

AIDN's Better Giving Framework

A set of guiding principles for international philanthropy.

January 2025

Image: Taken in Kenya Photo by [Ian Macharia](#) on [Unsplash](#)



Introduction

AIDN's primary purpose is to advocate for "more" and "better" international giving and investing from Australians.

Acting as a neutral and connective film across the Australian international development sector, we encourage collaboration, highlight the inspiring and urgent work being done in the sector, and create an environment for the exploration of what "more" and "better" giving and investing means today. We do this through coordinating, encouraging and facilitating initiatives between the private sector, corporate, government, philanthropists and investors - ultimately leading to greater international engagement from Australians.

Excitingly, in 2023, AIDN celebrated its fifth birthday. Since launching in 2018, AIDN has hosted 33+ webinars, led two Insight Tours to Africa, organically grown our subscribers to 2000+, amassed over 5000 LinkedIn followers, launched 30+ episodes of Philanthropod, launched "The AIDN Beat", contributed 8 policy submissions and raised \$467,670 for charities at The Funding Network (TFN) events.

Together, these events, podcasts, submissions and thought leadership pieces mean that AIDN is in a unique position of having a solid, yet continuously growing, database on international development and philanthropy to both reflect upon and disseminate.

The purpose of this document is for AIDN to share what we believe, and what our network has helped us to understand, are the key principles that underpin "better" giving and investing in today's international development sector. Together these Guiding Principles form what we have called "AIDN's Better Giving Framework".

However, it should be noted that our Better Giving Framework is not final. Instead, committed to fostering inclusive discussion, we now hope to create a dialogue with our network to further inform and finalise this Better Giving Framework:

- This means that this document includes our draft Guiding Principles (or PHASE 1) based off the data we have collected since 2018;
- **We are now sending our draft Better Giving Framework out to our network alongside a survey to further gather data and inform the principles (PHASE 2);**
- Following the survey, we intend to host a series of webinars to foster discussion on what "better" giving and investing means in today's international development sector (PHASE 3);
- Following our webinar series, we hope to release a final and user-friendly "Better Giving Framework" booklet to our network.

We look forward to hearing from you!

[click here to give us your feedback](#)



The Guiding Principles:

- 1 “Those closest to the problem, have the best solutions”: investing in local leadership
- 2 Trust-based philanthropy
- 3 Partner for the long term (but also plan for sustainable “graduation”)
- 4 Focus on impact
- 5 Cross-sector collaboration and partnerships



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“Those closest to the problem, have the best solutions”: investing in local leadership

For too long it has been shown that external or foreign decision making, underpinned by unequal power structures between actors in the “Global North” and “Global South”, has not led to appropriate solutions or sustainable outcomes in international development. It has also been shown that the majority of Official Development Assistance (ODA) continues to go to international NGOs (INGOs) as opposed to grass-roots organisations.

On the other hand, time and time again, AIDN’s network has confirmed a simple but powerful Guiding Principle: “those closest to the problem, have the best solutions”. This ethos rings particularly true in international development because the impact or outcome of development programs can vary significantly between suburb to suburb, town to town, let alone across borders. In this context, processes of “[localisation](#)”, investing in local leadership, or giving local communities more agency in addressing their own issues has become a formative concept in today’s international development and philanthropy sector.

Inherently related to other key development concepts such as “[decolonising development](#)” and “[trust-based philanthropy](#)”, at its core, investing in local leadership is about ensuring the most appropriate, sustainable and impactful solutions, rebalancing power and democratising decision-making. It is also about recognising the value of local knowledge and expertise. No matter where you are in the world, local actors have a more nuanced understanding of their communities, needs and socio-political context.

By leveraging knowledge based on lived experience, localisation is about developing more relevant, effective, and sustainable solutions. That said, it is also important to note that localisation does not mean that there is no role for the funder at all. Instead, an important step in igniting processes of localisation is working with local leaders to identify which areas can be localised and which areas may require further technical assistance from funders, local NGOs or INGOs. For example, if there are no local staff available to undertake monitoring and evaluation requirements (especially those required by the funder), then this would be an opportunity for the funder to provide appropriate capacity building or training.





