous philanthropy in Pakistan. The organization's work spans three centuries and includes important contributions in the fields of education and social welfare. As the oldest existing non-profit organization dependent on indigenous philanthropy, the Anjuman, more than any other organization, captures the tradition of philanthropy in this country and offers important insights into our nation's social capital.

History

The roots of the Anjuman are inextricably linked to the economic, political and social realities of the Muslims of Punjab in the late 19th century. Following the collapse of the Mughal Empire and the subsequent colonization of the Indian subcontinent by the British, Muslims found themselves relegated to a lowly status in matters of state, politics, society and commerce. Financially vulnerable and socially and politically marginalized, Muslims soon faced what seemed to be an even greater threat to them—religious chauvinism. The British were working on a plan to convert the people of the subcontinent, and especially Muslims, to Christianity. This was to be done through the educa-

tion system. Schools and educational institutions were the monopoly of orthodox Hindus and Christian missionaries. Slowly and successfully, they started to make incursions into the cultural life of the Muslims.

Recognizing the threat to Muslim heritage, five prominent Muslims—Qazi Kahalifa Hamid-ud-Din, Maulvi Ghulam Ullah Qasuri, Munshi Chirag Din, Munshi Pir Bukhsh and Mirza Abdur Rahim—joined hands in 1884 to set up the Anjuman-i-Himayat-i-Islam. The Anjuman was established to counter attacks leveled against Islam by Christians and Arya Samajists and to preserve Islamic heritage by equipping Muslim youths with a spiritual and secular education.

The initial costs of the Anjuman were met by the founding members themselves. In fact these distinguished men not only contributed their own money but also time and effort, taking to the streets to gather support for their cause, pasting posters to advertise the Anjuman's mission and going door to door to collect support and eventually funds.

The Muslims of Punjab, although numerically in a slight majority, were not very well off. Thus cash donations to the Anjuman, a purely Muslim welfare organization, were limited. However, the

Anjuman's innovative founding fathers found a way around this limitation. They introduced a creative fund raising scheme whereby a handful of flour was collected from every house and sold to raise funds for the Anjuman's social welfare initiatives. The funds thus raised helped build the Anjuman's first school, the Madrassa-tul-Muslimeen, in 1886. This was the beginning of a wide network of educational initiatives supported by the Anjuman. By 1900, the Anjuman had established 15 schools around the city of Lahore.

In addition to education, the Anjuman adopted another cause as part of its agenda—the welfare of orphans—and established the Dar-ul-Shafqat or home for orphans. The home, which has expanded considerably and continues to operate today, captures the spirit of the Anjuman's work more than any of its other institutions.

Another institution which defined the image of the Anjuman is Islamia College. Established in 1892 to provide quality secular and religious higher education to the Muslims of Punjab, Islamia College became an important center of Muslim political consciousness. In fact, the Muslims of undivided India looked to the graduates of Islamia College for leadership in their fight for a separate homeland.

Not only did the Anjuman play a vital role in the creation of Pakistan, it was also very important in the nation and state building process of the newly formed Islamic republic. Instrumental in the refu-

gee relief efforts that followed the bloody partition of India, the Anjuman provided food, shelter, clothing and medical relief to thousands of Muslim refugees through its wide network of welfare institutions. In addition to its welfare efforts, the Anjuman helped provide valuable skilled and educated manpower, as well as dynamic leadership through its educational institutions. In 1961 the Anjuman registered as a non-governmental organization with a general council of 150 elected members, who in turn elected the organization's 12 office bearers.

However, as the Anjuman's responsibilities and programs expanded so did the organization's financial needs. Having started in 1884 with an annual expenditure of Rs. 344, it registered a total annual expenditure of Rs. 44.8 million in 1997-98. Today, the organization relies on a number of sources to meet its annual budgetary expenditure. These include its income generating activities, its zakat appeals, donations from local community members, and a steady stream of income from donated properties. This case study examines the Anjuman's current fund raising strategies, which are interesting not only from the institution's perspective, but also because they provide important insights into changes in the nature of giving in Pakistan over the past century.

Financial Situation

Income generating activities

The Anjuman's fund raising strate-

gies are clearly influenced and structured by their mission, vision and objectives. As a social welfare organization dealing with orphans and the underprivileged, the Anjuman has initiated several income generating schemes to support its philanthropic work. While the primary objective of these projects is social welfare, they also generate funds and contribute a degree of sustainability.

The Anjuman's schools and colleges were initially established to offer quality secular and religious education to Muslim youths. The tuition at these institutions is much lower than that at most private educational institutions; the Anjuman also offers several scholarships on the basis of need and merit. Mian Muhammed Mushtaq explained, "We levy limited fees which are far less than other private institutions because this is not a purely commercial (institution), this is a welfare organization providing education at lesser rates. So we give government pay scales to the staff... to meet this expenditure we have to levy certain fees."

In addition to tuition and registration fees, another source of funds are the alumni. However, the Anjuman suffered a major setback in 1972 when its educational institutions were nationalized under the government's nationalization plan. This not only resulted in a lack of income but also affected the quality of these renowned institutions. All institutions were subsequently denationalized, and since then the Anjuman's organization has made a

concerted effort to improve their quality.

Aside from its educational institutions, the Anjuman operates its own publishing house and printing press. According to Mushtaq, this printing press and publishing house are also "not purely commercial, (rather) semi-commercial." Their main aim is to provide literature on Islam to the Muslim community. The publishing house and printing press together contributed nearly Rs. 18.5 million or 30.89 percent of the Anjuman's revenues in 1997 to 1998. These revenues sustain the Anjuman's publishing initiatives and also contribute to its educational and social welfare projects. The total profit from these two income-generating schemes alone amounted to over Rs. 8.9 million in 1997 to 1998.

Another important income generating source for the Anjuman are the many properties, commercial and agricultural, which have been donated to it over the years. These properties were mainly donated in the early half of the century and have been a source of great financial security to the Anjuman over the years. In fact, Justice Nassim Hassan Shah, the current president, explained that one of the major reasons that the Anjuman has not felt the economic pinch is because "we are getting (regular) income from those properties which have been donated by these worthy donors."

The income from the Anjuman properties amounted to Rs 7.79 million or 13.02 percent of the organization's revenues in 1997 to 1998.

Donations

From 1997 to 1998, donations to the Anjuman amounted to Rs. 7.3 million and accounted for 12.24 percent of all organizational revenues. Nearly 28.7 percent of these donations were religious donations. The majority of donations were made to the Anjuman's social welfare institutions such as the male and female orphanages, the shelter for women and the clinic of eastern medicine. In addition to these cash donations, there were in-kind donations to the two orphanages, which amounted to over Rs. 3.6 million or 6.07 percent of the Anjuman's revenues. Altogether in-kind and cash donations accounted for over 18 percent of all revenues.

The Anjuman is the oldest working welfare organization in Pakistan. Justice Shah believes that the Anjuman's head start in the field has given the organization more time to establish its services in the community and emerge as a highly credible institution. This institutional credibility has inspired several donors to commit their time and money to the Anjuman's cause.

Over the years, the Anjuman has made a conscious effort to be more accountable and transparent, especially in financial matters. At each of the Dar-ul-Shafqats, there is a large board acknowledging the institution's major donors and their donations. In addition, the Anjuman publishes a detailed audited report each year and conducts regular internal and

external audits in each of its institutions, both separately and then collectively as an organization. This transparency has proven most successful with expatriate donors and the Anjuman enjoys considerable expatriate support today.

The Anjuman also enjoys a great amount of religious support in the form of zakat¹, sadqa², khairat³, fitrah⁴ and khaals.⁵ Over 28.7 percent of all donations to the Anjuman in 1997 to 1998 were religious donations. This can partly be explained by the Anjuman's credibility in the community and partly by the nature of its operations. Apart from collecting individual zakats, the Anjuman also receives some support from the National Zakat Foundation, the government zakat disseminating agency. Other forms of government support have been extended by related ministries like the Federal Ministry of Women's Development, which gave a grant for the construction of a block in the Anjuman's Women's College.

Challenges

Today, 117 years after its establishment, the Anjuman-i-Himayat-i-Islam's operations continue to be concentrated in the city of Lahore. Although the organization has expanded considerably in terms of its mandate, staff and budget, its major operations have not extended beyond the city of Lahore, where its donor base is concentrated. Expanding the Anjuman's programs is the main challenge for the organization's leadership.

Once they do decide to expand beyond the city, Justice Shah believes that raising funds to finance this growth will not be very difficult because of the Anjuman's large and loyal donor base and its reputation in the community.

However Justice Shah conceded that while the Anjuman was very successful in increasing its donor base in the past, its recent record with the younger generation has not been very flattering. Shah explained that the Anjuman's leadership has not been unaware of this situation and has taken steps to include younger members in its general council. Nevertheless, the Anjuman has a long way to go before it can establish the kind of credibility and prominence among the youth of today that it enjoyed in the past. Unless the Anjuman takes concrete steps to engage younger donors, an institution which has enjoyed great prominence for more than a century risks fading into obscurity in a matter of years. ▶

Notes

- 1 A religious tax levied on all Muslims, zakat constitutes 2.5 percent of every Muslim's disposable income and is used for the welfare of the Muslim community.
- 2 A religious donation made for the sake of the donor's soul.
- 3 A voluntary religious donation made for the welfare of poor and needy Muslims
- 4 A religious donation made on the occasion of the Muslim festival of Eid-ul-Fitar.
- 5 Goat skins collected by most charities in Pakistan after the religious sacrifice of goats made by Muslims on the Muslim festival of Eid-ul-Adha. The hides collected are then sold to raise funds for the charity.

Case 2

Assthan Latif Welfare Society (ALAST)

It all started with one man's dream, the dream of providing education and a better future for the children of his district, Thatta in the province of Sindh. Abdul Ghafoor Alasti, the founding father of ALAST (Aasthan Latif Welfare Society), was convinced that investing in women's education was the key to improving the lot of his people. So, along with two friends, he began offering scholarships and books to needy girl students. However, Alasti soon realized that this was not enough. Many villages in the district had no school at all, rendering the literacy rate abysmally low, particularly for women.¹

The issue of female literacy was a controversial and often taboo subject since social norms and societal attitudes did not look favorably upon female education. The powerful waderas or feudal lords of Thatta opposed any such initiative fearing that with education the illiterate poor would no longer be under their control. But despite the odds, in 1989 Alasti launched ALAST, a non-profit non-governmental organization, with the primary objective of providing free non-formal education to girls in Thatta.

Thatta has a high birth rate, a low literacy rate and low per capita income. Seventy percent of the working population is engaged in agriculture and 70 percent

of households have no access to clean drinking water. Alasti's first step was to identify villages where no government schools existed. He then tried to mobilize the local community to set up its own primary girls schools in partnership with ALAST. Although mobilizing community support was his biggest challenge, Alasti insisted on community participation in all his initiatives. According to Riaz Ahmed, Alasti's son and the current chief executive of ALAST, "As we visited rural areas around Sindh we found that not many people were interested in education. So then we decided that just like for any other product we would have to market education, create awareness and make it a priority."

Alasti started the arduous process of winning over the villagers by traveling around the district himself, preaching the importance and benefits of education. Realizing that the local clergy played a big role in molding the people's way of thinking, he recruited their help and quoted religious texts to support his cause. He also sought the support of local authorities to counter the propaganda and scare tactics of the waderas.

By the end of 1989, through sheer persistence and hard work, Alasti managed to establish 10 non-formal primary education centers across the district. Each

of these was housed in a simple hut built and donated by the local community, which also provided a teacher (preferably female). ALAST bore the cost of the teachers' stipends, the students' chairs, mats, desks, books and stationery, and offered to pay each student Rs.1 per day to attend school. ALAST's financial statements for that period showed that only 0.3 percent of the total cost was borne by the Society itself while the remaining 99.7 percent was covered by individual and community contributions.

Although rewarding, community mobilization was slow and arduous. Therefore in 1990, when ALAST decided to expand its operation, it approached the UNICEF for funding. Initially the UNICEF responded by offering free books but in 1990, after sending a team of evaluators to assess whether the ALAST program was effective, sustainable and replicable, and getting a promising report in this regard, the UNICEF offered to fund the project for four years. UNICEF took on the financial responsibility of paying the teachers' stipends, monitoring costs, providing books and furniture, and bearing 50 percent of the building costs. However, the UNICEF made some changes in the ALAST methodology; they set an age limit for enrollment and introduced a monitoring system to supervise the running of the schools.

With UNICEF's funding and the support of the community, ALAST began to grow at an impressive rate. Starting with only 10 schools in 1990, the Society man-

aged to have 60 schools by 1991, 130 schools by 1992 and 330 schools in all by 1995. As the project grew, so did the community's support. With the increase in community participation, the Society established Village Development Committees: "We started expanding into other areas (of development)... by distributing hand pumps in the villages, which were installed by villagers themselves... we started some sanitation work; we would provide the material inputs and the villagers would install them themselves... (in addition, through the Village Development Committees) we provided training."

But as all good things come to an end, the UNICEF and ALAST partnership ended in 1996-97. With the expiration of the contract, ALAST lost its major donor. By 1997, 130 of its 330 had shut down. Riaz Ahmed admitted that it was ALAST's lack of vision and failure in planning which made it so dependent on an external grant. Between 1991 and 1997 the UNICEF grant accounted for 75.8 percent to 96 percent of all ALAST's receipts. But Riaz Ahmed believes that the blame cannot solely be put on ALAST since it was the shared responsibility of ALAST, the community and the donors to create a sustainable project. "UNICEF itself was not very clear. Their main objective was to run the schools, not really to create sustainability. So they were not clear and we were not clear. As a result as soon as funding finished, within six to seven months schools began to shut down."

The UNICEF experience taught

ALAST members a valuable lesson. “We identified sustainability as one of the main objectives. We decided that more than 70 percent of resources should be contributed by the community itself and only the remaining 30 percent should be from outside.”

Keeping that in mind, the Society adopted a two-pronged strategy. ALAST realized the importance of community participation and initiated efforts to increase community support for the project. In addition, the Society also prioritized the identification of new donors to help meet the remaining costs. Through its efforts ALAST succeeded in getting funding from the German Consulate and the Australian High Commission. But all this was still not enough to fund the remaining 200 ALAST schools. It was at this point that ALAST turned to the government of Pakistan. The Society applied for funding under the government’s Social Action Program and after initial investigation and field visits by government officials, the project was approved for funding for two years, 1997 to 1998.

By the end of the government’s funding cycle, 60 ALAST schools had become self-sufficient and were supported entirely by the local community. But the remaining 140 still required outside funding, and when the government grant expired, they slowly began to shut down. ALAST had fallen into the same trap with the government grant as it had with the UNICEF grant. Financial figures for 1998 showed that the Society relied on the government

grant for more than 92 percent of its income. Although in 1997 the initial resolve to become self-reliant had resulted in a significant increase in individual/community donations and reduced reliance on grants, in 1998 ALAST once again adopted an unsustainable financial pattern.

Fund Raising

Since 1999, ALAST has received no major grant. It now relies wholly on indigenous philanthropy, with only 20 schools currently being sponsored by ALAST and an additional 40 to 50 operating on a self-sustaining basis. Today ALAST draws on a number of sources for funding its projects. Membership fees are one means. Membership to the Society is open to interested and committed individuals willing to pay an annual fee of Rs. 1,000. Currently, 21 ALAST members comprise the general body. The executive committee is selected every two to three years; it has a president, a vice-president, a general secretary, a treasurer, a public relations secretary and two other members. The board members not only make generous personal contributions but also campaign for ALAST’s cause among their circles of friends and acquaintances. ALAST also gets funding from local philanthropists and prominent social workers and has plans to recruit the help of students and young donors/volunteers. Alasti said, “I plan to appeal to children for help. One city child can sponsor one village girl for Rs. 100. This way, 30 chil-

dren can help educate the village girls of one school.”

