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Raising Issues on “Capacity Building of NPO/NGO and Roles of the Intermediary Support Organizations”

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Public Resource Foundation is a public interest incorporated foundation conducting activities on the mission to “Change society with willful donation”. We receive donations from private persons or enterprises both in and outside of Japan, who are willing to make social contribution. And we are developing programs focusing on support to excellent NPOs and social entrepreneurs to use these donations for solving various issues in society. Today, from a view point of an intermediary fund-raising organization, I would like to raise issues that should be addressed by the intermediary support organization in the future in order to build capacity of NPOs.

1. Introduction

- Public resources=Resources for joint creation by non-profit sector
“Public resources” is the phrase we coined. We named the private management resources to support the civil sector, including donation or volunteer, as “public resources”. In 2000, we established Center for Public Resource Development as a think-tank with the mission to increase the public resources. In the past 12 years, we have conducted various new projects, for example; establishment of the first online donation website in Japan; analysis and evaluation of SRI (social responsibility investment) and CSR (corporate social responsibility); development of an E-learning system for NPO management study; and development of evaluation methods for NPO’s organization/ programs and their implementation.

- Re-started as a donation intermediary organization in the face of the Great East Japan Earthquake
After the Great East Japan Earthquake, we received a large amount

of donations through the online donation website or through partnership with overseas charitable organizations. We delivered these donations to NPOs and NGOs that carried out support activities in the disaster areas. This prompted us to review the Center's mission and projects, and to change its character from a think-tank to an agent to promote donation projects. In 2013 we restarted as Public Interest Incorporated Foundation Public Resource Foundation. The conventional incorporated foundations conduct activities based on a large amount of basic fund contributed from the specific enterprises or rich persons. However, PRF continues to fundraise from many private persons or various enterprises to provide subsidy every year. Thus, it is a new type of public interest incorporated foundation.

What we aim at is promotion of worthwhile donation, responsive donation, reliable donation and exciting donation. It has been long said that the tradition of private-sector donation ceased in Japan after World War II, and that there is no donation culture in Japan. However, according to the "2012 Opinion Poll on Social Awareness" (Cabinet Office), the number of people who would like to "be of use to society" continued to increase since the late 1980s, and reached 66.7% in 2012. According to the "2012 White Paper on Donations", 80% of Japanese people made donations on the occasion of the Great East Japan Earthquake. I consider that awareness of "willful donation" was caused. We do not end assistance with donation, but continue to be concerned with assistance even after donation. I think that, on the occasion of the Great East Japan Earthquake, people began to select a charitable organization on their own will and continue to have interest in that organization. I feel that now is a very good opportunity to create a lively Japanese society with matured citizenship.

○ Result-oriented

Based on the mission to "change society with willful donation", we attach importance to obtaining results of problem solving in society or community. Accordingly, we not only provide subsidy but also

put emphasis on the following. Firstly, in order to promote capacity building for NPOs and social entrepreneurs, we provide services such as advice, consultation, and staff introduction. Secondly, for citizens and enterprises willing to make social contribution, we fully support them to realize their wish, and establish a donator-advised fund, or provide methods to make a donation system. Thirdly, to realize smooth communication between donators and NPOs, we attach weight to introduction of a evaluation system, as well as sharing of the established achievement index among the stakeholders.

2. Basic Perception of Circumstances: Changed Social Expectations and NPO's Roles

Today's theme is capacity building of NPO/NGO and roles of the intermediary support organization. On the premise of discussion of this theme, social roles expected of NPOs have been drastically changing recent years. So, I think the intermediary support organization should preemptively respond to these changes.

My recognition on the Act on Promotion of Specified Non-profit Activities is; against the backdrop of increased civil activities in the 1980s, research on legislation of the act started; it became a political issue in the face of voluntary activities after the Great Hanshin-Awaji Earthquake in 1995; and it was enacted into law in 1998. Major roles expected of Japanese NPOs at the time of enactment of the Act were promotion of citizens' social participation, presentation of various unreserved opinions, and proposal of alternative projects. If I may express my opinion at the risk of oversimplification, the social infrastructure in Japan was still sturdy at that time, and the roles of the civil sector were additional improvement of society and provision of soothing atmosphere.

But if we compare the situation of 1998 with that of 2013, social landscape has drastically changed. Japanese prime minister was changed 10 times during this period, while fiscal deficit deteriorated and aging of society progressed. Thus, powerlessness of the

government and administration was exposed. Also, the ratio of non-regular employment has increased from 23.5% to 36.2 % during this period, and people's way of working and life plan have been transformed. Women's social advancement was once considered as an issue of their right or meaningful life. Today, however, young women must work to make ends meet, and enterprises try to promote diversified working styles and work-life balance to cope with decreasing productive-age population. The relative poverty ratio was worsened from 14.6% to 15.7%, and the social exclusion and cycle of poverty between generations have become the major social issues. Also, the Great East Japan Earthquake and the nuclear power plant accident are urging us to review the economic and social paradigms.