For more resources on localisation and local leadership:



[“Seeding by Ceding”](#) by MacKenzie Scott for Medium 2021



[“Localisation: a paradigm shift towards local leadership in the Global South”](#) by Deborah Mowesley for Civicus 2023;



[“Philanthropy’s role in realising the localisation agenda”](#) - webinar from the Council on Foundations 2022



[Unlearning the “Master’s Tools”: Can international development be decolonised?”](#) by Ryan Sutherland for Yale Journal of International Affairs 2023



[Dear INGOs, localisation needs local leaders, not boxes ticked”](#) by Rita Panicker and Amanda Griffith for Devex 2024



[Evelyn Omala on building trust, funding local leaders and creating lasting impact”](#) - AIDN’s Philanthropod 2022 with Evelyn Omala - Grassroots Portfolio Manager at [Partners for Equity](#)



[Life in Madagascar, re-orientating the power balance back to the community, and walking in the steps of Paul Farmer to achieve health equity”](#) - AIDN’s Philanthropod 2023 with Tara Loyd - Executive Director of [PIVOT](#)



[For conservation efforts to move forward we must center Indigenous voices and take a human rights-centric approach”](#) by Mahum Qazi ([Project Expedite Justice](#)) for The AIDN Beat 2024



[“DFAT’s new disability equity and rights strategy: an opportunity to shift the dial”](#) by Jane Edge ([CBM Australia](#)) for The AIDN Beat 2023

Trust-based philanthropy

Despite the enormity and urgency of the issues facing our world in 2025, at AIDN we have seen that trust remains a significant obstacle to a sustained flow of giving from Australians to overseas causes. AIDN regularly encounters the same questions including ‘How do I know if my money will get there? How do I know if my money will be spent prudently? Who can I trust?’. In our experience, this lack of trust is fueled by the disconnection between Australians and overseas markets, and knowledge gaps surrounding the local political, economic, or social dynamics of overseas organisations.

First, to assuage these concerns, AIDN has highlighted numerous resources to evaluate the effectiveness of charities, such as the Australian Charity and Not-for-Profit Commission’s [charity register](#), in our “[Case for Global Giving](#)”. We’ve further provided tips on how to start your funding journey by networking with other Australian funders, but also how to build trust with NGOs and local leaders - including through field visits, research or simply reaching out to community leaders.

However, what many people may not realise is that trust in philanthropy goes well beyond the trust required for the funder to make the first, initial grant. Instead, AIDN goes further and encourages active “[trust-based philanthropy](#)” - which means trusting local leaders to form, lead and manage their own appropriate solutions to the issues they face.

Underpinned by Guiding Principle #1 (“those closest to the issues have the best solutions”), a key way to demonstrate trust-based philanthropy is through unrestricted grants or a shift away from project-based grant making (in proposals, actual grants, and reporting). Trust-based philanthropy can also mean trusting organisations to know what type of funding best suits their organisation - whether it be unrestricted grants, impact investment or another form of funding.

Unrestricted or non-project based grants are grants with less red tape and reporting requirements, and more flexibility in how the grant is spent. In 2023, the [Center for Effective Philanthropy](#) explored the impact of large, unrestricted grants on nonprofits over five years. In a context where the idea of unrestricted grants still feels ‘risky’, they found that unrestricted ‘funds created space for leaders to lead, built morale within the organisation and allowed for re-granting or other forms of collaboration’.

In sum, trust-based philanthropy allow organisations to be creative, agile and to respond to the complex issues they are striving to challenge. Trust-based philanthropy also allows organisations to be more flexible and scale where appropriate.





For more resources on trust-based philanthropy:



[“The rise of trust-based philanthropy.”](#) by Shaady Salehi for Stanford Social Innovation Review 2024



[“Trust-based philanthropy summer learning series”](#) - webinar series from the [trust-based philanthropy project](#) 2021



[“Leaving it to trust”](#) by Pamala Wiepking for Alliance Magazine 2021



[“The impact of large, unrestricted grants on nonprofits: A five-year view”](#) by Kathleen Fleming, Anthony Michael Abril and Jeff Bradach for The Center for Effective Philanthropy 2023



[“Emerging impacts: The effects of MacKenzie Scott’s large, unrestricted gifts”](#) from Center for Effective Philanthropy 2023



[“Unearthing and investing in African change-makers”](#) - AIDN’s Philanthropod 2024 with Andy Bryant, Executive Director at [Segal Family Foundation](#)



[“The case for global giving” Part 1, Part 2 and Part 3](#) by Mark Cubit, Emily Umbers and Hannah McNicol for The AIDN Beat 2023



[“Johanna de Burca on the fire in her belly, stories of change and trust-based philanthropy.”](#) - AIDN’s Philanthropod 2022 with Johanna Peek, co-founder and CEO of [Just Peoples](#)



[“The Ripple Foundation’s guiding philosophy and their ‘people first’ approach to philanthropy.”](#) - AIDN’s Philanthropod 2022 with Angus Grinham - co-founder of [The Ripple Foundation](#)

Partner for the long term (but also plan for sustainable “graduation”)

At AIDN, committing to longer-term partnerships is another key Guiding Principle that underpins our Better Giving Framework. Committing to long term partnerships means moving away from project-based or transactional funding to longer-term and trusted relationships. Longer-term and trust-based partnerships can also mean contributing more than just a fiscal grant and instead involves introducing grantees to wider professional networks, providing capacity building, organisational support or access to technical expertise.