In addition, ALAST has initiated some income generating schemes, including the sale of a famous Sindhi poet's works translated by Alasti, and the establishment of a furniture factory.

The internet is also playing a very effective role in ALAST's success by providing the Society with international exposure. ALAST's website outlines the Society's history, achievements, future plans and objectives, along with an appeal for funds and donations. Through the website, ALAST has been able to reach many potential donors and capture a modest donor base in the expatriate community. ALAST has also posted an appeal for volunteers on NetAid, an on-line development database. According to Riaz Ahmed, this has proved to be a valuable source of support: “People around the world are inquiring about how they can support our efforts and sponsor us... Through NetAid we have many on-line volunteers, which means that people who we do not even know volunteer for us and advocate our cause....”

ALAST has not had much success with the corporate sector. This is largely due to poor planning on the part of the organization's management. In Pakistan, most corporate donors require that the donation be tax-exempt. ALAST, until recently, had not applied for a tax -exempt status, which in the long run has cost it dearly. “Shell Pakistan offered to sponsor 60 of our schools. We designed the project

and submitted it to them but unfortunately, at that time we did not have income tax exemption, which was one of their requirements... (so) that project was put on hold.”

Perhaps the most valuable lesson that ALAST has drawn from its fund raising experiences is the value of community participation and support in any community-based project. Riaz Ahmed explained: “Local communities are better donors because they see their inputs at work there every day. For example, if it is my village, my school, I give Rs. 5 or Rs. 10 tuition for my girl's education, I can see that money at work in front of me. I can see the benefits, and secondly, the major benefit goes to me, myself. If you sponsor a school, you trust the money to an organization. What the organization really does with your money you do not know... the local community has no hidden agenda. Their agenda is the betterment of their village, their home, their children.”

Although ALAST receives no major grant assistance and relies mainly on indigenous philanthropy to meet its program costs, the Society is far from being self-sustaining. In fact, for the financial year ended 30 June 1999, ALAST was able to raise only enough money to meet 55.7 percent of all its expenses. The remaining expenses were covered by the Society's accumulated funds. Ahmed emphasized that while the organization continues to stress the role of a local community as donors and stakeholders,

it does not want to rely wholly on indigenous philanthropy but rather hopes to develop a self-financing business plan to support its future activities. “Philanthropist may give or may not, everyone has their own limitations. Similarly, we may or may not get grants or support from local industrialists. Now our objective is to create our own setup... and use the income/profit from that to support our efforts and become independent of the rest. We should have so many internal resources, or an endowment fund of our own, that we never need others.”

In the end, what makes the Aasthan Latif Welfare Society an outstanding case study from a fund raising perspective is the Society’s transition from a grant-based NGO to one relying wholly on indigenous philanthropy. ▀

Notes

- 1 According to estimates only 1% of girls in rural Sindh are literate.

Case 3

Cooperation for Advancement, Rehabilitation and Education (CARE)

History

CARE is a charitable trust working towards providing quality marketable education for all. Today CARE operates five schools of its own and is responsible for another 21 schools belonging to the Metropolitan Corporation Lahore (MCL). It thus reaches out to a total of 20,000 students. CARE's other aim is to empower women by providing them with opportunities to generate income.

CARE did not start with a plan. In 1988, devastating floods destroyed several peri-urban settlements near Lahore, including Iqbal town. Seena Aziz, the chairperson of CARE, went out to help. She soon realized that the children in the area had no access to education. Through a meeting with the chairman of the Zakat Committee in Sheikhopura, she learned that zakat funds were available but flood victims would be given money only if she vouched for them. When she inquired why they needed her verification when they were obviously in need, the chairman responded, "They lie." Aziz felt that this was the turning point for her. She said, "I realized that the difference between them and me was that I was literate and could plead a case while they couldn't. A similar situation could arise in the future. What would they do then? I thought

something more permanent had to be done for them—that is, empowerment—and the real empowerment is education."

Aziz motivated the local community to donate land for a school. The day the long-awaited school opened its doors in January 1991, 250 children registered and the number increased substantially over the years. The situation was encouraging.

CARE also established a dispensary and an industrial home at its school. The dispensary provided medical care to the locals while the industrial home developed embroidery, sewing and other craft skills among the women of the area. This provided them with an opportunity to earn money for themselves.

The CARE project seemed to be a success as the number of children enrolled in the school increased at a rapid pace. Gradually, CARE High Schools 2, 3 and 4 and CARE College came into being. These schools charge a minimum fee but those who are unable to afford even this minimum amount are given free education. CARE provides all students with textbooks, stationery, uniform, shoes and sweaters. CARE runs its own teacher training center to ensure a high standard of teaching.

In early 1998, Aziz was informed that the Metropolitan Corporation Lahore (MCL) was looking for people to take over

its schools. Shocked by what she saw when she visited those schools, she decided to take over a few of them. Based on her successful attempt at rehabilitation, CARE was requested to take over 10 more schools in 1999. The entire responsibility for rehabilitating, financing and managing these schools was CARE's.

The CARE office was donated by CFAM, the business that Aziz runs with her family. CFAM also pays for the electricity and other office utilities. With very few administrative staff and free office facilities, the cost of running the organization is very low. According to Aziz, "Just two percent of donations go to administration."

Partnership with Government

Having signed a 10-year contract with the Metropolitan Corporation Lahore, CARE is rehabilitating MCL schools and helping the authorities run them. It has not been without its problems. Soon after beginning the work, CARE realized that MCL was not fulfilling its obligations under the contract and that it would have to take complete responsibility for the rehabilitation and maintenance of the schools. Some of the problems included a lack of basic facilities such as proper classrooms, laboratories and libraries; a high student-teacher ratio; a dearth of adequately trained and motivated teachers; corruption; vested interests; and a complete lack of transparency at all levels. In addition, the schools

offered only the few subjects for which they had teachers available.

Changing old systems and improving the quality of education in these schools were a difficult task. There was resistance from many quarters. The headmasters and headmistresses are government employees and CARE has to work with them. They took issue over minor changes in the curriculum. Even the training teachers were resistant to change. The problems were rooted in the fact that the MCL schools did not belong to CARE and had been running without organized supervision for years.

CARE adopted a two-pronged approach to overcome the resistance. One, it made an effort to provide the schools with basic amenities, and two, it strove to set a standard of academic excellence. It repaired school buildings, constructed additional classrooms, created laboratories and libraries, and provided furniture and other basic amenities for both students and teachers. To improve the academic system, CARE introduced new subjects to the curriculum and recruited and trained more teachers to reduce the student/teacher ratio and promote teaching methods which encourage creativity among the children.

These changes have had a positive effect on the students, the government and on CARE itself. The government has begun to realize that the system can be made to function if the requisite effort and motivation is there. The CARE model of NGO/government partnership is already

being emulated by other organizations. Aziz mused over this success: "Huge numbers of admissions are taking place. Had the problems with the government not been there, we would have been 50 per cent ahead of where we are."

So why didn't CARE start more schools of its own rather than assume responsibility for government schools? Aziz answered: "It costs a huge amount of money and one whole year to construct a school. Students seek admission gradually. In government schools, the buildings are already there, so are the children. We felt that through working with the local authority, we could reach out to a larger number of people in a shorter period of time on the basis of a lower financial investment."

Will this success continue? Will CARE continue to provide more and more children with quality education? The answer depends on whether Aziz, the chairperson of the organization, will be able to build an institution which will continue to work effectively after she withdraws. The future of CARE also depends on the way it manages to expand both its donor base and the size of donor contributions.¹

Fund Raising

CARE has not adopted any organized fund raising strategy. Most fund raising has been informal. Aziz has managed to acquire donations through her personal contacts and by telling people about the work being done. "Donations have been

individual. Those people who have appreciated the work have provided the funds. It's the trust people have in the organization and the people involved."

CARE has been organizing annual fund raising events since 1993. These have included casino nights, balls, raffles, a drama performance and a style show. Although these activities have raised some funds, they form a relatively small percentage of CARE's total income. 1999 and 2000, income from fund raising activities was 7.8 percent and 7.9 percent of total income respectively. Aziz realizes that a larger number of fund raising events and raffles per year could increase the contribution of these activities but a greater number of people would be required to organize them.

Income from the sale of crafts produced in the industrial home is another source of funds. A large percentage of the profits from these crafts goes directly to CARE.

So far, CARE's funds have mainly come from the Lahore region. CARE now intends to launch a more systematic method of fund raising to support the current scale of work. Aziz said, "Now fund raising is hindering us. We must raise funds in a more systematic way. We want to start talking to more organizations. We need to think more about the media."²

One step towards obtaining funds from a larger number of people has been the launch of CARE's web page. The web page provides a history, details of the

schools and other facilities, directions on how to donate to CARE, and links to related sites.

CARE is also trying to reach out to expatriate Pakistanis. The web page is one step in this direction. Besides this, Friends of CARE committees, which help raise funds in their respective regions, have been formed in Lahore, Dubai and Washington. CARE is encouraging such committees in other areas as well. ▶

Notes

- 1 In 2000, donations doubled in comparison to 1999. Aziz does not know the reason for this increase in donations. She realizes the need for a more structured fund raising strategy and analysis.
- 2 An interesting case question could be on how CARE should now organize its fund raising for the future.

Case 4

Citizens-Police Liaison Committee (CPLC)

History

In 1987, political violence paralyzed Karachi, Pakistan's business and financial capital. The business community was particularly affected by this unrest as not only was it the prime target of crime but the poor law and order situation also shook investor confidence. Businesses shut down and unemployment soared, leading to an estimated US\$175 million loss in income in the early part of the year alone. Kidnappings and car snatchings were everyday occurrences and public confidence in the police force was at an all-time low. In fact, the latter was often seen as part of the problem rather than part of the solution.

Then in 1989, in response to the prevailing situation, the governor of Sindh province, retired Justice Fakhruddin Ibrahim, with the support of the business community and notable citizens, established the Citizens-Police Liaison Committee (CPLC) to build trust and credibility between citizens and the police force and to combat crime. According to Jamil Yousaf, a prominent industrialist and chief of the CPLC Central Reporting Cell, the CPLC "functions on the concept of an NGO, yet it is notified and empowered by the government after amending police rules, as an example of state and citizens'

honorary participation, for the welfare of the society in general."

CPLC's first initiative was to improve the working and living conditions of police officers. The Committee donated new furniture, lights and water coolers to police stations. They helped get gas and water connections for the officers' living quarters, cleaned up the surrounding areas, repaired drainage lines and built a park for the children. The entire operation cost Rs. 400,000 and was covered by CPLC. This was a great confidence building exercise and won CPLC the support and trust of the police force.

In 1990, CPLC launched its Central Reporting Cell (CRC), based in two rooms in the Sindh Governor's House.¹ The Committee nominated members who were empowered by the home government to act as justices of peace.² Recognizing the controversial nature of its work, CPLC inducted many notables, including the governor of Sindh, on its advisory board of governors. Their powerful backing made it difficult for critics to level baseless and politically motivated allegations against the organization. However, CPLC has no official board of governors. All CPLC members work on a voluntary basis. The selection process at CPLC is highly transparent and based on the members'

commitment, social standing, community service record and team spirit. Persons with political affiliations are not considered for membership.

CPLC is involved in a number of projects, the **Vehicular Crime Monitoring System** being the largest, both in terms of finances and personnel. This project helps identify and track down stolen vehicles. CPLC has also received much recognition for its work on kidnapping and extortion cases. The Committee has solved 68 of the 79 kidnapping cases in which it was involved. For this outstanding contribution Jamil Yousaf was awarded the coveted Sitara-e-Shujaat, Pakistan's highest civilian award.

CPLC keeps a computerized record of all prisoners held in the city's jails, which is an ambitious and challenging task due to the ineligibility and sometimes non-availability of records.

The Neighborhood Care Project works towards ensuring neighborhood security by improving living conditions and managing traffic during rush hours, for which it charges local residents a fee of Rs. 500 to Rs. 3,000 per month. This particular project has been documented by the BBC.

The Police Welfare Project evolved from the realization that corruption in the police force was a result of poverty and low salaries. CPLC decided to pay all police staff on CPLC duty extra allowances. The Committee also foots the medical costs of any policeman injured on CPLC duty and offers free or subsidized health

and educational facilities to policemen and their families.

The Spatial Crime Analysis Systems was set up with the technical support of the UNDP so as to "substantially improve the analytical and investigative capabilities" of CPLC and other law enforcement agencies.

Fund Raising Strategy

CPLC's fund raising philosophy is based on encouraging corporate support, fostering community participation, and strengthening government alliances.

Since a significant number of CPLC members hail from the business community, the Committee enjoys strong links with the corporate world, and this has proved to be a valuable fund raising tool. In 1993, when CPLC was raising funds to build its own premises in the Governor's House, it received tremendous support from the corporate sector. Yousaf recalled, "Alcop³ gave us the windows, Park Lane⁴ gave us the cement, the steel companies gave us the steel, the architect was free, ABAD⁵ gave us the labor cost, Karam⁶ and Stile⁷ gave us the tiles... they all contributed and the whole building was ready in no time."

In addition to sponsoring the building of the Central Reporting Cell, multinational corporations (MNCs) were also the main sponsors of CPLC's first and only fund raiser, the Walk To Beat Crime, which raised Rs. 4.5 million. The corpo-

ration IBM stands out for its contribution to CPLC. According to Yousaf, “if I need a systems manager to run my AS 400 it would cost me a lot, (instead) I give a call to IBM (and we get) free service, free troubleshooting. I don’t need a systems manager; they train my technician... So it’s an amazing partnership.”

Yousaf says that most of the corporate fund raising is done on the basis of personal contacts. For example, when he found out that Siemens was changing its entire computer system, “(I wrote) just one letter saying, ‘We’ve heard you are selling your systems. Why don’t you donate it to CPLC... We didn’t go (anywhere), nothing and there was a presentation tomorrow... And IBM will update it (the system) if there is anything required.’”

In some cases, the corporate sector has taken the initiative to volunteer support. When CPLC advertised its Public Toilet Project in a popular English daily, it was inundated with offers from donors. “EFU (Eastern Federal Union Insurance) read about it. They rang me up (saying), ‘You are building public toilets? We would like to sponsor some.’”

Now the new Public Toilet Project has more donors than it needs. “We have a donor now for 100 toilets, that’s Rs. 20 million—just one donor... And then we have another donor for Rs. 2 million, but he (the first donor) is insisting, ‘Keep that Rs. 2 million as a standby; for the first 100 toilets you are only going to use my money.’”

Although only 10 percent of all cash donations to CPLC come from the corporate sector, Yousaf conceded that the corporate sector contributes much more in terms of services and capital goods, which is not quantifiable in monetary terms. Still, CPLC has definite plans to increase corporate contributions in the future by formulating a list of 100 regular donors who can donate a fixed amount per month to CPLC. The Committee also plans to set up CPLC district offices in all provincial districts. These district offices will be supported by monthly donations from local corporations, particularly pharmaceuticals and fertilizer companies, which have a greater presence in the rural areas.

In addition to building corporate relations, Yousaf believes in fostering community participation. According to him, “Any project with community participation has success, less criticism and it is shared by the people.”

