

# Narada Foundation



## Principle 5



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Thanks to Built by Nature's commitment we have the opportunity to help define what good looks like for timber buildings, providing a scalable method for understanding the carbon and wellbeing benefits of mass timber, and how they can be maximised across national and international development.

Peng Yanni

CEO, Narada Foundation



# About the Narada Foundation

The Narada Foundation, founded in May 2007, is a private national foundation approved by the Ministry of Civil Affairs of China. It is dedicated to the mission of fostering China's third sector, which it does through shaping a healthy ecosystem of philanthropic giving. Narada Foundation provides funding and resources to support the development of effective philanthropy projects and nonprofit organisations to catalyse grassroots social innovations.

# What was the challenge?

In 2015 and 2016, the Narada Foundation identified several key challenges limiting the potential of the social sector in China to scale interventions. The sector had seen significant growth, yet many organisations that had successfully implemented effective solutions faced difficulties replicating and scaling up their interventions. The team conducted numerous interviews and field visits to understand the root causes of the challenges faced by the sector.

Building space is expected to double globally before 2050, meaning that the way we build must be reimagined, including transforming the entire building industry from one that is highly carbon-intensive to one that helps remove more carbon from the atmosphere than it adds. Accelerating the shift to timber building and working in unison with nature is critical to address the built environment's carbon footprint.

The Foundation found that there was a lack of existing networks and support to enable social sector organisations to connect with other regions, communities and partners. There was also very little local funding available to scale up interventions. Furthermore, although there were a growing number of nonprofit organisations at the city or provincial level, many lacked the knowledge and skills to deliver programs effectively. These limitations also constrained the willingness and capacity of Chinese government authorities and corporations to fund social services through local non-profit organisations. Given these identified challenges, the Foundation's leadership made a commitment to supporting efforts to build the broader philanthropic ecosystem in China, rather than simply supporting individual causes or programmes.

# What was the response?

The Narada Foundation identified that there was a critical gap in the 'downstream' infrastructure – the systems, operating models and networks needed to effectively raise resources and sustainably deliver interventions at scale to meet the needs of local communities. To date, support for infrastructure that can help to scale the social sector in China has been focused on the 'upstream' – developing standard operating procedures, improving governance and exploring financing mechanisms. However, robust downstream infrastructure is also required to enable effective and sustainable delivery and scaling of efforts.

To address this gap, the team asked themselves several important questions before moving forward to design specific programmes:

- ✓ How can they develop a programme that supports both the upstream and downstream infrastructure necessary for a healthy philanthropy ecosystem?

- ✓ What types of capacity-building efforts should the Narada Foundation focus on to ensure other actors in the philanthropy space can develop a better-functioning philanthropic society?
- ✓ What internal transformation was needed within their organisation to ensure the building of the most effective type of programme (and commit to its long-term success)?

The Narada team proposed to implement two core initiatives – a network of local hubs, and a nationwide platform to accelerate the identification, replication and scaling of promising interventions across the country. The Board combined the initiatives into a single strategic focus for the Foundation, from which the Effective Philanthropy Multiplier (EPM) program was born. Over the past 6.5 years of operation, the EPM program has helped expand the supply and scaling of philanthropic solutions through matching local needs with financial support, developing collaboration networks, providing capacity building and engaging in public communications.

The EPM programme has several key elements, which address both upstream and downstream infrastructure issues:

- ✓ **Developing a nationwide product platform ('upstream')** to aggregate the effective products, models and interventions as resources for local organisations to select and replicate in their area. The EPM 'Scale-up Academy' programme supports 'brand organisations' – NGOs or social enterprises with selected solutions – through funding, capacity building as well as networking with other funders and service providers to enable the scaling-up process. As of December 2022, 71 quality products were available for scaling up across eight fields, including education, safety and health, environmental protection, care for people with special needs, rural revitalization, and community development.
- ✓ **Identifying neutral hubs ('downstream')** at city, county and state or provincial levels, which aggregate local organisations and community needs. Hubs make it possible to share locally based solutions and facilitate broader resource mobilisation and adoption of interventions by local partners such as NGOs, schools, corporates, and community and volunteer groups. Hubs are selected from local philanthropic incubators/accelerators which are positioned to incubate and empower grassroots NGOs at their localities. The leadership of each hub varies, ranging from existing NGO leaders, local governments and local teachers or professors who specialise in social work. These leaders understand local needs and leverage their networks and know-how in the region to facilitate collaborations. For instance, a hub in Guizhou adopted a children's service centre model developed by a leading foundation. Having been understanding of local governmental priorities, the hub's leadership formed partnerships with governmental and private companies to accelerate the building of centres across the province. EPM hubs are 'neutral' in that they are not tied to specific organisations or funders but rather are empowered to work with multiple organisations and draw on different interventions to support local needs.
- ✓ **Investing into capacity-building efforts** to support the replication of solutions. EPM ran activities such as roadshows and online courses to help local organisations identify and match solutions with regional needs and local implementations were supported through partnership-building, fundraising assistance, and training. One example is the EPM's partnership with Beijing Moderate Consulting Co. Ltd. and That Spark to provide training programmes for local non-profit organisations on leadership, organisational management, and monitoring and evaluation. Hubs also conduct their own local capacity-building work, partially supported through funding and resources by the EPM in addition to securing local resources. Hub-level efforts include training and implementation support, such as the Gansu Yishan Yishui Center for Environment and Social Development, which provided one-on-one coaching to 43 social organisations and facilitated 13 new projects in the region. Hubs also help local organisations with fundraising. The Gansu hub, for example, helped seven organisations jointly raise over 8 million RMB in funding, while the Guizhou hub's partnerships brought in joint funding of 4.8 million RMB for the children's service centre programme. Overall, the EPM regularly identifies capacity-building needs and assesses the effectiveness of programs through surveys, interviews and ongoing communications with local hubs and brand organisations. EPM also regularly engages with capacity-building service providers, other funders, platforms and networks, such as China Donors Roundtable.
- ✓ **Mobilising resources and partnerships** across the ecosystem. The EPM facilitates connections between non-profit partners and third-party organisations, including funders, service providers, subject matter experts, and media, aimed at building stronger social sector infrastructure and thus scaling impact. One example was the

collaboration with Tencent, Caixin Weekly Magazine, WeWork and Junlan Hotel Group during the Tencent 99 Charity Day, a significant public online fundraising event in China, to raise funding for several philanthropic products. Knowledge sharing is also facilitated through conferences and research.

- ✓ **An ongoing process of internal transformation.** The development of the EPM is an ongoing process of learning and improvement. From its beginnings, the team followed the principles of a lean start-up, which emphasises continuous iterations of launching, learning and improving products through data and feedback. Starting with a minimum viable product (MVP), the EPM has over the years evolved and improved through constant learning based on data and feedback collected. The EPM is also continually seeking to elevate the capabilities of its hubs, which have varying levels and maturity that are often dependent on the capabilities and motivations of local leadership and the strength of their networks. Additionally, the team is continually seeking to develop robust impact measurement methods to enable the identification and replication of high-quality interventions that are more complex.

The strength of the EPM approach lies in its ecosystem approach, linking upstream – where solutions are identified and made discoverable and replicable – with downstream efforts – enabling adaptation and sustainable delivery of solutions to meet local needs. By facilitating connections, collaborations and investing into capacity building, the EPM ensures that knowledge-sharing is translated into action, in the form of replication and scale-up. Rather than having to find ways to scale on their own, organisations at both the national and local levels can “plug and scale” into EPM’s network. In this way, EPM acts as a critical connector of the giving ecosystem, helping to amplify impact across the nation.

## What have they learned?

- ✓ **Effective local giving ecosystems are vital.** Their absence is a major barrier to the effective replication of interventions and may result in failure to achieve sustained impact in target communities, leading to wasted resources.
- ✓ **Investing in giving ecosystems can have a multiplier effect.** By connecting resources, knowledge and expertise to local needs, it is possible to accelerate scaling and amplify impact.
- ✓ **Context is important.** When developing giving ecosystems it is necessary to consider the specific needs, challenges and opportunities in any given geographic region or thematic area.
- ✓ **Invest in upstream and downstream capacity.** This is critical for amplifying impact and includes supporting local organisations through training, funding and facilitating partnerships.
- ✓ **Develop ecosystems to connect efforts and leverage local resources.** Bridging the gap between solution developers and local implementing organisations, whilst also engaging with local government, corporate, and public partners, is a vital part of creating a more efficient system.
- ✓ **Keep a neutral approach** where possible – this gives local organisations greater flexibility to leverage promising solutions, potentially from multiple sources, to meet local needs.

# Key outcomes and impact indicators

## 40 hubs

By December 2022, the EPM network covered 40 hubs covering 34 provinces, autonomous regions, and municipalities, connecting over 8,400 local partners.

## 65,458 project sites

65,458 project sites supported across China, covering a total of 98.7 million people.

## Connect with EPM

Narada Foundation found that third-party organisations increasingly seek to connect with EPM to discover solutions and collaborate with local organisations.

## 2.3 billion

By 2022, 2.3 billion RMB in funding has been generated for social projects.

## 4.99 million

4.99 million individual volunteers mobilised throughout China.