Importantly, the benefits of committing to longer-term relationships are also two-way. For example, many funders in AIDN’s network have explained that by committing to longer-term relationships they have been able to watch leaders grow and scale their organisations. For some funders, they have even had the opportunity to observe the moment when an organisation “graduates” or scales beyond the funders’ typical grant making portfolio - such as scaling up to government adoption.

That said, it is also important to realise that the goal is not to create a long term dependency on external or foreign funding. As part of the localisation ethos, funders should also consider how to support the organisations they work with to grow and flourish beyond the financial support of an external or foreign funder. The fable of NGOs or programs quickly ceasing operations when external funding ends has been documented many times. Instead, AIDN encourages funders to think about the scale of their impact, how long they intend to partner for and what happens afterwards from the get-go. As the [StopAIDs](#) “successful transition” campaign explains: “ensuring sustainable transitions [after external funding has ended] is the shared responsibility of multiple stakeholders including, governments, funders, technical partners and civil society”.





For more resources on long-term partnerships and graduation:



[“Towards new partnerships - how to improve collaboration with innovators from the Global South”](#) by Benjamin Kumpf and Parnika Jhunjunwala for International Development Innovation Alliance



[“Maximizing the impact of partnerships for the SDGs: A practical guide to partnership value creation”](#) by UNDESA and The Partnering Initiative 2019



[“The only good development program is one you can leave behind”](#) by Tamar Kosky Lazarus (IsraAID) for The AIDN Beat 2024



[“The rhetoric on the need for partnership to increase our impact is deafening, but what does that mean in practice?”](#) by Anna Hirsch-Holland for Alliance 2022



[“Building long-term partnerships with nonprofits to scale impact: lessons from sustained funding relationships”](#) by Susan Olivio and Brad Turner for Philanthropy News Digest 2021



Philanthropod 2023: [“Yevu Clothing: realising the transformative impact of economically empowered women”](#) - AIDN’s Philanthropod with Anna Robertson - founder of [Yevu Clothing](#);



[“Principles of a successful transition from external funding”](#) from StopAIDS 2018



[“Partner graduation - Food for Education”](#) by Partners For Equity 2024



[“Unearthing and investing in African change-makers”](#) - AIDN’s Philanthropod 2024 with Andy Bryant, Executive Director at [Segal Family Foundation](#)



[“Understanding sustainable outcomes in international development: towards a realist evaluation framework”](#) by Simon Feeny, Gill Westthrop and Emma Williams for Journal of International Development 2022

A focus on impact

At AIDN, we believe that a key Guiding Principle for “better” giving and investing also includes a focus on impact. For Kevin Starr, CEO of the [Mulago Foundation](#): “Impact is observable, knowable change, but more specifically impact is change that would not have happened otherwise”. For Starr, impact cannot be achieved unless funders think about mission, metrics, change, attribution and cost before funding, and a shared definition of impact between the funder and the doer is achieved.

For many new funders this might seem like a daunting task. Thankfully, over the past two decades, effectively measuring and evaluating impact has become a cornerstone of international development praxis. Aid agencies, INGOs and NGOs have developed considerable expertise in Monitoring, Evaluation and Learning (MEL) and should be thought of as potential collaborators. Similarly, intermediaries, such as Partners for Equity, can be a great way to network, share resources or fund with impact.

There are also numerous resources available to evaluate the effectiveness of charities, and de-mystify MEL on the next page, such as [GiveWell](#) or [ChangePath](#). These platforms independently assess charities using a range of data and further speak to the ongoing MEL obligations that regulated charities must adhere to in order to show impact and sustainability. These resources should empower funders to feel more confident to give.

We also encourage funders to think about how impact is inherently intertwined with other Guiding Principles within this booklet. For example, with help from our network, AIDN has come to learn that rigorous MEL frameworks should be co-collaborative, led by local leaders but also not overly onerous on organisations or to the detriment of them being able to conduct their vital programmatic work. Funders should also think about “paying what it takes” - i.e funders should not expect an organisation to undertake rigorous MEL reporting requirements if the funder does not also provide any grants or capacity building to do so.

We also encourage patience and open-mindedness to more diverse and dynamic measures of impact than donors may have encountered in other sectors. This is because in international development, indicators, metrics, and measures of impact can vary widely, encompassing everything from the number of vaccines administered, the percentage increase in young women attending school, to shifts in an individual’s understanding or engagement with civil rights.





Finally, AIDN also believes that the greatest funder/doing relationships emerge when funders think purposefully about what type of organisation is most suited to the style and amount of their giving. For example, if an organisation is in an exciting period of scaling up from 5 to 10 million revenue per annum, then a grant of \$50,000 might not align with the impact strategy nor produce as much impact as a funder might hope to see. Instead, if a funder is wanting to see their giving become a more critical part of the impact strategy - then \$50,000 might be more appropriate for an organisation with a revenue of \$1 - 2 million per annum.