It is for this reason that CPLC has made a concerted effort to involve citizens in its fight against crime. In addition to establishing Neighborhood Care Committees and organizing walk-for-a-cause fund raisers, CPLC has initiated a program to encourage volunteerism among students. Representatives of the Committee visit schools to increase awareness about crime and crime prevention. They also recruit student support for CPLC and initiate part-time employment projects for students.

CPLC’s annual operational

expenditure is about Rs. 4.9 million, 24 percent of which comes from the government and the remaining 76 percent from public donations. The government partnership has been central to CPLC's philosophy. As Yousaf said: "I want the contribution of the government... (it) infuses a sense of patriotism... and that's why I keep fighting with the government (that) you must contribute, you must show partnership. I don't like the paper to go to a foreigner and they see there is zero participation of the government..."

However, in a politically turbulent state like Pakistan, the Committee's relationship with government has not always been smooth. Successive governments with corrupt politicians and bureaucrats—for fear of getting exposed themselves—created obstacles for CPLC and were at times even hostile to CPLC's work. On one occasion CPLC was denied access to free help-lines by the government, despite the fact that the Committee could have used these to offer a valuable public service, one which should have been provided by the state itself. Instead, the government offered to allocate a budget to CPLC for this purpose, attempting to manipulate the Committee. Yousaf explained, "You know why these allocations of budgets are done? So they can blackmail you, make you dependent. The day they want to pull your strings they hold back the budgeting."

To avoid this dependency, CPLC decided not to increase the government grant's share of their budget. "If I am col-

lecting 85 percent to run this institution, stoppage of 15 percent is not going to deter me. So, one of the main reasons for sustainability is independent financing."

The success of CPLC has led to appeals from other cities, like Delhi, India, Seoul, South Korea and Colombo, Sri Lanka for support in setting up similar institutions. Law enforcement agencies and civil society organizations around the world, who wish to replicate CPLC's model, have invited Yousaf to share his experiences and explain the workings of the CPLC model. ▶

Notes

- 1 The premises were donated by the governor. However, after the success of the CPLC's fund raising efforts, the Committee built their own office on the same premises.
- 2 The governor amended the police rules to give CPLC members special powers to enforce their authority.
- 3 Alcop
- 4 Dadabhoy Cements
- 5 Association of Builders and Developers (ABAD)
- 6 Karam Ceramics
- 7 Shabir Tiles and Ceramic Ltd.

Case 5

The Edhi Foundation

BUILDING A SOCIAL WELFARE INDUSTRY

The Edhi Foundation is the remarkable story of one man's vision of a social welfare system and his undying commitment to his dream. In his native language, Gujrati, Edhi's family name means "lazy," but Abdul Sattar Edhi, the most recognized social worker in Pakistan, has not stopped working in over 45 years. Through his hard work, determination and ability to inspire public trust, Edhi has managed to set up the largest, most organized social welfare system in Pakistan: The Edhi Foundation.

History

Abdul Sattar Edhi was only a teenager when his mother suffered a stroke. Edhi nursed her through nine years of paralysis and mental illness. Moved by her suffering and helplessness, he dreamed of one day setting up a welfare network to take care of the sick and the needy. In 1951, the 19-year-old Edhi withdrew Rs. 2,300 from his savings and set up his own dispensary. He hired a doctor on a fixed salary and himself took up work at a clinic to support his dream project. He also studied pharmacy and accounting to facilitate his work. Moved by the plight of the poor women who came to his dispensary for help, Edhi next set up a maternity unit and offered a course in nursing. After com-

pleting the three-month course, the nursing students spend an additional three months training new students. According to Edhi, this setup served two purposes: "Ensuring us service and them economic independence." All of the Edhi Foundation's projects are based on a similar philosophy of development through self-help.

However, running the dispensary proved to be an expensive task. Edhi came up with the unique scheme of collecting goat hides to raise funds. Each year at the Muslim festival of Eid-ul-Adha, Muslims around the world follow the example of Abraham and sacrifice a goat, distributing the meat among the poor. Edhi advertised for people to donate goat hides, which were then sold in the market to raise funds for the dispensary. As public awareness about the dispensary grew, public donations began to pour in and the organization grew at an incredible rate.

At that time there were only five ambulances in the entire province of Sindh and only one in Karachi. Having suffered the lack of transport during his mother's illness, Edhi decided to use this money to buy an ambulance. His ambulance proved to be a wise investment and became his most successful advertisement. "Whoever had used it told others, whoever saw it knew where it came from." Soon police

stations all over Karachi began calling Edhi in case of emergencies.

In 1974, Edhi registered the Abdul Sattar Edhi Trust and established the Edhi Foundation. He continued to expand the scope and range of his welfare activities and remained committed to his dream of setting up a comprehensive social welfare system to service the needs of the entire country. He planned an Edhi Highway Project, which would entail constructing 500 Edhi Centers at 25-kilometer intervals along all the highways and major link roads.

Today 250 Edhi Centers around the country provide 24-hour emergency service, free shrouding and burial of unclaimed dead bodies, shelter for the destitute, orphans and handicapped persons, free hospitals and dispensaries, rehabilitation of drug addicts, and free wheelchairs, crutches and services for the handicapped. The foundation's initiatives also include family planning counseling and maternity services and national and international relief efforts. There is no denying that the Edhi Foundation is the most comprehensive model of a social welfare system that Pakistan has today.

Organizational Structure

A nationwide welfare system offering a wide range of services is not an easy structure to manage. However, Edhi has developed a comprehensive yet simple management philosophy. There are five trustees, all members of the Edhi family,

and 16 zonal in-charges. Edhi believes that the simplicity of the management structure is its greatest asset. "At the Edhi Foundation there was no bureaucracy. It was an easy system, with one accountant and no peon. Even children could learn it quickly."

Edhi's dream of setting up a "workable system" has been no easy task. Even today he monitors his network vigilantly, scrutinizing each success and failure with the aim of improving the system. In his words. "The system I have created is a gift to the nation." And perhaps this will be his most enduring gift.

Staff

What is perhaps unique about the Edhi Foundation is that it has managed to attract such a large and committed volunteer base. Today there are over 2,000 volunteers from all walks of life at the foundation. Most of them have been inspired by Edhi and are willing to dedicate their efforts to the man who has taught them the value of self-help. Women and student volunteers played a major role at the Edhi Foundation. Students, with their enthusiasm and idealistic zeal, make willing and compassionate volunteers. The Edhi Foundation has also managed to recruit the support of important institutions and professionals. The availability of volunteers has helped cut costs and allowed more money to be spent on public service. According to Edhi, at any given time there are nearly 1,000 people working for

the foundation, yet administrative costs account for less than 10 percent of the expenditure.

Fund Raising Profile

Edhi said that good intentions alone are not enough; all successful social welfare initiatives have to be backed up with a sharp business sense, practical skills and hard work. He believed it was his practical business acumen which gave him an advantage and allowed him to realize what to many seemed an impossible dream. "My Memon mind was always in the forefront... To be a good man is not sufficient for this business. Financial expertise is essential."¹

As in all other Edhi Foundation matters, the financial situation has been closely and frequently scrutinized and carefully revised. Fund raising methods have been updated and adjusted to the changing times and innovative schemes have been introduced to keep the network of services running smoothly.

Public Donation

When he first started working, Edhi had few resources of his own, so he would stand at street corners collecting funds for his dream project. Because of his good work at the dispensary, Edhi managed to win over the public's trust and people did not hesitate to contribute to his cause. Fifty years and many milestones later, Edhi still takes to the streets to collect money for his foundation and people continue

to donate generously. In fact, his frequent charity appearances have made him a familiar figure to the general public, who hold him in great regard.

Edhi's network of services is financed largely through public donations. Although the foundation raises funds in 13 countries, 90 percent of the donations come from within Pakistan. The remaining 10 percent constitute donations collected at Edhi collection centers around the world.² Donations can be made in cash or in kind. Cash donations are collected at Edhi Centers and at the Edhi headquarters and are also received by mail.

One of the reasons Edhi has been so successful in fund raising is the transparency and accountability built into the foundation's fund raising process. One important confidence building device is the wording on the back of each donation slip: "Whosoever contributes is entitled to a refund whenever in doubt."

Annual external audits add to the organization's credibility. Each year, all accounts are externally audited and statements of accounts are presented to the federal government for grant of tax relief by the Central Board of Revenue. The foundation also has a weekly internal check and audit of accounts to record all donations and expenditures.

Selective fund raising

Edhi has always been very wary of donors who may try to undermine the spirit of his foundation: "Caution and

suspicion of indebtedness, influence and interference from individuals, government and foreign agencies remained in the forefront of my mind.”

It is for this reason that Edhi has refused donations from interest groups, governments, foreign agencies and even individuals who he believes have a vested interest in donating to the foundation. This strategy of selective fund raising was adopted after a major crisis in the Edhi Foundation's history.

By 1994, Edhi had emerged as a widely admired social worker, one who could command the unstinting support of the masses—a trusted public figure in a country suffering from a crisis of leadership. In the mid-1990s, there was growing political unrest in Karachi as political factions struggled for power. Terrorism escalated and Edhi was dragged into political controversies. An attempt was made on his life. Afraid that his death at this critical juncture would weaken the foundation and destroy his dream of a social welfare system, Edhi decided to leave the country temporarily in December 1994. When he returned, he realized that his name and credibility had been greatly affected as politicians used his departure to incite public opinion against him. The negative publicity and subsequent decline in funds taught Edhi a valuable lesson. It was evident that undirected, general fund raising was a grave risk, so Edhi revised his methods to focus on strengthening the foundation's regular, committed donor base.

Zakat and hides collection campaign

Zakat (compulsory religious tax on all Muslims) funds account for a significant portion of the Edhi Foundation's receipts, which speaks volumes for the credibility and trust the foundation has managed to build among Pakistanis. This fund of good will is largely due to Edhi's simple and frugal lifestyle, which not only familiarizes him to the public but also adds to his credibility as a trustee of public money. As part of his zakat campaign Edhi mails thousands of appeals to addresses obtained from telephone directories and from the foundation's own records. Unlike other charities, he does not believe in large, expensive advertisements in newspapers and other media.

Edhi with his sharp business sense was also the first to introduce the Hides Collection Campaign as a fund raising scheme, which has now become popular with many charities.

Financial Investments

Edhi considers his Memon business sense and financial expertise to be a great asset in his work at the foundation. In his capacity as amin (trustee) he feels that it is his duty to make the best use of public money, enabling donations to grow. Due to his efforts and expertise, by the early 1990s, the property of the Edhi Foundation had exceeded one hundred crore rupees in value. The quarter percent pending construction was provided from profits, so that the capital remained untapped.

Challenges

Edhi believes that the greatest challenge facing the foundation is one of sustainability. “I am the founder and can fight if anyone turns on me. No one after me can have the same power. My wife will have less and my children lesser... We do not need another Edhi, another leader, we need a system, a system that will create its own people, one better than the other.” ▶

Notes

- 1 Edhi's financial/investment scheme (also mentioned later in the text) can be an interesting point for discussion.
- 2 Edhi centers operate in the USA, UK, Australia, Japan, Canada and Bangladesh.

Case 6

Escorts Foundation

Established in 1994, the Escorts Foundation is a non-profit organization formed under the umbrella of the Escorts Group, a large Lahore-based business house. What makes this NPO an interesting case study from a fund raising perspective is its diverse fund raising portfolio, which includes international donors, corporate sponsorships, innovative income generation schemes and committed private donors.

History

Maryam Bashir, daughter of the chairman of the Escorts Group, initiated the Escorts Foundation. While working as a volunteer at SOS Pakistan, Maryam was struck by the lack of facilities available in rural areas and decided to initiate a project to establish schools in villages that had no access to education. She convinced her father to sponsor the project as part of his corporation's social welfare program. And once she had secured the finances required, she put together a team of young volunteers and established the Escorts Foundation.

The Escorts Foundation team identified the Changa Manga forest, an area situated on the outskirts of Lahore, as their target area. The forest is home to six villages none of which had a school.

The foundation initiated the project by explaining their program's objectives and motivation to the community members and outlining the benefits of the program to them. The foundation introduced the concept of home schools, which are housed in the teacher's home and are furnished and maintained as well as monitored by the foundation. Since the foundation's first priority was to provide education to girls in the village they felt it was necessary to recruit female teachers. The teachers were mostly village women who had completed their matriculation or were the most educated in the village.

Aside from the educational criteria the foundation also emphasized the teacher's role as a social activist and chose candidates who they felt would best fulfil this responsibility. The women selected underwent rigorous teacher training conducted in partnership with another NPO, the Society for the Advancement of Higher Education or SAHE. Today however all Escorts Foundation-sponsored teachers are taught by the foundation's own master trainers.

After selecting the teachers and training them, the foundation began the process of recruiting sponsors for the home schools. The first six schools were funded

by CIDA (Canadian International Development Association). The Escorts Foundation had designed a detailed sponsorship scheme, which included a one-time grant of Rs. 35,000 to support a home school for an entire year. This amount was used to cover costs such as stationery, teaching aids and running expenses for the program. The teachers were not paid a salary/stipend; instead the foundation paid them rent for the use of their courtyard/house for the home school.

Once the home school was ready the foundation initiated a Mother's Committee to act as a support group for the school. The mothers in the committee were encouraged to send their children especially their girls to the home school. The foundation did not institute a formal fee structure but instead allowed the teachers to ascertain for themselves what to charge, according to the income level in the villages.

Today the Escorts Foundation operates over 20 home schools in the Changa Manga forest and its surrounding areas. The foundation's approach is to develop the area; it does not focus only on education but also on issues related to environmental conservation and the revival of cottage industries.

The Escorts Foundation has initiated the revival of two important cottage industries indigenous to the area: sericulture and apiculture. Both projects were launched on an experimental basis and have yielded promising results. The foundation plans to expand on these projects

to include a viable income generation component to their integrated area development model.

Internal Stakeholders

Board and staff

The board of directors of the Escorts Foundation are a diverse group of people, each offering unique and valuable insights into the nature of the foundation's work.

According to Amna Qureishi, the executive director of the foundation, "The role of the board is to give direction to the foundation and to review the progress and also to give guidance at different levels in an honorary capacity."

As for its staff, the foundation continues to rely on volunteers with only 12 paid staff members serving at the NPO. The most involved staff member is the executive director, Amna Qureishi who is cousin to Maryam Bashir, the founder. Qureishi got involved with the foundation as a volunteer when she was still in college. In 1997 when Bashir left for the United States Qureishi took over as executive director.

External Stakeholders

Fund raising strategies

Fund raising for the Escorts Foundation is the responsibility of the executive director. Qureishi explained that at the foundation, fund raising is dictated by the demands of the project. "First we do a needs assessment and we decide that

these 10 villages need schools and then we start fund raising. It has to be very project specific.”

According to Qureishi the success of their fund raising initiatives is largely due to the foundation’s vast variety of donors which includes international donors, corporate donors as well as private contributors.

In this section we shall discuss the foundation’s sources of funding and fund raising strategies.

International donors

CIDA was the first donor to sponsor the Escort’s Foundation’s home schools. Qureishi explained what convinced the international donor to support this project: “They had come in and looked at the area and seen how familiar we were with the people and how they were familiar with us, and that we had done our groundwork, so they sponsored the first six schools.”

According to Qureishi, being funded by international donors like CIDA has made it necessary for the foundation to maintain very strict financial reporting and monitoring procedures. She conceded that being housed in a corporate house (the Escorts Group) has facilitated the kind of financial transparency and meticulous record keeping that international donors favor.

