



# Guiding Principles for Philanthropic Private Sector Engagement in Humanitarian Action

*Prepared by the World Economic Forum  
Humanitarian Relief Initiative  
and the United Nations Office  
for the Coordination of Humanitarian Affairs*

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*Since the South Asia Tsunami in 2004, the private sector has shown increasing interest in supporting humanitarian operations worldwide, as evidenced after Hurricane Katrina and the South Asia Earthquake of 2005. Given this growing interest, the World Economic Forum Humanitarian Relief Initiative and the United Nations Office for the Coordination of Humanitarian Affairs (OCHA), have devised a set of principles to guide philanthropic private sector engagement in humanitarian action. These principles were developed in consultation with the Inter-Agency Standing Committee (IASC)\*. It is envisioned that a version of these guiding principles can serve as the international humanitarian community's guidance for future endeavour. Furthermore, it is envisioned that private sector actors will accept this general and cross-cutting guidance, agreeing to adhere to these principles for their philanthropic engagement in humanitarian action. Sector-specific guidelines and standards can be obtained from operational agencies directly. Finally, this initiative is not meant as a prelude to establishing a formal structure for coordinating private sector aid.*

## I. GUIDING PRINCIPLES

**1) Private sector engagement in humanitarian action identified as philanthropic is fully pro bono:** Private sector actors engaging in philanthropic support for humanitarian action must provide donated goods and services at no cost to the recipient(s). Any additional charges incurred by private sector actors as a result of their philanthropic support should be paid directly by them. For instance, private sector actors should work with their humanitarian partners to ensure that all expenses related to the donation, including the transportation costs to the final destination, are covered by donating entities. Private sector actors are also encouraged to provide unearmarked cash contributions, which remain the most valuable forms of assistance for the majority of the humanitarian actors.

**2) Philanthropic private sector engagement in humanitarian action shall not be used for direct commercial gain:** The prime motivation for philanthropic private sector engagement in humanitarian action should be alleviation of human suffering. Private sector actors should not seek any commercial advantage from their philanthropic support to humanitarian operations. To this end, philanthropic activities should be clearly distinct from commercial activities in the humanitarian context. Humanitarian actors should adopt the same division between services managing philanthropic private sector engagement and those responsible for procurement. This does not preclude private sector actors from participating in procurement processes but all partners must carefully evaluate the risk of actual or perceived conflict of interest. The cooperation between two parties should be clearly defined before the engagement of the philanthropic private sector in the operations of the recipient organization.

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### 3) **Philanthropic private sector engagement in humanitarian action shall be undertaken in partnership and coordination with local and international humanitarian actors:**

Philanthropic private sector engagement in humanitarian action should be done in direct partnership with and with the guidance of recognized professional international or local humanitarian actors, in particular with regards to the scope and extent of their involvement. This is especially important to assess the potential security and political risks for different stakeholders.

Within the context of these collaborative engagements, private sector actors should seek the guidance of humanitarian actors to ensure that their support adheres to the following guidelines:

- o **Support should do no harm:** Philanthropic private sector support to humanitarian relief operations should do no harm to beneficiary populations. In particular, private sector actors should work with their humanitarian partners to ensure that product and service donations do not undermine local economies or beneficiary communities' own coping strategies. Humanitarian partners should also advise private sector actors on the most appropriate inputs taking into consideration the complexity of the environment in which humanitarian action is undertaken. Humanitarian and private sector actors should together monitor their actions.
- o **Support should comply with humanitarian principles:** Private sector actors should work with their humanitarian partners to ensure that their philanthropic support is provided on a fully non-discriminatory basis, with no distinction for political, religious, ethnic, or other reasons, and is based on humanitarian principles of humanity, neutrality and impartiality. Furthermore, private sectors actors should work with their humanitarian partners to ensure that their support is not used to further a particular political or religious standpoint. In particular, private sector actors should seek the guidance of the international humanitarian community and comply with best practice and guidance as set out for example in the "Voluntary Principles on Security and Human

Rights" in determining their relationship with military entities or any other armed groups.

- o **Support should respect local culture and customs:** Private sector actors should work with their humanitarian partners to ensure that their philanthropic support respects the culture, structures, and customs of beneficiary communities.
- o **Support should adhere to international standards and norms for humanitarian action:** national law and other relevant principles of international instruments, such as humanitarian law, human rights law and anti-corruption standards. Private sector actors should work with their humanitarian partners to ensure that their philanthropic support adheres to recognized international standards and norms for humanitarian action, such as the Sphere Minimum Standards in Disaster Response. Business actors should also be encouraged to establish internal monitoring policies and mechanisms to ensure that such standards are respected in their business operations.
- o **Support should respect the policies and independence of humanitarian actors:** Private sector actors should work with their humanitarian partners in a manner that respects the organizational policies and operational independence of humanitarian entities.

### 4) **Philanthropic private sector engagement in humanitarian action shall be conducted within the structures and frameworks established by governments:**

Philanthropic private sector engagement in humanitarian action should collaborate with national and local authorities, ensuring local capacities are not undermined. Private sector actors should work in collaboration with their humanitarian partners to resolve any issues with government authorities regarding their philanthropic support.

### 5) **Philanthropic in-kind donations from the private sector shall be directed to meet identified needs, and be in alignment with local culture and customs:**

Philanthropic in-kind donations from the

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private sector should be used to meet beneficiary needs identified by recognized professional international or local humanitarian actors. Preferably, private sector engagement in humanitarian action should be flexible and unearmarked, allowing experienced humanitarian agencies to redirect contributions where they are most needed. Donations should be chosen in collaboration with a partnering humanitarian actor to ensure that the support provided will arrive at an appropriate time, be received by a clearly identified consignee, corresponds to identified needs and to local culture and customs, and in principle can be maintained by recipients.

