Philanthropy for a Rainy Day: Our Covid-19 Response

Dreilinden
May 14 · 9 min read

Photography by Ise Bosch

Anyone can publish on Medium per our Policies, but we don’t fact-check every story. For more info about the coronavirus, see cdc.gov.
If there was ever a time to stand by existing commitments and to mobilise additional resources, that time is now. The rainy day has come, and we must provide ad hoc Covid-19 support.

There has been much talk about how a pandemic has the greatest impact on the most marginalised people in our societies. The UN High Commissioner for Human Rights issued specific guidance and gave a stark warning that LGBTQIA* communities will be “among those most at risk from COVID-19”. Many LGBTQIA* people have seen their rights compromised and their access to basic infrastructure restricted. The lack of access to healthcare due to lockdowns is particularly devastating for trans communities and people living with HIV/AIDS. The support of the community is often vital for LGBTQIA* people, and yet meetings are being restricted and community spaces closed. Too many individuals are confined to hostile environments, or have no support from their families. Instances of governments abusing the current crisis to further stigmatise and silence LGBTQIA* communities (examples here and here) are making that even worse. In short, all of this has exacerbated what was already a precarious situation for many marginalised groups.

However, there are also flashes of hope. The resilience and creativity we are witnessing from grassroots organisations are truly inspiring. In the face of adversity, they are adapting at lightning speed in order to continue their work and enhance the support they offer. Here are a few examples:

- In Poland, grassroots organisers scaled up psychological support through smartphone apps for LGBTQIA* teens stuck at home with hostile families.
- In Serbia, an organisation is bringing food and medicine to lesbians over 65 years of age who are not allowed to leave their homes.
- In Italy, activists are bringing HIV drugs to people in refugee centres.
- In Kenya, communities are actively monitoring government action in response to the pandemic with regard to inclusion and safeguarding of minority and marginalised communities.
- In Uganda, activist lawyers are providing legal aid to LGBTQIA* youth who were arrested while seeking refuge in a shelter.
At first, like so many others, we were overwhelmed. But we also felt the strong urge to take immediate action. In the end, we decided to listen first. We reached out to our partners to gain a deeper understanding of where immediate support is required and in what form. In an effort to gain a holistic perspective, we scrutinised our grant-making and investment portfolio. Below is a summary of our current activities, approaches and views, fully recognising that things will continue to evolve as we learn more about the pandemic and experience more of its fallout.

**Corona Giving Is Core Giving**

We made a conscious effort to ensure that this pandemic does not affect our usual grant-making cycles. All ad hoc grants were awarded in addition to our commitments, and no existing commitments were scaled back. We stayed clear of making programmatic suggestions but wanted to be a reliable partner to our grantees, ensuring a quick turnaround on requests and questions and providing clear answers and guidance.

**Guiding Principles**

Among a sea of initiatives and projects, we wanted to support the ones truest to our mission and priorities. We used the guiding principles that steer all of our grant-making activities as a basis for this, but were very much prepared to veer outside of that in exceptional cases.

**Curated Trust-ships**

Personal, trusting relationships (or “trust-ships”) are at the core of Dreilinden’s activities. Our partnerships with grantees have been built over years, in some cases decades. We opted for a group of partners with aligned values who in our experience have delivered great impact.

**Core Support**

Building on the trust element, we take the view that our partners know best how to deploy funding, so have therefore focused our grant making on core funding support. This provides organisations with the flexibility to allocate resources where they think they will have the greatest impact.

**Regranting**
We never aspired to build a big organisational apparatus at Dreilinden, and focused on regranting from the outset. We have found this to be the most effective way of making sure the grants go to those causes regarded as the most crucial by the LGBTQIA* communities themselves. In this way, we are able to ensure that insights from individuals more closely involved in the work are included in the grant decisions. At the same time, we are able to support the communities’ own philanthropic infrastructures.

**Community-led**

We are firm believers that community-led initiatives have a much greater chance of having a positive impact than any programmes controlled from the outside. Community leadership is, in itself, a strategy worth supporting. Leaders can do their job better if they don’t have to constantly defer to donors over benchmarks and project goals. Engaging with and visiting the communities furthers mutual understanding, but the lived realities can only be truly understood by people within them.

**Geographic Focus**

Our grant making has always focused on the Global South and Global East, and we still believe that we can best achieve our goal of having an outsized impact by supporting organisations in those regions. Although some of our partners may be domiciled in the Global North, their programmes focus on the Global South and East.

**Marginalised Communities**

Our stated priorities remain focused on the most marginalised groups within LGBTQIA* populations. Put simply, not enough funding goes towards lesbian, bi, trans and intercauses and initiatives. It is precisely LBTI* communities that continue to be the most marginalised and ostracised.

**Avoiding Harm**

Prior to any grant making, we undertake a risk assessment. We get together with our partners to discuss the risk of backlash against the communities as a result of our activities, as well as mitigation strategies. We also evaluate whether other ESG aspects might be harmed by our activities.

**Action Taken**
To date, we have supported organisations to the tune of €570,000, a 30% increase on our 2019 grants budget. Later in the crisis, we will solicit feedback to inform further action.