Corporate sponsors

Nearly 50 percent of all home schools are supported by corporate donors who

range from multinational financial institutions, to large oil companies and even computer houses.

Although most of the corporate sponsorships are obtained through the personal connections of the board and/or staff members, there are times when Qureishi has taken the initiative as the fund raising representative of the foundation to introduce her organization to a potential sponsor. In such cases she tries to convince the corporate sponsor to go on a site visit to the foundation’s project. According to Qureishi these site visits are the most convincing fund raising tools. “Anything that I say to you, you won’t grasp as much as if you were to go to the field and actually see what is happening. So the key is to somehow take them and go see the school to see what a difference their Rs. 35,000 can make. And once we take them there is no problem, they need no more convincing.”

In fact the site visit is so convincing that the Pepsi Foundation, a donor that Qureishi had gone to see with no previous reference, decided to sponsor five home schools after one such visit.

Another important component of the fund raising strategy is the follow-up or post-sponsorship site visit to keep the donor involved in the project. The foundation keeps the donors informed regarding the number of students, teacher qualifications and progress of the schools. The site visits by donors are so effective that they have resulted in more schools being sponsored by the visiting donor.

Qureishi believes that to be able to fundraise through corporations, NPOs have to learn to identify what they have to offer corporate sponsors and then market their strengths effectively.

Income generating schemes

The cottage industry projects initiated by the Escorts Foundation were included to add an income generating component to the foundation's fund raising strategy. While these have not yet been completely developed, the foundation does raise a significant amount of funds through its Training for Dissemination of Fuel-Efficient Stoves.

Introduced to the concept of fuel-efficient stoves by the Family Planning Association of Pakistan in 1995, the Escorts Foundation began disseminating the technology in its target areas through village workshops. According to the foundation: "an evaluation carried out in 1999 revealed that the average adoption rate in the area was 70 percent."

Today the Escort's Foundation's model of disseminating this technology is very well regarded, particularly by the UNDP which sponsored the training of its partner organizations by the Escorts Foundation. Realizing the marketing potential of its model, the foundation started offering five-day workshops supported by case studies and training materials developed by its experts. The funds raised through this venture are becoming an important component of the foundation's fund rais-

ing strategy.

Government support

The foundation receives no funding from the government and has no plans to apply for or accept government support due to negative experiences with government donors in the past.

The Escorts Group

Perhaps the most consistent and significant sponsor of the Escort's Foundation is the Escorts Group. The business house provided the seed money for the foundation and continues to cover all administrative and overhead costs of the NPO. The foundation is housed in the Escorts Group building and the business house covers all staff salaries of the foundation.

Future Outlook

Qureishi is proud of the Escort Foundation's diverse fund raising portfolio and has plans of expanding it further by including gala fund raisers organized by a volunteer-based fund raising committee. However she believes that this is a long term goal and since the foundation already has such a large variety of donors her current plan is to focus on strengthening and solidifying the existing donor base. ▶

Case 7

Waqf: An Islamic Model of Philanthropy

Religion has been central to the spirit of philanthropy in Pakistan. Nearly 98 percent of individuals surveyed by the Aga Khan Foundation team for the Report on Philanthropy in Pakistan cited religion as their main motivation for giving. As an Islamic republic where 97 percent of the citizens are Muslim, Pakistan has a rich tradition of religious giving.

One of the five basic tenets of Islam is zakat. This is a religious tax levied on all Muslims and used for the social welfare of the Muslim community or ummah. Zakat is a kind of progressive tax, amounting to 2.5 percent of each Muslim's wealth,¹ which is collected on an annual basis, usually during the Islamic month of fasting or Ramadhan. Zakat funds are committed to the welfare of the poor and needy (mushtaqaen).

Another significant form of religious giving is waqf or the religious endowment of income generating property as regulated by Islamic law. Waqf has been described by religious scholars as: "a permanent dedication, *fi sabili-llah*, by a Muslim of a movable or immovable properties he owns with the purpose of providing stipulated religious, charitable or social services."

Awqaf (the plural of waqf) were very common during the Ottoman Period, when thousands of people founded waqf

institutions with their own property and money. In fact according to some historians, awqaf revenues at one time amounted to nearly one-third of the state budget. Awqaf are governed by Islamic law or Shariah, which dictates that the founder of the waqf can determine its terms. The founder must appoint a mutawalli to manage the waqf. A mutawalli differs from a trustee in the sense that the property does not vest in him; it is simply managed by him. Along with appointing the mutawalli, the founder of the trust outlines the trust organization and the matter of succession of the mutawalli. According to Islamic law, once the waqf has been created, all rights of property are transferred from the founder of the waqf or waqif and vested in the Almighty.

Professor Muhammad Al Habib Belkhoja in his essay "Waqf and Development" argues that waqf as an institution is even more valuable today than it was in the past because of the financial innovations and investment opportunities now available to us: "We have found in this era other ways of development than building and land leasing or field and grove farming. There are other options like mortmain rent, trade-off, ground rent, double lease, long term lease, order of manufacturing and participation, includ-

ing a mortmain and a constructor's own land. All those means allow for endowment's money raising and for spreading riches to the various areas which people are in need of."

Given the growing financial potential of waqf as a philanthropic institution directing religious funds for development purposes, this case study examines one of the oldest existing awqaf in Pakistan today, the Hamdard Waqf.

The Hamdard Waqf: a Model of Religious Giving

History

"Among all service, the most excellent is the service of fellow human beings."

—The Holy Prophet
Muhammed
(Peace Be Upon Him)

This hadith is the inspiration for the establishment of the Hamdard Waqf (Pakistan) and summarizes the ideology and work of its founder, Hakim Saeed. Born in undivided India in the early 1900s, Hakim Saeed attributed his philanthropic spirit to the influence of his parents and elder brother, who brought him up after his father died when he was only two years old.

Hakim Saeed's father, Hakim Abdul Majeed, came from a long line of hakims

or traditional healers who prescribe according to the principles of eastern medicine or tib-e-unani. With his hard work and dedication, Hakim Abdul Majeed managed to transform his once small clinic and pharmacy into a large dawakhana,² Hamdard, in a matter of years. Unfortunately, Hakim Abdul Majeed did not live to see the success of Hamdard. He died shortly after the inauguration of Hamdard Dawakhana but not before expressing his intent of dedicating Hamdard as a waqf. His wife and son held true to his dying wish and in 1947 Hamdard was declared a waqf.

1947 was a year of great turbulence and strife in the subcontinent. The British colonialists were leaving and India was to be partitioned into two separate countries. The Muslims of India were finally going to see their dream of a separate homeland come true. For them it was a time of great national pride and spirit. Hakim Saeed, who had until then been helping his brother create a considerable commercial empire which they had successfully converted into a waqf—one of the greatest in India—felt that his "sympathies and loyalties should be directed towards Pakistan." Bequeathing all his personal wealth to his elder brother, Hakim Saeed arrived in Pakistan "almost devoid of funds," but with the "vision and determination to establish Hamdard in Pakistan and to make it a great institution."

His brother-in-law advised him to set up a small clinic and start practicing

hikmat. The response was overwhelming and the funds generated through the clinic were used to start Hamdard Pharmaceuticals in 1948.

With the hard work and dedicated leadership of Hakim Saeed and his team, Hamdard soon grew into a large, successful pharmaceutical industry. Like his father, Hakeem Saeed decided to convert his commercial empire into a waqf dedicated to the public good: "This was when I decided to fulfill my responsibility and trust... In 1953 I converted this enterprise into a waqf in which Allah and His creatures became owners of the organization."

Appointing himself the mutawalli, Hakim Saeed continued to work as both founder and trustee of the waqf. He spelt out his mission and vision in three words: building, revival and philanthropy. Realizing that the vast and challenging agenda of the waqf needed careful management, Hakim Saeed in 1964 established the Hamdard Foundation to manage its charitable and philanthropic work.

The Hamdard Foundation, registered as a charitable society under the Societies Registration Act of 1860, has rendered invaluable services in the fields of education, medicine, health and cultural activities. The crowning achievement of the foundation's work has been the establishment of the Madinat-ul-Hikmah, or City of Knowledge and Culture in 1983. Located on the outskirts of the city of Karachi, Madinat-tul-Hikmah includes Bait-ul-Hikmah, one of the largest librar-

ies and research centers in Asia, and Hamdard University (established in 1991). Other institutions housed in Madinat-ul-Hikmah include Hamdard Public School, Hamdard College of Eastern Medicine, Hamdard Institute of Management Sciences, Hamdard Institute of Education and Social Sciences, Dr. Hafiz Mohammed Ilyas Institute of Pharmacology and Herbal Sciences, Center for Horticulture, and Hamdard College of Science and Commerce.

Fund raising

Adjacent to Madinat-ul-Hikmah is the Hamdard Industrial City, whose profits finance the philanthropic work of the foundation. The budget estimate for the foundation for the financial year 2000–2001 was over Rs. 85 million, which was matched by revenues drawn from the profits of the Hamdard Pharmaceuticals Waqf.

Hamdard industries have been consistent and generous in supporting the foundation. Between 1948 and 1988, Hamdard's income was more than Rs. 2,973 million, compared with an expenditure of Rs. 2,734 million. The entire profit, amounting to nearly Rs. 239 million, was credited to philanthropic activity through the Hamdard Foundation. According to estimates, Hamdard Waqf accounted for more than 98 percent of all Hamdard Foundation's revenue receipts for the financial year 2000–2001. The foundation receives limited financial aid from other sources.

Perhaps the most important ingredient for the success of the foundation has been the leadership and vision of Hakim Saeed. In recognition of his services to the nation, he was awarded the Sitara-e-Imtiaz in 1966. Unfortunately on October 17, 1998, he was shot dead by three unidentified gunmen.

Hamdard Foundation, which had relied so heavily on the vision and energy of Hakim Saeed, was in grave danger. His colleagues were too devastated by the news of his sudden death to attend to matters concerning the foundation. At this point, Hakim Saeed's daughter, Sadia Rashid, stepped forward to take charge and continue her father's good work. Ordained as the next mutawallia under the terms of the waqf, Sadia Rashid played a vital role in steering the foundation through this difficult time. The members of the foundation rallied behind her leadership and many believe that had it not been for Rashid, the foundation might have been lost after the death of Hakim Saeed.

Fortunately, the founder of the waqf had foreseen the importance for its sustainability of determining a successor mutawalli and had made provisions for it. Hakim Saeed had dictated that the appointment of future mutawallis should be from within his family. In light of his wishes, Rashid's daughter, Dr. Mahnum Munir Ahmed, recently joined the foundation as a mutawallia; this should ensure a steady and easy leadership succession.

Significance of waqf as religious institution for giving

Perhaps what sets waqf apart from other forms of philanthropy is that it is a self-generating property-based donation, one which is both sustainable and replicable. The very example of Hamdard Pakistan, inspired by the original Hamdard waqf in India, bears witness to the replicability of this model of philanthropy.

Another significant advantage of waqf as a form of giving is that it can be used to finance ventures which are difficult to raise funds for. For example, Hamdard Foundation undertakes a great deal of work in the field of research at a time when charities across the country have found it difficult to raise funds for research. Even the Shaukat Khanum Memorial Cancer Hospital and Research Center, one of the most successful models of fund raising in the country, with an average annual budget of over Rs. 400 million, has found it difficult to raise money for cancer research. But a waqf like Hamdard not only provides excellent opportunities and finance for research in essential fields like medicine, it also promises a consistent and sustainable source of income for these causes.

As a religion-prescribed form of giving encouraged by Muslim clerics over the centuries, a waqf exemplifies an indigenous model of philanthropy with tremendous potential. The case of Hamdard highlights the fact that persons with strong religious inclinations and an inherited

culture of philanthropy are inclined to favor this form of religious giving. In an Islamic republic with a rich tradition of giving particularly for religious reasons, there is no denying that there is tremendous potential for encouraging ventures similar to the Hamdard Waqf. ▶

Notes

- 1 Zakat is only paid on wealth that has been held by the individual for more than a year.
- 2 A pharmacy selling pharmaceuticals that rely on herbs and medicinal plants

Case 8

HAWWA

RAISING FUNDS THROUGH INCOME GENERATING ACTIVITIES

Nasrin is a graduate of the Hawwa Training Center and a successful business-woman holding two jobs. She joined Hawwa, a women's cooperative committed to the economic and social uplift of women through technical and vocational training, during her college vacations. After successfully completing her training at Hawwa, Nasrin got several orders to make block-printed cushions, quilts and dresses. Today Nasrin is a typist at the Water and Power Development Authority office, where she works from 8 a.m. to 3 p.m. From 3 p.m. to 8 p.m., Nasrin works on her block printing orders to earn extra money.

History

Hawwa's history is replete with the stories of women like Nasrin, who have managed to defy the odds and overcome poverty and patriarchal attitudes to emerge as confident self-sufficient women entrepreneurs in their own right.

Hawwa's chairperson, Kishwar Naheed, is a valuable role model for Hawwa trainees. A poet and women's rights activist of national renown, Naheed has often been criticized for her unflinching commitment to raise the issues of women's rights and democracy. Hawwa

was established as a result of her efforts to highlight the plight of women in Pakistan.

In 1981, Naheed was commissioned by the UNICEF to conduct a survey on the women of the walled city of Lahore.¹ Naheed was horrified by what she found; "very revealing and very shocking" were her exact words when she found out that women workers were underpaid and cruelly exploited: "In the 1980s, Rs. 0.50² was the rate for stitching a shalwar³ and Rs. 2 for a shirt."

Moved by the poverty and helplessness of these women, Naheed applied for UNICEF funding for a project focusing on technical and vocational training for women. After the funding came, she began by training women to make brushes, shoes, cane furniture and other products; in due course she turned her attention to reviving the dying art of handloom weaving.

To revive this neglected indigenous craft, Naheed traveled to Kasur in rural Punjab to learn what khaddi is and how the thread is woven. On her return, she managed to convince an old craftsman to join Hawwa and train the girls to weave khaddar.

Fund Raising and Marketing

Over the years Naheed and her students began to realize that handloom training provided a most valuable skill, not only because it helped revive a dying art but also because it was lucrative. Although the project was supported initially by donors such as UNICEF, UNIFEM, NORAD and the Trust for Voluntary Organizations (TVO), this would soon change.

During the training sessions, Naheed often felt that the products prepared by the trainees were very saleable. She tested their marketability among her circle of friends and found that not only were the products saleable, there was also a growing demand for them: "I realized that the products we were making had charm and marketing potential."

But there was one problem. Most shopkeepers and retailers would charge a large cut for displaying these wares, leaving very little or no profit for the craftswoman. Thus Naheed decided to set up a separate outlet to encourage the sale of the Hawwa trainees' works. Although the program is largely based in Lahore, she decided to expand to Islamabad, where she thought there would be a better market due to the presence of foreign diplomats and aid workers, who appreciate traditional crafts more than Pakistani buyers.

Naheed was able to get funding for the craft center from SACHET, a local non-profit organization working in the fields of education, health and training. SACHET agreed to pay the rent for the cen-

ter for one year. SACHET also agreed to send one of their doctors regularly to provide medical care and advice to Hawwa trainees; it would also provide transport for the girls to and from the center.

To cover her costs, Naheed designed a system whereby trainees and other craftswomen could display their crafts at the center but would have to pay 20 percent of their profits to the center to ensure its sustainability. Exceptions were made for craftswomen who were too poor to afford this rate. The outlet proved a major success. Housed in the heart of the commercial area of Islamabad, it attracted much attention and managed to establish a loyal clientele.