I consider that, against the backdrop of these changing social situations, NPOs and NGOs are expected to perform functions as a social entity to assist people in spending their life in a humane manner from the cradle to the grave. Japan has been transformed into a society, where NPOs or social enterprises are expected to develop projects continuously and stably, and to prevent social exclusion in the fields that require expertise; such as child rearing, education, employment, housing, health, nursing and final care, sophistication of the primary industry, and regional revitalization. NPOs and NGOs have come to bear far greater social responsibilities than before.

Also, the Great East Japan Earthquake and the nuclear accident in Fukushima exposed various strains of Japan's economic growth model and decision-making system after WWII, as well as local government system. At the same time, venues to assist the stricken areas have become touchstones to test the roles and capacity of the citizen sector. I consider that the civil sector is required to strengthen its capacity for research, proposal, information transmission and policy proposal, and to propose a new paradigm for the future that will replace the present growth-oriented paradigm.

3. Major Objectives of the Intermediary Support Organization

In order to enable NPOs to respond to the above-mentioned expectations from society and make the civil sector produce results, I consider, the intermediary support organization should now put emphasis on strengthening of its ability to provide projects and enhance advocacy functions.

○ Strengthening project provision ability

This does not mean to simply expand the scale of a project or increase the value of a project. It means that NPOs shall become true non-profit entities, which are able to continue projects to improve the quality of life for the people who have been excluded from benefits of services provided by the administration or enterprises. In order to realize this, the intermediary support organization must strengthen strategies for producing greater results, including strong leadership to solve and improve social issues, system construction and managing human resources development for stable project implementation, planning and technical ability, setting up of profitability for sustainable project implementation, risk management, policy proposal, and technology transfer to other organizations.

○ Strengthening advocacy functions

We have begun to see unprecedented larger-scale cases different from before in such issues as poverty, global environment and nuclear power plant. I think that the abilities to influence a wider range of public opinions and to propose policies will become possible, if we utilize such measures as formation of network among organizations, expansion of citizens' participation through IT or internet, global sharing of information, approach on enterprises, and collaboration with enterprises, in addition to cooperation with researchers, information transmission, and appeal to the government.

4. Issues to be Addressed by the Intermediary Support Organization

Now, I would like to take up two issues broadly.

(1) New functions of the intermediary support organization, and

formation of versatile intermediary support systems

As mentioned above, in order to enhance social project provision ability and advocacy functions of NPOs as social entities, new intermediary support functions different from the conventional functions are required.

NPO support centers in various parts have been considered as the core of the intermediary support organization in Japan. NPO support centers have been established in various parts of Japan to promote or support formation of corporations based on the NPO law, and to function as the venue to promote communication and information sharing among corporations. These support centers have played an important role for NPO corporations and unincorporated voluntary organizations all over Japan.

From now on, I think it becomes important to carry out new types of intermediary support functions as written below; to form new intermediary support organizations different from the NPO center; and to establish cooperative relations among the intermediary support organizations, or with the administration, enterprises, and financial institutions.

For example, I would like to raise the following projects.

<Examples of future intermediary support projects>

- 1) System to transfer human resources from enterprises, administration and university to the civil sector
Example: internship system, human resources exchange system, formation of career path system

- 2) Development of consulting know-how and case-study accumulation, and information sharing among the intermediary support organizations
Example: leadership development, project planning, formulation of intermediate plan, evaluation, human resources development/evaluation, risk management, public relations strategies

- 3) Expansion of the pool of consulting human resources
Example: registration of pro bono and executive director-level human resources, and their matching system
- 4) Subsidy system to encourage capacity building
Example: strategy building, continued investment to human resources, establishment of achievement index, and evaluation system
- 5) Increase of problem-solving impacts through formation of networks among stakeholders

<Emergence of new types of intermediary support organizations>

- 1) Core organizations or pioneering groups in respective fields shall transform into intermediary support organizations.
- 2) Citizens' funds being established in various parts of Japan shall serve as the hub for social contribution in the community.

The intermediary support organizations shall not only work for mediation of donations or fundraising, but also develop new philanthropies including encouragement of capacity building in cooperation with professionals and promotion of collaboration among NPOs.

- (2) Approaching grass-root citizens and enterprises, and expanding the scope of participants in donation

As represented by the NPO support center, the conventional intermediary support organizations have conducted programs considering NPOs as their customers. I think that it will be an important role for the intermediary support organizations to turn their attention to grass-root citizens and enterprises, and develop a system where anyone can make social contribution, or improve ways for NPOs to participate.

I would like to take up measures especially necessary for

expanding the scope of citizens' participation through donation.

- Information on NPOs available to donators (information infrastructure similar to that of the stock market)

Common data base of non-profit organizations, various evaluators, a wide-range of information transmission routes

- Educational activities regarding achievements done by donations, information transmission in cooperation with the media

- Introduction of education programs on donators to school

- Development of donation systems through workplaces

- Policy development to promote return of senior citizens' financial assets to society

Recommendation of bequest in cooperation with the financial institutions, bar associations, and judicial scriveners associations

Review of the applicable requirements for the special tax-free measures of the deemed transfer income tax, and promotion of donation of real estates

These are all the issues I would like to raise. I am working at an achievement-oriented donation promoting organization, and I have taken up issues of my daily concerns. Thank you for your attention.