



April 27, 2007

Rob Buchanan
Director, International Programs
Council on Foundations
1828 L Street, NW, Suite 300

Dear Rob:

Thanks again for speaking with members of Grantmakers Without Borders (“Gw/oB”) on April 3, 2007 about the centralized repository of information on foreign NGOs (“repository”). Gw/oB recognizes that the administrative focus of the repository, to provide a centralized database of 501(c)(3) equivalency determination affidavits, could simplify and streamline the due diligence process for some grantmakers wishing to give grants overseas. However, as the Advisory Council moves forward during the feasibility phase of the repository, Gw/oB hopes you will consider the following concerns.

- Despite the best efforts of the Advisory Council, the repository may be viewed as a database of “legitimate” NGOs. This ignores the fact that some NGOs that work on contentious issues in volatile locations may choose not to participate in the repository for safety and privacy reasons (many progressive human rights organizations fall into this category). As a result, language should be included in the repository countering this potential stigma. Gw/oB is happy to help craft this language.
- Those Gw/oB members opposed to the repository point to the potential misuse by grantmakers. In other words, some grantmakers may rely exclusively on the repository as the on-line catalogue of foreign grantees. To help counter this misuse, all grantmakers must take some responsibility in exposing their grantees to the repository, thus facilitating greater grantee participation. However there are grantees that will not participate for various reasons. As a result, there must be safeguards built into the repository preventing grantmaker misuse. Maybe that means password protecting grantee profiles or providing links to other informational networks on foreign NGOs. Simply relying on all grantmakers to act in good faith will likely result in widespread misuse.
- Gw/oB does not support the proposed addition of list-checking software to the repository. As noted by many within the philanthropic sector, including Council on Foundations, the law does not require organizations to list-check. Instead, it prohibits transactions with those entities deemed by the Executive Branch to be associated with terrorism. It’s true that many foundations find list-checking to be the easiest way to act in accordance with this requirement. However, other foundations refuse to adopt list-checking into their grantmaking practices, citing Constitutional objections to the existence and structure of the lists. Adopting list-checking software into the repository excludes those objecting foundations and normalizes a practice that many feel should be abandoned.

Thank you for considering Gw/oB's concerns with the repository. I hope you will share them with the entire Advisory Council. If you have any questions, please feel free to contact Gw/oB's Advocacy Coordinator, Vanessa Dick (vanessa@gwob.net or 240-988-2683).

Sincerely,

A handwritten signature in black ink, appearing to be 'J. Harvey', written in a cursive style.

John Harvey
Executive Director, Grantmakers Without Borders