Today, sales of Hawwa products through exhibitions and the craft center amount to Rs. 1.1 million a year. Naheed feels that Hawwa has tremendous potential for growth. She is currently trying to raise money and support to hire a textile designer who will help in producing more marketable goods. She has already approached a local donor in this regard and is in the midst of negotiating a designer's contract.

Hawwa does not receive any government support because it has had very negative experiences with government donor agencies in the past. Naheed believes that the corporate sector may be more reliable donors. She has therefore applied for income tax-exempt status for Hawwa since this is a prerequisite for corporate support in Pakistan. She feels that the expatriate

sector could be an important source of funds, but they too prefer foreign goods to indigenous products. Although these indigenous products may not be appreciated by their own countrymen Naheed senses that they have a tremendous potential for export if the Export Promotion Bureau can market them effectively.

Naheed has worked hard to ensure that Hawwa graduates are gainfully employed. She approaches hospitals, universities and other institutions to obtain stitching and sewing contracts for her trainees, to make hospital overalls and uniforms, badges, Hajj outfits for men and women going on the holy pilgrimage, shoulder bags, file covers and other accessories for various conferences, and caps and gowns for academic institutions.

Some Hawwa graduates have gone on to become master trainers themselves, thus keeping the crafts alive. Other trainees prefer to work from home and sell their goods through the Hawwa Crafts Center. A number have been employed at local boutiques and fashion houses.

To help market Hawwa products, Naheed organizes regular exhibitions across the country. In addition to private exhibitions, Hawwa has been invited to set up displays at government crafts fairs, festivals and industrial exhibitions. Recently, the Hawwa team was sponsored by Oxfam to attend the Lok Mela, the most prestigious crafts festival in the country. Hawwa itself recently organized an exhibition at the Alliance Francaise,

Islamabad. Naheed reported that the proceeds from the exhibition was Rs. 55,000, 15 percent or Rs. 6,000 of which was paid to Alliance for the use of its facilities.

Today the Hawwa Crafts Center in Islamabad is largely self-sustaining, with almost 60 percent of its costs being borne by Hawwa's income generating activities. The remaining expenses are covered by a grant from the Trust for Voluntary Organizations.

Each year the number of trainees increases. This is no mean achievement since it was initially difficult for Naheed to convince the parents of young women to allow them to attend training sessions. Naheed plays an important role in convincing the parents to send their daughters for training. "I ask them to send their daughter, putting their trust in me and they say, 'Yes we can depend on you.'"

Naheed is very particular in selecting girls for training. "Selections are made according to two criteria: that the trainee is among the poorest of the poor is the first, and the second is that she should be a little literate."

Future Plans

Naheed believes that the Hawwa crafts project has tremendous potential for growth. Although she insists that there is still a need to raise awareness of the value of traditional crafts, she is encouraged by what she sees as a revival of indigenous crafts over the past few years. To meet growing demand, she is anxious to raise

extra funds and hire a designer for the craft center. As for the future, Naheed has big plans to set up a handloom house, which, she suggests, would enable Hawwa to attain self-sufficiency. ■

Notes

- 1 The historical part of the city
- 2 1 US\$ = Rs. 60
- 3 Loose trousers worn by Pakistani men and women as part of the national dress

Case 9

Hunza Environmental Committee (HEC)

Introduction

The Karakoram Area Development Organization (KADO) is a community-driven initiative in the northern areas of Pakistan working towards sustainable development. At present the organization is managing three projects in the Hunza region: the Karakoram Handicraft Development Program (KHDP); the Hunza Arts and Cultural Forum (HACF); and the Hunza Environmental Committee (HEC).

The third initiative, HEC was a community response to the civic needs of the growing tourist and business towns in Hunza, where in the absence of any municipal agency, the problem of solid waste disposal was getting out of hand. The Karakoram Handicrafts Promotion Society or KHPS, together with representatives from the business community, discussed the matter with the Aga Khan Cultural Services Pakistan (AKCSP), which was already involved in preserving heritage and managing environment in the region. This resulted in a tripartite collaboration in which AKCSP prepared the project proposal and identified donor funds to meet the startup costs, KADO set up a community-based structure to implement the project and the business community mobilized potential

beneficiaries for their contributions.

AKCSP was able to obtain a grant of Rs 1.8 million¹ from the European Union/Aga Khan Foundation (UK) and NORAD. The concept was to set up a permanent civic body, which would help to maintain and promote Hunza as a pollution-free valley by developing cost-effective ways to dispose of solid waste. In the process they would also find ways to develop saleable recycled products and spread awareness on environmental stewardship. The project would offer services on a sustainable basis and would be easy to replicate in other mountainous areas in the region.

Operations

In the northern areas of Pakistan lie the highest peaks of the Karakoram mountain range. Tourists frequent Hunza and adjacent areas to trek in these mountains and enjoy their scenic beauty. Since the inception of Pakistan, the northern areas have enjoyed a unique status, whereby the local administration's primary function has been to maintain the government's presence in the area. Provision of civic facilities though has not been the government's priority and the gap has been filled by non-governmental organi-

zations. HEC is one example of such civil society initiatives.

HEC has concentrated on two activities: a) the Environmental Awareness Project (EAP); and b) the Solid Waste Management Project (SWMP).

Through the Environmental Awareness Project, the Hunza Environmental Committee has tried to build general awareness in the area about environmental conservation and its importance. To disseminate this information, the organization has arranged seminars and special radio programs, approached schools and held special events on important days. For environmental awareness programs, contributions have come mainly from the parent organization KADO, WWF-Pakistan, IUCN and some well-to-do people in the area, who have agreed on sharing costs.

The SWMP is a solid waste collection and disposal mechanism implemented with the involvement and support of the local business community. HEC collects users fees from its clients to run the waste disposal system. The operation cycle starts when communities in the residential or commercial area request for facilities. The HEC fixes the bins on accessible roadsides near the prospects. A driver and team collect the waste daily using a tractor and trolley and dispose of it in a barren land area using landfilling technique.

Income Generation

Ghulan Amin Beg works in KADO as operations manager for HEC, HACF and KHDP. Explaining the current resource support for SWMP, he said: “For the solid waste operations, HEC has mainly depended on income generation through users fees, volunteerism and the supplemental endowment fund created to bridge the income and expenditure gap.”

The main source of income² for SWMP is the users fees paid by the clients. There are three categories of clients. First is the business community, which includes the shopkeepers in the bazaar area. For them HEC installs roadside bins and all the traders in the bazaar have to pay a monthly fee. At present 90 percent of the users fees come from the business community. The second category includes the hotels and hospitals that have specifically requested for the service and have a sufficient quantity of waste to qualify for a separate bin. For them the bins are placed within their premises. The third category are the households, which are very few. In the case of households a special request is made by a group of at least 15 households, nominating a contact person. The contact person also helps in the collection of users fees. For the first and second category, HEC does not charge for the installation of bins but only depends on users fees. Households, however, have to purchase the bins as well.

Presently the operations cover two towns, Aliabad and Karimabad, and six villages with 25,000 residents—roughly

half the population of the Hunza region. In the beginning HEC had to lure, coax and at times force the community to participate and contribute to the program. They have tried different techniques, according to the situation, said Amin Beg: “We approached the businessmen with the proposition that tourism in the area will be affected if the bazaar³ is not kept clean and it will eventually ruin their businesses... We told the people that if the area is kept clean it would give a good impression about the Ismaili⁴ community... For those few who benefited from our program in the bazaar and did not want to pay, we approached the local administration to force them.”

Board and Volunteerism

KADO has a general body of 34 persons chosen on the basis of local representation, social activism and prominence. The general body meets annually to select an 11-member board including the chairman. The board is quite influential and active as it includes social activists from all walks of life. The board, central committee and the local area committee members are all volunteers who contribute either in cash or in kind to HEC. The board members, including the director, have a proactive role in running the project. They often go door to door to influence the community in realizing the need for the program and also assist in the collection of fees. Said Amin Beg : “It is very much true that board members and local people from Hunza have contributed

a lot, although it is not mandatory and they are not paid for it. Today almost 60 percent of input is from volunteers. Our board, central committee, local area committees and other associations are all volunteers.”

The support from the volunteers is mostly non-financial because of low per capita income⁵ in the area. The spirit to give exists even though the form of giving is not purely financial. The HEC chairman thinks that the motivating factor behind this spirit of volunteerism is unique in the northern areas as compared to the rest of Pakistan and has a historical significance. A sense exists that the government institutions are not taking care of what is supposed to be their responsibility. The high level of volunteerism has also been ascribed to the high literacy rate⁶ in the Hunza region. People are considered to be more conscious of their civic responsibilities.

HEC attributes the success of its operations to an enlightened and organized community and should not to be solely credited for introducing community support, as the Aga Khan Rural Support Program⁷ had already done the groundwork.

Financial Sustainability and Future Plans

Since the inception of HEC the issue of financial sustainability has been given a lot of importance. An endowment support was built from within the startup grant. Said Amin Beg, “Almost 90 per-

cent of the resources in the beginning came through volunteers. This also helped us save money from the startup grant, which was channeled towards initiating the endowment fund. Endowment has played a very important role in sustaining us financially. About 20 to 30 percent of our income is still being covered by this source.”

Though the receipts from the startup grant and subsequent donations⁸ contributed heavily in terms of finances, the HEC management foresees three main sources on which they could rely for longer-term sustainability. These are: income generating activities, volunteerism and the endowment fund.⁹ Commenting on the comparative importance of these, Amin Beg said, “All three sources are very important for us. Volunteerism and user fee both bring in community’s ownership whereas the endowment fund is an umbrella for us to survive through the rainy days... If we continue to run the project ourselves then we would like that the voluntary input is sustained. Secondly, we want to rely more and more on the user fee in order to save our endowment fund. If in the long term we have to hand over the project to the government, then user fee is more important than volunteerism, so that we can provide an established income and user base for the new administration for sustainability.”

The HEC management sees the organization going through phases towards financial sustainability.¹⁰ Right now they consider themselves to be in the growth

phase, moving towards consolidation to attain sustainability. In the current situation they are struggling with comparatively high depreciation costs against the level of operations and income. The management realizes the need to bridge this gap and is looking for new avenues to supplement its income. A few options being considered include:

Recycling of waste. The separation of recyclable material is done at the point of collection. The recyclable material is then utilizable.

Corporate sponsorship. The tourists who come to visit the area love nature and are environment-conscious. The corporation whose products have a market in the Hunza area will be contacted to sponsor the bins and other equipment, which would in return help them in improving their corporate image.

Production of organic fertilizer. The HEC management has plans to produce organic fertilizer from the solid waste dumped in the landfill area and utilize it for agricultural purposes.

Ecotourism. HEC organizes treks for tourists and gives them information about the flora and fauna of the region.

Technical consultancy for replicability. HEC intends to sell its technical expertise to those who are interested in replicating the project in other areas.

Whether these ideas will support the project enough to lead it to a complete financial sustainability is a question yet to be answered. ▀

Notes

- 1 1 US\$ equals, approximately Rs 60
- 2 Users fees account for 37 percent of the total receipts of HEC.
- 3 Commercial area
- 4 Ismailis belong to a Muslim sect who consider Prince Karim Aga Khan as their spiritual leader. In the northern areas of Pakistan, especially Hunza, a lot of community-based welfare and developmental work has been taken up with the support of the Aga Khan Foundation (AKF). The Ismaili community takes a lot of pride in its contribution.
- 5 Per capita income in the Hunza region is US\$ 0.30 per day.
- 6 Literacy rate in the area is 67 percent as compared to the country average of 37 percent.
- 7 AKRSP is the largest organization in the northern areas, involved in community-based development work.
- 8 The money received under the grants and donations for the years 1998 to 2000 are mainly those which were received for the EAP activities and are event-based, e.g. money collected from line agencies to host activities for the World Environment Day.
- 9 Income from the endowment fund accounted for 20 percent of the total receipts in the year 2000.
- 10 KADO's publication "Solid Waste Management Project—A community-based Municipal Service Agency" (October 7, 2000)

Case 10

Layton Rahmatulla Benevolence Trust

History

In 1946 to 1947, Graham Layton, a British national, moved from the UK to Pakistan and set up a very successful construction company. Forty years later, upon his retirement and wanting to give something back to the country which had given him so much, Layton and his business partner, Zaka Rahmatulla, who had lost his sight in one eye, decided to focus their philanthropic initiative on the treatment and prevention of eye diseases in Pakistan. In 1984 they established the Layton Rahmatulla Benevolent Trust (LRBT) in order to provide free eye care to the poor. To do this, Layton had to adopt Pakistan as his new country and give up his British citizenship since under the Trust Act Law of Pakistan, only a Pakistani can be a founding member of a trust.

In 1984-85, with an initial donation of Rs. 500,000 from each of its founding members, LRBT began operating by setting up a single mobile unit in Tando Bago (interior Sindh province). From its humble origins in Tando Bago in 1985, the organization began to expand slowly but steadily. Today, LRBT has permanent field or mobile hospitals in nine different locations in all four provinces of the country, supported by two base hospitals in Karachi and Lahore. Each of the hospital

sites has been selected on the basis of need and incidence of eye disease. The Trust follows a systematic method of expansion—setting up mobile units initially and then upgrading them to field hospitals.

In January 2000, LRBT reached a special milestone when it treated its five millionth patient, Kanwal Bashir, a 10-year-old Christian girl suffering from cataract. Kanwal was diagnosed with developing cataracts in both her eyes during a routine school screening program conducted by the LRBT Community Outreach Program. Like all LRBT patients, Kanwal was provided with free eye care at the LRBT Karachi Hospital.

K.Z. Hassan, chairman of LRBT and a close friend of the founding members, explained the emphasis on free eye care: “From the very outset both the founder members said that they would not charge anything for the services they would provide, and that credo is still in force... We don’t charge anyone anything at all, not even any registration fee. Surgery is done free of cost, post-medical care is done free of cost, medicines are given free of cost, everything is free of cost, for which, of course, we depend on donations.”

Operations

LRBT, with its staff of 67 full-time doctors, performs over 80,000 surgeries per year and treats more than 500,000 outpatients. Its work already accounts for 20 percent of all cataract surgeries performed in the country. K.Z. Hassan has more ambitions for the future: “From the present 43,000 cataract surgeries per annum, we propose an increase in a phased program to over 60,000 by June 2002. This means that while we are currently performing over 20 percent of the cataract surgeries in Pakistan, this figure will rise to over 30 percent.”

The LRBT board of trustees, which includes prominent government officials, doctors, businessmen, industrialists, professionals and academics, have all played a tremendous role in enlisting support from individuals and organizations. Some have been consistent donors themselves. For example, a field hospital in Gambat (Sindh province) was built on land donated by Dr. Shafi Mohammed Soomro, a former trustee of LRBT. Quite a few board members not only serve on the board of other charitable organizations and are thus familiar with successful fund raising methods but are also representatives of donor or support organizations. Thus their presence on the board helps strengthen ties between the Trust and its supporters. Having professors of medicine on the board of trustees is very helpful as they help facilitate the recruitment and training of new doctors and other medical staff for LRBT’s work.

Fund Raising

Through its outreach programs, LRBT has increased its scale of operations by building mutually beneficial partnerships with health service organizations and charities, corporations, etc. These outreach programs not only allow LRBT to expand its services all over the country but also help it to reach more people in a highly cost-effective manner.