For more resources on measuring and evaluating impact:



[“Don't feed the zombies”](#) by Kevin Starr for Stanford Social Innovation Review 2023



[“Think before you give: Impact philanthropy vs impulse philanthropy”](#) by Nicola Crosta for Medium 2017



[“Why should we donate to the most effective charities?”](#) by Luke Freeman for Giving What We Can 2021



[“Three ways global evaluation organisations can help to localise MEL”](#) by Rob Lloyd and Megan Colnar for ITAD 2023



[“Leveraging mass media for social good”](#) - AIDN's Philanthropod with Roy Head - founder of [Development Media International \(DMI\)](#)



[“Moving out of ultra-poverty in rural Uganda”](#) - AIDN's Philanthropod with Shawn Cheung - founder and CEO of [Raising the Village](#)



[“Navigating complexity: the moment that defined how I conduct impact evaluations globally.”](#) by Mattias Nestore ([The Life You Can Save](#)) for The AIDN Beat 2024



[“Field Catalysts: driving large-scale change through radical collaboration”](#) by Dr Madeleine Ballard (CHIC) for The AIDN Beat 2024

Cross-sector collaboration and partnerships


And finally, as the issues facing our world have become increasingly urgent over the past two decades, it has also become clear that there is a need to foster cross-sector collaborations and partnerships both within international development, but also with partners in other sectors.

First, engaging with other types of funders and/or sectors can add to the overall pool of money going to important causes. A core part of AIDN's mission is to foster discussion on the future of innovative development financing in Australia, including impact investing, blended finance, private-public partnerships or even public-private-philanthropic partnerships. In this context, AIDN welcomed the Australian Government's Development Finance Review in 2023 that included a new focus on blended and climate finance, and the requirement that new development finance investments must incorporate a stronger focus on gender, disability, social inclusion, or First Nations peoples.

Second, cross-sector collaboration brings together diverse mind-sets, skills, frameworks and approaches to create appropriate solutions to complex problems. In fact, this ethos underscored the creation of the Cross Sector Development Partnerships Initiative (XPSI) in 2020. XPSI provides a platform for establishing new partnerships, identifying projects and bringing together cross-sector stakeholders among Australia's business, government, NGO/NFP, academia/health/medical research and philanthropy/private capital stakeholder sectors to support the SDGs and country development plans.

Third, cross-sector collaboration puts all forms of giving (including philanthropic, private or ODA) into wider political, economic and cultural contexts - which makes it easier to create or understand impact. For example, when funders understand philanthropic giving (such as: funding women's access to reproductive health education) as one part of a wider system of funding alongside other sectors (such as: concurrent government funding for women's hospitals), funders may better understand how their grant might have greater impact or is part of wider systemic change in the target community.





Fourth, cross-sector partnerships also encourages critical discussion about whole-of-systems change, accountability and about each respective sector's role in the issues that development organisations are trying to address. For example, it is increasingly clear that discussions about climate change are not complete without considering the role of all relevant players: including the private sector or government. In short, “if you want to go far, go far together”.

For more resources on cross-sector partnerships:



“[The role of the private sector in achieving the SDGs](#)”
webinar from Charities Aid Foundation and UN
Sustainable Finance Hub 2023



“[At the intersection: on building trust through cross-sector collaboration between the public, nonprofit, and private sectors](#)” by Daniel P. Gittermna, Neil Britto, Sonal Shah and Zia Khan for Stanford Social Innovation Review 2021



“[The growing role of the private sector in developing co-operation: challenges for global governance](#)” by Andre de Mello e Souza for OECD Development Matters



“[The role of public-private-philanthropic partnerships in driving climate and nature transitions](#)” report from McKinsey Sustainability 2023



“[Achieving the SDGs means investing in MSMEs](#)” by Cameron Neil ([LendForGood](#)) for The AIDN Beat 2023



“[Impact Investment in Bangladesh: A new story](#)” by Nick Goryl and Lily Van Berkel ([XSPI](#)) for The AIDN Beat 2024



“[The social activist who learnt lessons in power and capital so she could affect change](#)” - AIDN's Philanthropod 2023 with Audette Excel, Founder and CEO of [Adara Group](#)



“[Activating potential: catalysing social entrepreneurs to alleviate poverty with D-Prize](#)” - AIDN's Philanthropod 2023 with Nick Fusso, co-founder of [D-Prize](#)

We want to hear from you now

AIDN is inviting you to share your thoughts on what constitutes *better giving*.

[click here to give us your feedback](#)

Once we gather feedback from our sector partners, AIDN will host a series of virtual roundtable events.

www.aidnetwork.org.au