**6) Private sector employees deployed to support their organization's philanthropic humanitarian action shall be pre-trained and adhere to recognized codes of conduct:**

In cases where private sector employees form part of their organization's philanthropic humanitarian action in the field, these individuals should be pre-trained in humanitarian principles and practices. Such training should be conducted by professional humanitarian organizations. Furthermore, such personnel should be held accountable to the same codes of conduct as humanitarian professionals, such as the "Principles of Conduct for the International Red Cross and Red Crescent Movement and NGOs in Disaster Response Programmes."

**7) The public relations activities of private sector actors regarding their philanthropic engagement in humanitarian action shall be accurate and truthful, and respect beneficiary communities and humanitarian actors:**

Public relations activities undertaken by private sector actors related to their philanthropic support should be truthful and accurately describe the organization's contributions, especially with regards to any additional charges passed on to humanitarian actors or others for payment. It is recommended that the private sector consult with the humanitarian organization involved prior to engaging in public relations activities. In collaboration with their humanitarian partners, private sector actors should make efforts to ensure that their communications reflect the reality and respect the dignity, values,

history, religion, and culture of beneficiary communities. Furthermore, private sector actors should aim to avoid competing with other private sector or humanitarian actors for media coverage, taking into consideration and respecting the larger scale and scope of humanitarian actors operations and needs in humanitarian relief contexts. Partners should not use the emblem of another organization without prior authorization.

**8) Private sector actors shall use consistent and transparent policies for reporting regarding their philanthropic engagement in humanitarian action:**

Private sector actors should consult their recipient partners and use consistent and transparent policies that clearly describe the valuation and auditing methods used, in their reporting regarding their philanthropic support to humanitarian relief. In particular, reporting policies should delineate whether the value of in-kind and service donations is determined using market or "at cost" prices, and include the diminution of value based on dating and shelf life, if at all possible. To obtain a comprehensive overview of all contributions to one particular crisis, donors are encouraged to report back to tracking systems as advocated for by humanitarian partners.

**9) Private sector actors shall take measures to monitor the impact of their philanthropic support to humanitarian relief:**

In collaboration with their humanitarian partners, private sector actors should ensure that defined procedures are used to qualitatively and quantitatively monitor and evaluate their philanthropic support to humanitarian relief. These examinations of impact should be as systematic and impartial as possible, and aim to generate lessons to improve future engagement.

**10) Private sector actors shall make efforts to provide their philanthropic support in a predictable manner:**

Private sector actors engaged in philanthropic support to humanitarian action should advise their humanitarian partners of the resources they are planning to make available in the event of a disaster. In particular, long-term stand-by partnerships are encouraged in order to facilitate better planning, preparedness, and better utilization of industry's core competencies.

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## II. RECOMMENDATIONS TO THE INTERNATIONAL HUMANITARIAN COMMUNITY

Using the aforementioned guiding principles as a foundation, the World Economic Forum Humanitarian Relief Initiative and the United Nations Office for the Coordination of Humanitarian Affairs suggest the following initial steps are taken by the international humanitarian community to improve the effectiveness and efficiency of philanthropic private sector engagement in humanitarian relief:

- 1) The international humanitarian community makes every effort to foster an open and frank dialogue with private sector actors interested in philanthropic engagement in humanitarian relief. In particular, these discussions will include dialogue regarding controversial issues such as the motivations of the private sector for such support, the potential for commercial gain as a result of philanthropic engagement in humanitarian relief, security issues,
- 2) The international humanitarian community will consider favourably collaborating with private sector actors that are active members of the Global Compact. Private sector actors who are members of the Global Compact are committed to its ten principles on human rights, environment, labour rights and anti-corruption.
- 3) In an effort to support more efficient and productive engagement with the private sector, the international humanitarian community will make efforts to pre-identify and make public the types of in-kind goods and services which actors frequently require, and are able to accept, from the private sector. Such a pre-identification should help to diminish the frequency of inappropriate philanthropic offers from the private sector.

\* The Inter-Agency Standing Committee (IASC) is the primary mechanism for inter-agency coordination of humanitarian assistance. It is a unique forum involving the key UN and non-UN humanitarian partners. The IASC was established in June 1992 in response to United Nations General Assembly Resolution 46/182 on the strengthening of humanitarian assistance.

### *References:*

- UN Office for the Coordination of Humanitarian Affairs: <http://ochaonline2.un.org/businesscontributions>
- The UN and Business : <http://www.un.org/partners/business>
- UN Global Compact: <http://www.unglobalcompact.org/>
- Code of Conduct for the International Red Cross and Red Crescent Movement and NGOs in Disaster Relief: <http://www.ifrc.org/publicat/conduct>
- The Sphere Project's Humanitarian Charter and Minimum Standards in Disaster Response: <http://www.sphereproject.org>
- InterAction's Private Voluntary Organization (PVO) Standards: <http://www.interaction.org/pvostandards>
- <http://www.un.org/partners/business/index.asp>
- Global Hand: <http://globalhand.org/standards>
- International Business Leaders Forum: <http://www.iblf.org/activities/disaster.jsp>
- Center for International Disaster Information: <http://www.cidi.org/guidelines/donate-corp.htm>
- Voluntary Principles on security and human rights: <http://www.voluntaryprinciples.org/>