Nearly 50 percent of all funds raised by LRBT come from individual and corporate donations. The Trust sources of income include:

Sight Savers International. A British charity and the largest and oldest donor of LRBT, it accounts for 20 percent of receipts, and the investment income from the Trust’s endowment amounts to 13 percent of revenues. The Sight Savers grant for this year amounted to over Rs. 19.93 million, a sum that reflects the organization’s trust in LRBT. Over the years SSI has not only increased its grant to LRBT by regularly funding international training for LRBT doctors—sponsoring their participation in regional and international forums on the prevention of blindness and assisting LRBT personnel in evolving and implementing new fund raising strategies—but it has given expertise and moral support in the form of regular visits by SSI staff who inspect LRBT’s facilities to observe the Trust’s work and progress.

Graham Layton Trust, U.K. Graham

Layton bequeathed his entire personal estate in the UK to establish the Graham Layton Trust, a strong advocate and impressive ambassador for the LRBT. The fund raises significant amounts of money through donations made by individuals and organizations in the UK. It is registered in London with the Charity Commissioner, thus allowing all donations to the trust to be tax exempt. In 1999-2000, the Trust raised 87,199 pounds sterling from the National Lotteries Charities Board alone. That year Graham Layton Trust UK remitted Rs. 14.79 million to Pakistan to cover nearly 12 percent of all LRBT receipts, showing a 60 percent increase from the previous year's remittance.

The Trust also managed to get £50,000 from the Sylvia Adams Charitable Trust which went towards the endowment fund for an upcoming LRBT hospital.

GLT receives tremendous support from the Pakistani community in the UK.

In the financial year ending 30 June 2000, LRBT's capital expenditure increased by 147 percent and revenue expenditure by 15 percent. Operating expenditure accounted for 71 percent of all LRBT expenses with capital expenditure covering about 16 percent. Administrative expenses accounted for only one percent of all LRBT payments, which speaks volumes for the Trust's efficient use of resources.

Foundations Supporting LRBT. Given the ambitious expansion plans and

the expensive medical equipment and techniques required, LRBT expects its expenses to rise steadily over the years. To help meet these growing expenditures, LRBT also receives funds from organizations like INFAQ foundation. INFAQ is LRBT's single largest Pakistan-based donor which started supporting LRBT 10 years ago by donating a grant of Rs. 100,000. Over time the foundation's trust in LRBT as a credible charity has grown and this year it donated Rs. 6 million to the Trust.

Another local donor, the National Zakat Foundation, gave LRBT a grant which accounts for about 50 to 70 percent of all capital expenditures of the Trust. Its grant went towards the building of a new LRBT hospital in Quetta and the payment of other capital expenditures.

United Fund of Pakistan. A US-registered tax-exempt non-profit charity organization supporting LRBT through regular financial contributions. During the current year, UFP raised US\$75,000 for LRBT, along with the sum of US\$100,000, which was set aside for an endowment fund. United Fund of Pakistan is also supported by an association of Pakistani doctors based in North America which, this year, gave a donation of US\$25,000 to LRBT.

Friends of LRBT. A network of volunteers from around the world committed to supporting LRBT's fight against eye diseases. Headed by the chairman, Farrokh Captain, it has branches in eight

different cities, namely Karachi, Lahore, Islamabad, London, New York, Washington D.C., Muscat and Dubai. The LRBT fund raising committee, or the Friends of LRBT, also operates all over Pakistan. Friends of LRBT organize special charity events, such as balls, fashion shows, polo matches, dance performances, etc. Fund raisers are held in Dubai, New York, Washington and Muscat to target the large expatriate communities there. These gala events are generally supported by multinational corporations and high net worth individuals and can easily raise up to Rs. 100 million a year.

It goes without saying that LRBT's fund raising strategies have proved to be a very important factor in the Trust's suc-

cess. Not only have the Trust's funds remained stable but they have actually increased considerably over the years despite the poor economic conditions in the country and growing rumors of donor fatigue. K.Z. Hassan said that this can partly be explained by the fact that "we keep a tight rein (on our expenditures)... everything's basic, there is no money spent on frills."

The Trust also enjoys large reserves and an impressive endowment fund, thus adding to the institution's financial security and sustainability. It has survived the passing of its founding members and is thus one of those few charities which is recognized and supported on the basis of its work rather than on its association with a particular individual/individuals. ►

Case 11

SOS Pakistan

In 1949, moved by the plight of the orphans of World War II, an Austrian doctor, Hermann Gmeinner, set up a home to provide them with shelter. This was the beginning of SOS Kinderdorf International, a private social welfare organization committed to providing a safe, nurturing home for orphans and abandoned children. Today, the organization has over 2,000 facilities in more than 130 countries, making it the largest child welfare organization in the world.

All 131 SOS chapters raise funds indigenously but most rely to some degree on financial support from SOS Kinderdorf International. What sets SOS Pakistan apart is that it is the only country program which is completely self-supporting and does not receive any funding from Kinderdorf International. This makes SOS Pakistan a successful and replicable example of a non-profit organization relying wholly on indigenous philanthropy.

History

Established in Lahore in 1977, SOS Pakistan now has 22 projects operating around the country. These include six SOS Children's Villages, one SOS Children's Home, five SOS Youth Homes, six SOS Hermann Gmeinner schools, three Vocational Training Centers and a Rural Sup-

port Program in Kasur.

In 1977 the first SOS Village in Pakistan was inaugurated in Lahore. The land, as with all SOS Pakistan Villages, was a grant from the provincial government, but the Village itself was largely constructed through private donations and zakat (religious tax) funds. The Village started with only eight to 12 children and a few mothers. Today there are nearly 200 children and about 16 mothers in the SOS Village in Lahore.

The Lahore Village shares a blueprint with all SOS Villages around the world. A typical SOS Village is divided into 15 to 20 homes. Each home houses a mother and eight to 10 children. The Village also includes an infirmary, a general store, a dispensary, a workshop, a nursery school, a playing area, a vegetable garden, a community hall, staff residences, administrative offices and a place of worship.

Each Children's Village must have an affiliated Youth Home, where boys are transferred once they reach adolescence. Here they receive technical training or professional education according to their aptitude and ambition. They continue to stay at the Youth Home until they find a job and are able to support themselves financially. Girls stay in the Children's Village until they marry.

The Village administration works hard to help these children get a proper education, acquire a skill, find a suitable life partner and become self-sufficient. Even after the children leave the Village, they often return to visit as adults, so strong is their attachment to the Village which has become both a home and an extended family for them. Each Village has a Village Director to oversee its day-to-day workings. The director is assisted in his/her work by a well-trained and carefully selected administrative team, staff and an impressive list of volunteers.

Fund Raising

Attached to most SOS Pakistan Villages is an SOS school established in partnership with the government-funded Education Foundation. This government agency sponsors all SOS schools through a loan amounting to one third of the estimated cost and a matching grant for another one-third of the total project cost. The fund raising committee, called the Friends of SOS Pakistan, raises the rest of the money. The Friends of SOS Pakistan raise money through various means, from the National Zakat Foundation, from personal donations, corporate sponsorships, special events, etc. Friends of SOS Pakistan now operate in many countries around the world. They have offices in Dubai, Kuwait, Riyadh, London, Denmark, Washington DC, California and Canada. These offices collect donations and zakat from Pakistani communities living abroad and are an important compo-

nent of SOS Pakistan's fund raising strategy.

With the help of the Friends of SOS, the SOS foundation has expanded its operations considerably. After Lahore, the SOS administration began to set up Villages, Homes, and Youth Homes in Dhodial, Rawalpindi, Karachi, Sargodha, Peshawar, Faisalabad and now in Multan and Muzaffarabad. Each of these SOS Villages manages its own accounts and reports to headquarters in Lahore on a regular basis. All SOS Pakistan chapters are encouraged to raise money through their local communities to facilitate community participation and ownership of the project. With over 22 facilities across the country, SOS Pakistan has designed a comprehensive organizational structure. It is divided into four provincial committees, each of which has a separate Village Committee, a Youth Home Committee and a School Committee, depending on the SOS facilities operating in that province.

The SOS Pakistan board of governors presides over all operations. The board has 17 members, including one president, two vice presidents, one general secretary, one treasurer and other general members. According to Noon, (vice-president, SOS Pakistan), the board members are selected "on the basis of (their) involvement and commitment and time."

To illustrate how SOS Pakistan has managed to remain self-sufficient and be the only SOS chapter in 131 countries which does not rely on SOS Kinderdorf International for funds, this case study will

focus on the fund raising strategies of one particular Village—SOS Multan. The fund raising experiences of SOS Multan are an inspiration to SOS Villages around the world striving to be financially independent.

The SOS Multan Village: A Case Study

SOS Multan is not only one of the most recent projects of SOS Pakistan but also one of its most successful local chapters in terms of fund raising. While most charity organizations struggle to find donors and sponsors, all SOS Multan children are fully sponsored by local donors. In fact, the administration has seven extra sponsors waiting for new children.

The success of SOS Multan can largely be attributed to the efforts of the SOS Multan fund raising committee, or Friends of SOS Multan. The Friends of SOS Multan committee consists of three core members: the two co-chairpersons—Shah Mehmood Qureishi, a well known politician and public figure, and Mrs. Sheikh, a prominent social worker—and Mrs. Sheikh's daughter-in-law, Mehnaz Sheikh, the committee's general secretary. In many ways SOS Multan has enjoyed a certain advantage over other charity organizations. Not only has the committee managed to attract a prominent public figure as their co-chairperson but it started with a generous initial grant from a large multinational corporation.

AES, a large multinational thermal

plant about an hour's drive from Multan, had promised to sponsor 10 homes for the SOS Multan Village. However this promise was made in 1991, when initial investigations about land grant for the Village had started. The SOS Multan committee was hesitant to hold the MNC to its promise six years later, since the cost of 10 homes had gone up from Rs. 6 million to Rs. 12 million, but AES stood by its promise.

Once the land had been donated by the government, and the cost of 10 Villages given by AES, the fund raising committee began raising funds for the additional six homes from within the local community, and also appealed to the National Zakat Foundation¹ for funds to furnish the project. The National Zakat Foundation gave SOS Multan a grant of Rs.10 million.

In addition to an initial commitment of Rs. 10 million from the National Zakat Foundation, SOS Multan also received Rs. 300,000 from a fund raiser made for the Village in the early 1990s when the land grant was first proposed and also an initial grant of Rs. 200,000 from SOS Pakistan to start up the project. However, it is important to note that SOS Multan has neither requested nor received any more money from headquarters in Lahore. In fact all expenses are met through donations and funds raised by the committee in Multan.

Perhaps the greatest support for SOS Multan has come from the Sheikh family. With two family members in the Village

committee, the Sheikh family has a special commitment to SOS and being from a wealthy industrialist background, the two committee members have been valuable supporters of the cause. Recognizing that constructing the Village would take a considerable amount of time, the family donated a large house in the vicinity of their mill to start their operations in the city.

This facility is the headquarters of SOS Multan and is home to over 70 orphaned and abandoned children as they await completion of the actual SOS Village. Not only does the Sheikh family provide the facility to house the children but it also pays for all utilities and maintenance costs as well as miscellaneous organizational expenses like transport, computer and internet usage, etc. Having the Village housed in the vicinity of the mill has made the job of supervision and administration much easier for Mrs. Sheikh and Mehnaz, who visit the village on a daily basis to supervise the management and running of the organization.

However, the Sheikh family did not want their involvement in and commitment to SOS to discourage other potential donors from coming forward. In fact, the committee has taken several steps to encourage local donors to visit the village, witness the charity at work and determine for themselves whether this is a deserving cause or not. They have set up a fund raising committee which actively campaigns for funds in schools. The committee members make regular visits to schools to in-

form children about the village and to introduce innovative fund raising schemes. According to Mehnaz this has been a very successful marketing strategy for the charity and has increased its visibility tremendously. Mehnaz and her committee have also been targeting local traders and shopkeepers and have placed collection boxes at shops and businesses across Multan.

In addition to these wide scale awareness/fund raising programs, Friends of SOS Multan arranged a high-profile fund raiser to mark its first anniversary in November 2000. It was a round table seated dinner affair followed by a musical evening featuring a local musician who was flown in from Lahore. Mehnaz believes that the evening was a success not just in terms of fund raising but also in terms of "friend raising."

Aside from the fund raising strategies already mentioned, the SOS Multan committee relies heavily on the committee members' personal contacts for sponsorships and donations. In this regard, the business community, unlike the feudal landlords, in Multan has been most forthcoming. Although they are just a handful these donors have been extraordinarily generous. For example, one Multan family has been supplying meat to the Village children since the project started. According to Mehnaz: "They really believe in charity and giving for almost everything. And each and every time I am out (of meat), all I have to do is call them and the meat is there."

Mehnaz explained that the most challenging part of the fund raising committee's job is to ensure that all children are sponsored. By launching a meticulously organized plan to ensure sponsorship for all the children, the committee has been very successful in this venture.

However, the true challenge for SOS Multan is yet to come. By November 2001, the Multan Village will be complete and the children will move into the new, much larger premises. Although this will solve many of the current problems that the administration faces due to lack of space today, it will lead to new challenges. Not only will the administration of the village become more difficult, expenses will go up dramatically. Mehnaz already has an aggressive fund raising strategy in mind to meet the growing financial needs of the village. She plans to organize regular fund raisers featuring local artists and musicians and to continue pursuing her current fund raising strategies through

schools, local businesses and the corporate sector.

Conclusion

Surriya Anwar, the president of SOS Pakistan, said, "Twenty-five years ago we could not have dreamt that we would be able to progress so rapidly and for this the credit goes to all of you who have supported us so generously and enabled us to reach where we are..."

Anwar is convinced that indigenous philanthropy in Pakistan is flourishing. She and her colleagues at SOS Pakistan claimed that raising funds has never really been a problem. In fact SOS Pakistan has always gotten an unusually generous response to their appeal for funds. They credit this overwhelming response to the generosity of Pakistani people. ▶

Notes

- 1 Government zakat disseminating agency

Case 12

Shaukat Khanum Memorial Cancer Hospital and Research Center

This study explores the fund raising experiences of Shaukat Khanum Memorial Cancer Hospital and Research Center (SKMCH&RC) in Lahore, Pakistan. SKMCH&RC is the only comprehensive cancer hospital in Pakistan, one that aims to provide free quality care to indigent cancer patients.

History

Moved by the plight of people in Pakistan, Imran Khan, the captain of Pakistan's cricket team, decided in 1989 to set up a hospital to provide quality health care to patients irrespective of their ability to pay. In December 1994, he inaugurated the Shaukat Khanum Memorial Cancer Hospital and Research Center. Today the hospital has already examined and registered over 25,000 patients and spent more than Rs. 825 million on free treatment.

Along with quality health care, SKMCH&RC identifies education and research as important components of its main agenda. The hospital sends teams of doctors to remote rural areas to educate people about cancer and to conduct health-screening clinics. The hospital has published literature on cancer in English and Urdu.

The research agenda has been a priority with the SKMCH&RC team. An entire section of the hospital has been reserved for research purposes only. However, with high running costs and many patients coming each day, the hospital finds it difficult to set aside funds for research purposes. Ali Akbar Chaudhry, the director of internal audit, said: "Once a patient arrives the focus changes... we have to be a very patient-oriented institution." The hospital is constrained as to how many patients it can take in at any given time and often has to adopt an admission criterion.

In 1989, SKMCH&RC became a trust under the Societies Act Law of Pakistan, run by a 12-member board of governors. The SKMCH&RC team began by first setting up a marketing department to build and strengthen the image of the hospital and to raise enough funds to make the project a reality. Under the guidance of the board, the marketing department launched its fund raising campaign. It received a loan from Siemens and from a French organization, which together accounted for around 36 percent of the initial cost. Donations financed the remaining 64 percent. The marketing department used various fund raising strategies for this purpose including a Mass

Contact Campaign and a School and Colleges Campaign.