**Global South and Global East**

A small number of human-rights-oriented global Covid-19 emergency funds have sprung up over the last few weeks. Some of them fundraise for and focus on at-risk LGBTQIA* communities. We have looked at all of them, and donated most to those whose strategies and values are most closely aligned with ours, paying special attention to the Global South.

In total, we have contributed €170,000 to global LGBTQIA* Covid-19 emergency/resilience-related funds, including Astraea’s COVID Collective Care Response. ISDAO, UHAI and The Other Foundation, all of them community-led funding organisations in Africa, received a total of €150,000 for their COVID-19 response work.

We also decided to top up some existing grants in the Global South and East with an additional total of €150,000.

**Sex Worker Support in Germany**

Our primary activities in Germany revolve around advocacy initiatives, with the vast majority of grants and investments earmarked for the Global South and East. However, early on in the crisis, we became aware of the precarious situation of sex workers in the informal sector in Germany. The lockdown not only eliminated their source of income; many found themselves isolated in a foreign country without proper documentation or a social safety net. We reached out to our networks and made a substantial grant to a support organisation, BesD, the national association of sex workers, to ensure our money reaches the most vulnerable. BesD has a 24/7 phone service and manages to get money to sex workers who are not entitled to state aid within 24 to 36 hours.

**Impact Funds Portfolio**

We expect our portfolio of impact funds to see a significant value correction over the short to medium term. In particular there are additional risks for our impact first investments, which focus on the most marginalised. Most funds have already adjusted the risk metrics of their holdings, but for many it’s too early to make a definite
assessment. The scale of the fallout from the crisis will only become apparent over the coming weeks and months. As is to be expected, the funds have shifted from portfolio expansion to portfolio management strategies. Fund managers are actively engaging with partners to adjust financial planning and determine liquidity needs, in an effort to soften the negative impact and bolster resilience.

We are continuing to commit capital, and in some instances we have increased our exposure to certain funds and organisations. Our impact-driven, “patient capital” approach with an ever-increasing queer lens, builds the foundation for investing through the cycles and standing by our investees in these challenging times.

Direct Impact Investments

The work from our initial pilot in South Africa continues, albeit with varying progress.

We had a significant setback right at the beginning of the outbreak. The local investment firm that we had hoped to partner with delayed our cooperation by twelve months, citing its own portfolio challenges and demands from its shareholders. We respect that decision, but feel it is important to continue engaging with our potential investees during this period and will therefore consider potential alternatives. Discussions are ongoing but are understandably slow and challenging given the current environment.

Our mentorship programme in cooperation with Sawa from Three Arrows Impact Partner continues. Many of the entrepreneurs in the programme are facing existential threats as they have had to shut up shop and cease operations for the time being. The catering, event management, and tourism industries have been hit particularly hard, with many needing to rethink their business models. Sawa is facilitating a structured process to assess the various options and is providing a much-needed sounding board for bouncing around ideas. A few entrepreneurs were struggling with mobile and data connectivity, so we decided to make a small contribution by providing them with a data and mobile package for the duration of the lockdown. The impact of this small gesture was incredible. Not only did it give the entrepreneurs access to much-needed online resources, they were also able to use the package to diversify their supply chain and expand their client base. Once again, we were amazed by the amount of optimism and resilience in the face of adversity.
Our work with QWB+A to develop strategies for strengthening the queer entrepreneurial ecosystem is ongoing. The team at QWB+A has put a lot of thought and energy into devising a cohesive and inclusive approach. We hope to provide an update on this soon.

Finally, preparations with our partner FME have started for our next pilot in Mexico. The call for applications will launch shortly, with the Mexico Q Pitch Days expected to take place in the third quarter of this year. We are also advancing our discussions with potential local investment partners. We are excited to see how this project unfolds.

**Final Musings**

We see encouraging signs within the philanthropic sector, but are concerned that many funders are not acting swiftly enough. Putting the needs of beneficiaries first is, after all, why we are here.

Concerted efforts here in Germany resulted in a call for political support to update official regulations so that foundations can react more effectively to future crises. We are keeping our fingers crossed that the necessary reforms find enough support among philanthropic institutions and from policy makers.

GPP, a global network of LGBTQIA* funders, is doing a phenomenal job bringing stakeholders together to allow us all to learn from the rapid responses of other organisations. Philanthropy and development cooperation must align on a global level in order to support one another. GPP members are showing great flexibility in this regard. UAF, traditionally a human rights funder, now also provides humanitarian support. The Astraea Lesbian Foundation for Justice has accelerated the pace of its grant making, and has reduced fundraising burdens by pledging multiyear support. The International Trans Fund conducts surveys on the most pressing issues. ISDAO staff members are cutting their own salaries in order to provide emergency relief.

Moving forward, we hope that our fellow foundations and philanthropists can use this crisis to rethink their roles as well as their impact. The flexibility we are witnessing from many organisations is encouraging, but it does beg the question: Why can’t it always be like this?
About Dreilinden gGmbH

Dreilinden is a Hamburg-based foundation dedicated to advancing societal acceptance of gender and sexual diversity. Founded in 2007, Dreilinden has been at the forefront of supporting sexual orientation, gender identity and expression, and sex characteristics with grants and investments. Kindly note that Dreilinden does not accept any grant applications at this time.