Today hospital revenues have become an important source of funds and account for nearly one-third of all the funds raised.

The board of governors, whose members are selected on the basis of prominence and influence, plays an important role in fund raising. Although they are under no obligation to make donations or pay membership fees, the members make excellent representatives for the hospital and contribute in many meaningful ways through their expertise and connections. The chairman and founder, Imran Khan, stands out in his contribution as a board member. He is the single largest donor of the hospital. According to Chaudhry, "in our fund raising campaign, the largest element is Imran's personality." The hospital has benefited greatly from Khan's appeal among the public of Pakistan. He remains the most prominent and positive image of the hospital.

Fund Raising

The marketing department is responsible for the fund raising portfolio. Mehmood Akhter, the marketing director, attributed the success of this department to a loyal and strong donor base and to the personal charisma of Imran Khan. Akhter also praised the spirit and contributions of its young fund raisers, who "have a really strong commitment to the organization and they have very strong links with people who were among the

pioneers who supported this cause." He spoke at length about the different fund raising schemes and sources of revenue at SKMCH, which include the following:

1. Hospital Revenues/ Income Generating Activities

Nearly 85 percent of cancer patients treated at SKMCH receive free treatment. Revenues are generated through the remaining 15 percent, who pay for at least part of their treatment. These revenues are used to keep the hospital operational. SKMCH also generates revenues from non-cancer-related treatments or tests. In addition, diagnostic centers set up in the major cities of Pakistan generate income for the hospital.

2. Religious Tax (Zakat and Sadqa)

Zakat is a compulsory tax levied on all Muslims under the Constitution of the Islamic Republic of Pakistan. It targets all Pakistanis, including those living abroad. Zakat is used for public welfare and is also distributed among public service organizations. SKMCH&RC attracts a great deal of zakat funds, especially during the holy month of Ramadhan,¹ when it launches its media campaign. Zakat funds account for nearly a third of all funds generated and have consistently increased. However, with the mushrooming of charities and drop in per capita income of the country, it is becoming increasingly difficult to get a portion of the zakat funds.

The hospital also generates revenues by conducting a hides collection campaign around Eid-ul-Adha to collect the hides

of the animals sacrificed (sadda) on this religious occasion.

3. Donations

The hospital was largely built through individual donations and they still account for the largest percentage of funds raised. "This hospital has been built by the public itself—(by) ordinary people," said Chaudhry. In 1998, donations alone amounted to Rs. 110 million, more than one-third of all funds raised. However, with the growth of hospital and diagnostic center revenues, the share of donations has been reduced from 70 percent to 35 percent, despite a steady increase in the actual amount of donations.

The popularity of Imran Khan, as well as the excellent reputation and performance record of the hospital, has helped raise funds.

4. Mass Contact Program

Among the first fund raising campaigns was the Mass Contact Program. As part of this program, Imran Khan and his team visited 23 cities to collect money to set up the hospital. This program was hugely successful. Even today, the marketing department conducts a strong media campaign, especially towards the end of the month and the beginning of the next one, to target the salaried classes. However, the mass contact program has been discontinued because it required too much time and commitment from Khan's busy schedule.

5. Schools and Colleges Campaign

Cashing in on his popularity as a

cricket star, Khan and his team launched an extremely successful schools and colleges program to target students as potential donors. Although the schools and colleges campaign was initially launched primarily to collect funds to set up the hospital, the success of this marketing strategy encouraged the marketing department to pursue the campaign further in order to meet the rising operational costs of the hospital.

6. Corporate Donors

According to hospital records, despite regular mailing requests, the corporate sector has not contributed significantly to the SKMCH. The marketing department has been pursuing several companies with large employee bases to encourage them to refer their staff members to SKMCH's in-patient and non-cancer facilities, but with no significant results.

Akhter, director of marketing, believes that if contacted in a timely fashion and furnished with all the Trust's financial records and achievements, most MNCs could be convinced to support a cause. Although the SKMCH&RC has not received much assistance from the corporate sector, they have had a great deal of support from the local traders' associations who, in the view of Akhter, have helped them "consistently and significantly." According to Akhter, this trader support is largely due to the fact that SKMCH&RC is located in Lahore, the heart of the traders' community, and thus the traders feel very close to this charity.

7. Special Events for Expatriate Donors

The marketing department organizes special national and international events to raise funds for the hospital. These include special evenings, concerts, charity balls and dinners. The international offices mainly target the Pakistani community living abroad and are assisted by expatriate forums such as the Association of Pakistani Physicians in North America (APPNA).

Akhter believes that the Pakistani communities settled abroad are valuable donors since they are often more patriotic and more willing to invest in their country of origin. The per capita income of Pakistanis living abroad is also higher and the favorable conversion rate inflates the donation. Thus a well-designed fund raising campaign targeting the expatriate Pakistani can have very lucrative results. Imran Khan's international celebrity friends have often played an important role in these special events.

8. Donor Agencies

According to Chaudhry, SKMCH&RC has received no significant grants from donor agencies. Such grants amount to less than one percent of funds generated. Chaudhry said that although the Shaukat Khanum team has approached several donors over the last few years, particularly for launching the cancer awareness program, the response has not been very positive.

Financial Situation and Future Plans

According to the hospital records, SKMCH&RC has operated at a deficit in all but the first year of its history. This can partly be explained by the fact that cancer is an expensive disease to treat and with nearly 85 percent of the patients not paying anything at all, hospital costs are enormous. In addition, since SKMCH&RC is committed to providing quality care, it has collected an excellent team of doctors and administrators who require high incentives.

Della Anne Anverali, director of the hospital's Patient Care Services, cited the lack of proper medical facilities and infrastructure in Pakistan, as one of the main reasons for SKMCH&RC's rising costs. She said that SKMCH has to bear the costs of the patient's follow-up treatment as well, whereas in countries like the UK, patients are sent back to the general hospital after the main part of their treatment.

Akhter spoke at length about his plans to increase revenues. He views e-commerce as a great opportunity for the marketing department to reach potential donors. "The only avenue which honestly attracts me is the new system through electronic media, through e-commerce. This is one aspect of the modern business which gives me more opportunity, where I can see a very bright future."

Akhter expressed a desire to design a reliable e-commerce plan for fund raising and to build a strong data processing

system in order to make fund raising more “scientific.” He explained that because of growing donor fatigue and a deteriorating economic situation, organizations like SKMCH&RC will have to employ innovative fund raising ideas in order to meet the challenge of fund raising.

However, the most obvious challenge for SKMCH&RC is the Trust’s dependence on the celebrity appeal of Imran Khan. There is no denying that the personality and popularity of Khan have been a major source of support and funds for the hospital but the administration of SKMCH&RC is making efforts to reduce this dependence. By promoting other staff members and representatives of the hospital and by advertising the excellent performance record of the hospital, the administration hopes to reduce the

hospital’s dependence on the popularity of its founder. Its efforts have already been quite successful, as Anverali explained: “I think Imran Khan, the personality, has a lot to do with our ability to raise money. But we are also now getting a reputation and I think people see that we are doing what we said would do, i.e. provide care regardless of ability to pay, so that motivates a lot of people now as well. Originally it was all him, but now it’s fifty-fifty.” ▶

Notes

- 1 Ramadhan is the most sacred month in the Islamic calendar. Although zakat may be given at any time of the year, most people are more inclined to give it during the holy month of Ramadhan.

Case 13

Behbud Association

Behbud was established in 1967 to provide support to the underprivileged women of Rawalpindi. Thirty-five years on, Behbud is a national organization with its head office in Islamabad and branches in Karachi, Lahore, Multan, Peshawar, Gujranwala and Islamabad. The branches generate their own funds and are operated by a group of volunteers.

The most valuable assets of Behbud are its committed volunteers and professionals who are engaged in providing basic health, education and income generating facilities to underprivileged women to improve their quality of life.

Currently, Behbud is operating in the surrounding areas of Islamabad and Rawalpindi district through:

- ▶ 19 vocational schools
- ▶ 12 community development centers
- ▶ 32 literacy centers
- ▶ 20 family health and welfare centers

According to Nageen Malik, general secretary of Behbud, there are six office bearers, 13 executive committee member, and seven advisers at Behbud. The officers are elected at the annual general body meeting. Akhter Riazzudin, the founding member of the Behbud Association, has

been elected the lifetime president of the organization.

Welfare Activities

Community development

Behbud's community development project has been an important part of the organization's operations. Through this project Behbud services some of the most neglected areas around Rawalpindi and Islamabad. These include the Muslim Colony, Rehmatatabad, Gangal and Chaklala.

Due to the growing demands of the local communities, Behbud has opened several extensions in the outlying areas. This has enabled Behbud to reach a large number of women, who could not otherwise have been able to avail of these services.

Behbud's community development activities are carried out in the field and at the industrial home also known as the Major Production Unit (MPU) based at Behbud headquarters in Rawalpindi. These activities include literacy classes, income generation activities, skills development and capacity building of staff and local community workers through in-house trainings. The association also

provides financial assistance to women in setting up small projects for income generation.

According to Malik, the primary objective of Behbud's community development project is to assist the underprivileged women of the communities where it operates to become financially independent. Apart from the aforementioned activities Behbud provides interest-free credit for income generation, education stipends and *jahez*.¹

In addition, the association also encourages the residents of the areas where it operates to keep their *mohallahs*² clean on a self-help basis. In this regard Behbud works regularly and closely with the local administration to remove garbage from the area.

An important example of Behbud's contribution to community development is Saidpur. Saidpur village, although located in the vicinity of Islamabad, the federal capital, had no gas and an irregular supply of electricity when Behbud took over. Clean water was also not easily available and the area was experiencing a population explosion.

The Behbud Complex at Saidpur was formed in 1972 to assist the people of this area. The complex houses a school as well as a health center. The organization was also influential in getting a metal-reinforced road to Saidpur and in getting water taps installed at various points. In addition Behbud helped the Capital Development Authority (CDA) in its tree

plantation campaign by organizing local women to look after the trees. Currently the organization is working with CDA to develop a women's park for the village women next to the Behbud Complex at Saidpur.

Health program

Behbud's health program focuses primarily on providing quality reproductive health services to the underprivileged. For this purpose, Behbud headquarters in Rawalpindi has set up a well-equipped model surgical unit, surgical contraceptive unit and a modern laboratory in addition to an ultrasound facility for antenatal clients. Over 36,000 general patients were treated at various Behbud health centers in Rawalpindi and Islamabad between October 2000 and August 2001.

Education

The provision of basic education to the needy has been an important component of Behbud's agenda. To achieve this goal a number of schools, literacy centers and home schools have been set up in the Rawalpindi-Islamabad area. Behbud currently operates the Behbud Model High School in Satellite Town, Rawalpindi, Behbud English Medium Primary School in Saidpur, Islamabad, as well as a number of home schools throughout the twin cities.

Financial aid and credit

Behbud provides financial assistance to the underprivileged residents of the communities where it operates by providing interest-free loans. An authorized team carries out the initial surveys and each applicant is interviewed. Various business choices are provided along with their feasibilities for those who are able to run their own businesses. For example a woman in need was given a loan through the interest-free credit scheme to set up a tandoor.³ Other modes of financial assistance include zakat, stipends to students, provision of medicines, jahez to poor girls and in-kind support such as spectacles, and so on.

Fund Raising

According to Malik, fund raising has come a long way since Behbud first started operations. While it was mainly dependent on individual donations during the early years, today the Behbud Association gets donations from a number of sources including foreign donor agencies. The Konrad Adenauer Foundation (KAF) of Germany, for example, funds over 80 percent of the community development program. It has been providing assistance to the association since 1996. Officers from the KAF head office in Germany regularly visit Pakistan to monitor Behbud's activities and to offer advice. Similarly other international donor agencies have at one time or another assisted the Behbud Association.

Through its operations Behbud has been able to consolidate its support base, mainly depending on individuals who respect it for its integrity. "Behbud is known for its integrity as well as our dedication to the cause of women," Malik said. "This is why we have been able to receive donations, whether they were from a large organization such as Faysal Bank or from individuals sponsoring a child."

Malik believes that Behbud's credibility among local and foreign donors is one of the organization's most valuable assets particularly with regard to fund raising. It is through such support that Behbud has been able to expand its operations across so many cities in Pakistan.

One of the most important parts of Behbud's fund raising activities is its industrial home or the Major Production Unit. Along with the industrial home in Saidpur, it ranks as the largest in the country. Women working here learn skills which become a vital source of income for them. The industrial home has six sections where embroidery, stitching, knitting, tracing and block printing are taught and practiced. The Behbud Association has approximately 900 skilled workers who are paid on a monthly wage basis as well as many other workers who are being trained. Behbud's products cater to a wide range of customers starting from the upper and middle class clientele to the office and domestic staff.

These products are also sold at the Behbud boutique in Islamabad, at the an-

nual Meena bazaar in Islamabad as well as at various exhibitions all over the country. The Meena bazaar is one of the oldest fairs in Islamabad and has become an event most people look forward to.

The Behbud Model High School is being financed through funding from the Akhter Riazzuddin Trust. One third of the students receive some form of scholarship. The school has also approached prospective donors both within Pakistan and abroad to cover its expenses. In 2001 a donor residing in the US made a donation of \$2,400 to the high school. The donor, a relative of a Behbud member, was approached through personal contacts, which play an important role in Behbud's fund raising strategy.

The Behbud English Medium Primary School at Saidpur was funded for three years, 1995 to 1998, by the Trust for Voluntary Organizations (TVO). With the help of the TVO, the association was able to offer competitive salaries and attract qualified teachers to the school.

In 1998, Behbud initiated the Sponsor a Child program whereby sponsors/donors were invited to sponsor financially needy students. This effort has helped the school offer scholarships and cover its running expenditures.

Sponsors/donors are also solicited through Behbud's yearly publications, which outline the organization's mission, objectives and progress and provide information on how to support Behbud. These publications are distributed

through Behbud's annual special events, Meena bazaars, the Behbud boutique and through personal contact.

The Akhter Riazzuddin Trust

The most consistent and one of the most significant sponsors of the Behbud Association is the Akhter Riazzuddin Trust. According to Malik, the Trust has provided Behbud with necessary assistance whenever it was short of funds. Akhter Riazzuddin, the founder and lifetime president of Behbud, formed the fund to help the needy and the underprivileged. While the Trust is active in other social upgrading activities as well, it has been able to assist Behbud whenever the organization was in need.

Future Outlook

Malik is proud of the progress made by Behbud over the years. However, she believes that to continue on its current path, Behbud will need a lot of help from volunteers. It started out as a volunteer organization over 30 years ago and the volunteers have served as the backbone of the organization. To achieve further success, Malik said, volunteers would have to play a larger role. ▀

Notes

- 1 Dowry
- 2 Neighborhoods
- 3 Earthen oven

Case 14

The Citizens' Foundation

History

In a country like Pakistan, with only 38 per cent adult literacy and a mere 2.5 percent of GDP being spent on education, a group of well-meaning, motivated citizens established The Citizens' Foundation to bring about a "qualitative and quantitative change in the education sector, especially in the lower income urban and rural areas." In May 1996, the foundation launched its first five primary schools as a pilot study. Realizing that public money is a trust which must be earned and eager to "put their money where their mouth is," the five founding members personally funded the pilot study.

After the initial success of the pilot study, the Board of Directors charted their plans for growth and turned to the community for funds. The Board found that the foundation's existing schools were its best advertisement. According to General Sabeeh Qamar-uz-Zman, Chief Executive, TCF, for the potential donors and the community at large, "there was no argument more convincing than to see the schools functioning with their own eyes." Funds soon began to flow in.

Today, less than five years after its establishment, the foundation has 60 schools operating in four districts and serviced by a comprehensive teacher train-

ing program. With 9,000 students currently enrolled in their schools, TCF has managed to create over 500 new jobs and has plans to go nationwide.

The TCF system is impressive, carefully monitored and meticulously planned. All TCF schools are built on the same design. Each occupies a 6,000-square foot plot; each has six classrooms, an administrative block, an art room, a play area and a library. The schools offer all the facilities like electricity, toilets and clean water, which are often a rarity in the slums where they are situated. The schools follow the official curriculum with some innovative additions. TCF schools have a generous scholarship program, which benefits about 80 percent of all TCF students. In fact, most students pay only what they can afford. However, the schools are very careful that scholarships are granted to deserving candidates. No full scholarships are allowed, because as General Sabeeh explained, "It is well known that anything that is free has no value.... the fee that we charge is not to meet expenses; it is essentially to make the parents feel that they are contributing towards the education of their children—then they (the parents), become a little more demanding in terms of delivery from the school and from the children.... it is

essentially to get them involved in the educational activities.”

TCF’s emphasis on quality distinguishes it from other literary programmes and accounts for a zero drop out rate among TCF students.

Fund Raising Strategies

“It seems as if our successive governments have failed to play their role in providing good education to people. And when governments fail to deliver, philanthropists get together and offer an alternative solution.”

— General Sabeeh
Qamar-uz-Zaman (Retd.)

Mushtaq Chhapra, chairman of the Supporters of TCF and a founding member of the foundation, described the foundation’s fundraising strategy as a two-pronged approach in which there are two main players: the Board of Directors and TCF Supporters Groups.

First, TCF relies on its board of directors to play an active and vital role in the fund raising department. Members of the Board, through their personal connections approach high net worth individuals and multinational corporations (MNCs) for support.

The second component is the volunteer-based Supporters of The Citizens’ Foundation (STCF) Committee with lo-

cal chapters operating in all the major cities of Pakistan. The main responsibility of the Supporters’ groups is to fundraise for TCF and to propagate the foundation’s cause, either through individuals or through visits to schools/colleges, multinationals and other potential donors. The foundation has special schemes designed for all kind of donors. Donations range from a mere Rs 400 to educate a child for a month to Rs. 2.5 million to sponsor a whole school. Mr. Chhapra explained, “A lot of people take on the responsibility for a whole school... there are many, many people who are willing to pay that... (usually) they say that this school is to be named after some memory of my grandmother or mother or father.”

In addition to these fixed donation schemes, the supporters groups also collect general donations, which range from a few rupees to many thousands. According to Chhapra, all donors are given the option of making their pledged donations in monthly, quarterly, semi-annual or annual installments. All donations are tax exempt and can be made in cash, by check or by credit card. The supporters’ groups are also responsible for arranging weekly visits to TCF schools, for potential donors, schools and other civil society and donor agencies. This is an important function since the management of the foundation are convinced that a visit to the schools is its most effective fund raising strategy.

The third main function of the supporters’ groups is to organize fundraisers. Unlike most charities, TCF has not

adopted a typical high-profile approach to fundraising. It does however have an active fund raising program targeting students who it sees as valuable ambassadors. For example, the STCF recently sponsored an art-a-thon in which students from both private and TCF schools participated. The art-a-thon not only raised funds for the foundation but also created awareness about the TCF schools. Another innovative fundraising strategy employed by STCF is the "Say Yes to Education" program. This program creates awareness about TCF and its work among children aged 12 and above; it encourages them to become young supporters of TCF and raise money for the charity. Thus it is an activity which increases awareness, motivates donors and encourages community participation. In addition to these school campaigns, TCF has sponsored fund raising activities such as a poetry reading by a renowned media personality, and theatre projects.

Through these and other strategies the foundation has managed to raise Rs. 50 to 60 million per year over the last four and a half years since its establishment. The majority of funds raised comes from individual donations, which include donations from Pakistanis living abroad. In fact, according to General Sabeeh, 10 out of the 24 schools built by the foundation in the last year were sponsored by expatriates. This was achieved largely by enlisting the support of prominent Pakistanis abroad, whose example can influence other potential donors to commit their

time and money to TCF.

Through its well-documented web site, TCF has managed to provide a credible, transparent and accessible vehicle to the expatriate community. The foundation has made its donation and pledge forms, along with an audited account statement, easily available on the internet. Recognizing the donor base among expatriate Pakistanis, TCF has also established a Friends of TCF Trust in the UK. The Trust is registered with the Charity Commission for England and Wales, which means that UK donors can enjoy tax benefits on all donations to the foundation. Similar schemes are being launched in UAE and the United States. Through these and other means, TCF expects to have 30 to 40 percent of their new schools in the coming year sponsored by Pakistanis abroad.

Besides striving for transparency and credibility the foundation has achieved an enviable efficiency rate. According to General Sabeeh, "By our last account we were possibly the most efficient organization going. Our administrative expenses were less than 5 percent... we have made it a point to use all the money that we receive, as far as possible, and to have as little overheads and as little administrative expenses as possible."

Despite its credibility with individual donors, TCF has not been very successful with the MNCs. Although many heads of MNCs support TCF, it is only in their personal capacity and not on a

professional or institutional basis. However, that is not to say that TCF receives no corporate funding whatsoever, simply that TCF's share of corporate donations is not as significant as that of some other charities.

TCF receives neither any foreign nor government grants. The Foundation has been wary of accepting donations from the government or foreign agencies, most of whom have a hidden agenda. "We have never sought nor received (government funding). We do not receive a penny from any government or semi-government organization. We do not receive a cent from any foreign donor agency or foreign government... we do not wish to go out and seek it but if anybody gives it to us without any strings attached we will never say no... but we have not gone out with the begging bowl."

The Foundation's receipts indicate that the fundraising strategies employed have been most lucrative and Chappra believes that as far as TCF is concerned: "There is no dearth of indigenous philanthropy... and as the months and the years are passing our Foundation is getting more and more recognition, more and more money and I have no complaints about the (donor fatigue). Yes there are a lot of charities but there are a lot of people who want to give to credible causes."

By the year 2005, TCF plans to build 1,000 schools, educate 360,000 children and train over 1,000 teachers. An ambitious plan but, given the Foundation's track record and credibility among donors and the community, not an impossible one. ■

Case 15

Umeed-e-Noor

THE DIARY OF A FUND RAISER

Foreword

Umeed-e-Noor is a home for special children. As the only day and night facility for special children in Islamabad, Umeed-e-Noor stands out as a non-profit organization offering an important public service. Established in 1990 as Rahat Ghar by a group of lawyers, Umeed-e-Noor was taken over by the current executive committee in the winter of 1996 when the original team felt they could no longer handle the commitment. Today, Umeed-e-Noor is home to over 30 children and also provides special education, speech therapy and physiotherapy classes to many day students.

Managed by a six-member executive committee, Umeed-e-Noor has developed some important partnerships in the community. Valuable alliances have been cultivated with local hospitals and medical practitioners who volunteer at the home along with the full-time medical staff. In addition Umeed-e-Noor has encouraged community participation in the lives of their special children through student volunteer programs and a biannual newsletter.

As a non-profit organization, Umeed-e-Noor relies mainly on donations and on the efforts of its fund raising committee to meet expenses. The committee

hosts an annual charity event to raise funds for the home which contributes 54 percent of the organization's expenses. The first fund raiser, held in 1996, was a cricket match between the Pakistan national team and a local team. The event was sponsored by ANZ Grindlays Bank and managed to raise a significant amount for the charity. Encouraged by the success of its first fund raiser, the Umeed-e-Noor fund raising committee, or Friends of Umeed-e-Noor, decided to hold a large gala event each year to help the charity meet its expenses and to expand.

The Fund Raising Committee: A Profile

The fund raising committee consists mainly of women, wives of corporate heads and local professionals with a commitment to social work.

Noori Hashwani, wife of hotel magnate Sadruddin Hashwani and a prominent social worker who has served on the board of more than one charity, heads the executive committee. Hashwani initiated the Friends of Umeed-e-Noor through her circle of friends and acquaintances.

Sonia Saeed is one of the original members of the fund raising committee.

She organized the cricket match through her brother-in-law, who was then the captain of the national team. Saeed herself has worked with many charities, including the Kidney Center in Karachi, SOS Village and The Citizens Foundation. She, like most of the other committee members, favors the high-profile approach to fund raising.

The success of these galas depends primarily on the committee's dedication, commitment and ability to sell. In this regard, Umeed-e-Noor has been very lucky to have a truly gifted team which has been able to make the annual fund raiser a grand event.

Diary of Umeed-e-Noor Annual Charity Ball 2000

To give a sense of how important it is to pay meticulous attention to detail in order to guarantee the success of a high-profile fund raiser, this case study documents the steps taken by the Umeed-e-Noor committee to prepare for the Charity Ball 2000. The account of the preparations is organized in the form of a monthly diary, which highlights the issues, decisions and arrangements the committee had to make at different stages to ensure success.

August

The core members of the committee began meeting at the end of July at Sonia Saeed's house.

The first item on the agenda was deciding a tentative date for the fund raiser. The previous fund raiser had been held in early April. Most committee members favored October for the 2000 event since it would be pleasant enough to hold outdoors and they would also have enough time to plan and organize it.

The second item was deciding the entertainer for the fund raiser. At the previous event Umeed-e-Noor had hosted Sukhbir, a popular bhangra¹ musician who had proved to be a hot ticket. Since this had been one of Sukhbir's first performances in Pakistan, people from Karachi and Lahore had flocked to the capital to attend the gala event. The committee members agreed that the performer's appeal had played a major role in the success of the evening and all of them agreed that the performer they chose this year would have to be just as good.

Another important item was the theme/décor for the event. The previous year, the fund raiser had been termed a gala event but this year the committee members felt that deciding on a special theme for the evening and coordinating the décor and menu would make it extra special. A special subcommittee was set up to deal with the food, décor, brochure, card, and so on.

The committee members fixed the contributions of advertisements and sponsorship.

September

Having made the major decisions, the core members felt it was time to invite the rest of the committee to give their feedback and start the fund raising process in earnest.

The chairperson, who had been out of the country during the first meetings had returned and been briefed on the committee's progress. She informed the group that the Aga Khan would be arriving in Pakistan mid-October and was expected to stay until the end of the month. The committee then had to revise the expected date for the fund raiser, as the Aga Khan's visit was an important event for all Ismailis, which most of the committee members were. To avoid other conflicts of dates, committee members were asked to consult with other charities like the Kidney Center, the Layton Rahmatullah Benevolence Trust and the Shaukat Khanum Memorial Trust, which also hold charity balls in Islamabad, before confirming a final date its own the ball. Eventually they decided that the fund raiser would be held on 11 November 2000.

As soon as the date was finalized, the communications committee was asked to draft a letter to be sent to MNC, local businesses and other potential sponsors.

Tickets were priced at Rs. 5,000 and Rs. 10,000 per plate—more expensive than the previous year's event. The committee members felt confident that given their performance last year and the fact that they would once again have a very

popular performer of international repute, they would be able to sell the tickets at the proposed prices.

The chairperson managed to secure the premises of the United Arab Emirates Embassy to host the fund raiser.² The UAE Ambassador's residence had also been the venue for the previous fund raiser and it had proved a very popular choice.

By the end of September, the committee had made its choice of the performer. After much negotiation, Shweta Shetty had agreed to a contract acceptable to both parties. The letters for sponsorships began to be sent out and commitments for tables began to pour in. As the news of Shweta's arrival spread, people from other cities began to express an interest in the upcoming ball. The committee members themselves did a great job of building hype around the show and soon requests for tickets began to pile in. The year's fund raiser was expected to be financially rewarding for the charity.

October

With only six weeks to go, the committee stepped up its preparations. At each meeting, the members reported progress on commitments for tables and advertisements. However, although many people were requesting tables, few had given deposits. The committee decided that tables would be assigned on a first come first served basis and table numbers would only be confirmed after the guests had paid an initial deposit. People began to

pay up to get better tables for the ball. By now there was tremendous hype surrounding the Umeed-e-Noor ball and although the Kidney Center fund raiser was scheduled for the weekend before, the Umeed-e-Noor fund raising committee did not run into any problems selling tables.

October was also the month when all décor decisions were finalized. By mid-October, with less than a month to the big day, the committee decided to meet twice a week to cover all aspects of the evening.

Then the committee found out that the Ministry of Religious Affairs had designated November 11—the scheduled date for the fund raiser—as the eve of Eid-Milad-ul-Nabi or the birthday of the Holy Prophet Muhammed. Most Muslims celebrate the occasion by praying late into the night before the happy day. Thus the committee once again had to reschedule the event to 10th of November to avoid offending anyone's religious sensibilities. The committee members had to communicate the change in date to the guests.

By the end of October, with less than ten days to go, all the final arrangements, including visas for Shweta and her troupe, had been made. The committee was now ready to start preparing the venue for the big night.

November

With less than two weeks to go, the

fund raising committee were now meeting nearly every day.

The chairperson met with the UAE Ambassador to discuss the details of the upcoming fund raiser and His Excellency assured her of his full support.

From November 7, the décor committee met every day to coordinate the setup at the UAE Embassy grounds. Special attention was paid to the centerpieces for the tables, the flowers, the lights, the reception area and a picture exhibit of the special children of Umeed-e-Noor.

On November 9, the chairperson and a few other members received Shweta and her troupe at the airport, took her to her suite at the hotel and then to the embassy grounds for a dress rehearsal.

The following morning, all committee members met to add the final touches—preparing tables, perfecting floral arrangements, lights, placing brochures and chocolates on the tables, setting up the picture exhibit, pasting stickers under plates for door prizes and getting ready to receive the guests.

Conclusion

The Umeed-e-Noor committee managed to net nearly Rs. 2.5 million from the annual charity ball. Most of this money would be used to meet the charity's running expenses for the next year and a certain percent would be set aside as part of an endowment fund for a permanent custom-built home for the charity.

According to a guest who has attended both Umeed-e-Noor balls, the popularity of the charity's fund raisers was due to a great extent to the committee's choice of entertainers. However, it is clear that without the right decor, food and venue to complement the entertainment, the balls would not have been the success they were. The other crucial factor was the hype created in advance by the committee members themselves. In this regard, Umeed-e-Noor, with its creative, well-connected and highly energetic fund raising committee, enjoys a clear advantage. ►

Notes

- 1 Bhangra is a traditional genre of Punjabi music made popular largely by the immigrant community in the United Kingdom.
- 2 Saeed admits that the venue of the fund raiser is an important ingredient for the evening's success: "If you get Shweta to perform in F-9 park (a large public park in Islamabad) it is not going to attract much attention or sell the kind of tickets that we managed to sell."

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Investing in Ourselves: Giving and Fund Raising in Pakistan provides NGOs and fund raising practitioners with a deeper knowledge of the fund raising principles and strategies employed in the country. Whether you're a small, young non-profit, or a large national or international organization, you will benefit from the fund raising experiences of the local NGOs in the case studies. The publication of this book is part of a seven-country research project spearheaded by the Asia Pacific Philanthropy Consortium (APPC), and funded by the Asian Development Bank, through the Asia Foundation, Nippon Foundation and United States Agency for International Development (USAID).

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