

# **Bridging Tradition and Impact:**

The Evolution of High  
Net Worth Individual  
Philanthropy in Africa



# Introduction

In the narrative of African development, philanthropy has historically played a unique and evolving role. Starting from the informal, community-based giving that has long characterized African societies to the emerging trend of structured philanthropy by High Net Worth Individuals (HNWIs), giving in Africa is taking on new dimensions. This evolution in philanthropic practices is unfolding on a continent experiencing both unprecedented growth and persistent challenges. Africa's economic landscape is marked by dynamism, with nine of the world's twenty [fastest-growing](#) economies and a rapidly expanding middle class. Moreover, the total investable [wealth](#) currently held on the African continent amounts to USD 2.5 trillion, with its millionaire population set to rise by 65% over the next 10. This abundance is juxtaposed against sobering statistics: [429 million](#) Africans remain in extreme poverty and [282 million](#) face food insecurity. Philanthropy emerges as a bridge in this landscape of contrasts, connecting traditional African values of community support with modern approaches to addressing the continent's persistent development challenges. This report aims to analyze the current state of HNWI giving in Africa, identify key barriers to effective philanthropy, and provide actionable recommendations for increasing both the scale and impact of local giving across the continent.

The [roots](#) of African philanthropy run deep, intertwined with cultural [practices](#) that have sustained communities for generations. Traditional forms of giving and mutual aid continue to play a vital role across the continent.

As wealth accumulates and a new class of HNWIs emerges, these deeply ingrained values of communal support are evolving into more structured and potentially more impactful forms of philanthropy. In this landscape, African HNWIs' innate understanding of local contexts, combined with their significant resources and influence, allows them to address critical gaps in ways that external actors often cannot. Consider, for instance, the potential impact if a coalition of African tech entrepreneurs were to pool their resources to create a pan-African coding academy, addressing the continent's digital skills gap while simultaneously creating innovation ecosystems. Such targeted initiatives could complement government efforts, catalyze further investment, and create ripple effects across multiple sectors.

The full potential of HNWI philanthropy in Africa remains largely untapped. The continent is still in the early stages of developing locally-rooted, high-impact philanthropic models. While there are notable examples of transformative giving, these remain the exception rather than the norm. The challenge and opportunity both lie in scaling these successes and creating a culture of strategic philanthropy across the continent. As Africa's HNWI population gains increasing prominence, the continent stands at a juncture where strategic philanthropy could become a transformative force for development - but only if we can successfully bridge the gap between traditional giving practices and modern impact-driven approaches.

## Significance of the Study

This research addresses the existing gaps in understanding African HNWI philanthropy. Currently extensive research exists on international philanthropic flows to Africa, but limited attention has been paid to local giving by African HNWIs. This study provides the first comprehensive analysis of giving patterns, motivations, and barriers specific to African HNWIs. These insights can be instrumental in developing targeted interventions that increase local giving, strengthen philanthropic infrastructure, and ultimately create more sustainable, locally-driven development solutions.

## Methodology and Limitations

Our research combines in-depth qualitative interviews with 12 HNWIs and wealth advisors across 7 African countries and comprehensive analysis of secondary data. The countries of interviewees are the Democratic Republic of Congo, Ghana, Kenya, Morocco, Nigeria, Rwanda and South Africa. This research is complemented by analysis of giving patterns and philanthropic infrastructure. While our research concentrated on specific regions and relied on anonymized data to encourage candid discussion, it provides valuable insights into continental trends and opportunities in HNWI giving.

As we delve into the findings of this study, we invite readers to consider the transformative potential of strategic, locally-driven philanthropy in addressing Africa's most pressing challenges. The path ahead is complex, but the opportunity for impact is immense.

## Acknowledgements

This research would not have been possible without the generous contribution of time and insights from numerous individuals across the African continent. We are particularly grateful to the High Net Worth Individuals and wealth advisors who participated in our interviews, sharing their experiences and perspectives on philanthropy with remarkable candor.

Our interview participants included prominent business leaders and philanthropists from seven African nations, including:

- A leading industrialist and established philanthropist from East Africa with decades of experience in strategic giving
- The head of one of Africa's largest private foundations
- Multiple wealth advisors specializing in HNWI portfolio management across West Africa
- A prominent family office director from Nigeria
- Several next-generation philanthropists who are innovating in areas such as impact measurement and strategic giving
- The founder of a luxury tourism enterprise in Rwanda
- A Projects Director from one of the continent's most impactful foundations
- The head of an East African private equity firm and family office

We also extend our gratitude to the various institutional partners who provided valuable data and insights that enriched this research. Their expertise and willingness to share information were instrumental in developing a comprehensive understanding of HNWI philanthropy across Africa.

While maintaining the confidentiality requested by many of our participants, we acknowledge that their collective wisdom and experience have been fundamental in shaping the findings and recommendations presented in this report.

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# The Evolution of African Philanthropy



[Photo by Silvanus Solomon](#)

Philanthropy in Africa is undergoing a transformation, as traditional [systems](#) of communal support evolve to address contemporary challenges at unprecedented scale. While discourse often frames African philanthropy as an emerging phenomenon, the continent's giving practices have sustained communities for centuries through sophisticated systems of resource mobilization and mutual aid. These systems, built on philosophical principles such as Ubuntu (humanity towards others) and Umoja (unity), have proven remarkably resilient and adaptable. In South Africa alone, the Stokvel system demonstrates the enduring power of traditional giving mechanisms, [mobilizing](#) over US\$2.8 billion through 11.4 million members as of 2023. Similar systems, from Harambees in Kenya to Ujamaa in Tanzania, continue to operate as vital social safety nets, often more effectively than formal institutional support structures.

## The Historical Foundations of African Giving

The roots of African philanthropy extend into pre-colonial times, where community welfare was intrinsically linked to individual success. In West Africa, the concept of Adashi among the Hausa people and Susu in Ghana represented sophisticated rotating savings [systems](#) that predated modern microfinance. These systems were not merely financial arrangements but represented complex social contracts that ensured community resilience.

The colonial period introduced new dynamics to African giving practices, as communities adapted their traditional support systems to navigate imposed economic and social structures. During this time, many African communities developed hybrid forms of philanthropy that combined indigenous practices with Western institutional models. For instance, the [African Independent Churches](#) in Southern Africa created mutual aid societies in the early 1900s that merged traditional communal support with formal banking structures. Similarly, the [Kikuyu Independent Schools Association](#) in Kenya during the 1940s incorporated traditional harambee fundraising within new education institutions, creating community-funded schools that operated outside the colonial system. Such adaptations showcase the resilience and flexibility of African philanthropic traditions that continue to influence giving practices today.

## The Rise of HNWI Philanthropy

The definition of High Net Worth Individuals in Africa defies simple numerical thresholds. While [global standards](#) often set the bar at US\$1 million in investable assets (excluding primary residence), with Ultra-High Net Worth Individuals (UHNWIs) typically [defined](#) as those with over US\$30 million, these figures take on different meanings across Africa's diverse economic landscapes. In the African context, HNWI are not merely individuals with significant financial assets; they are often economic catalysts and social influencers.

African HNWI are frequently at the forefront of policy discussions, serve as bridges between international investors and local markets, and wield considerable soft power in shaping national development agendas. As such, Africa's HNWI [population](#), currently at 135,200 individuals with \$1 million or more in investable wealth, represents a powerful force for development. This includes 342 centi-millionaires and 21-dollar billionaires. Their philanthropic activities, therefore, are often extensions of their broader socio-economic influence, blurring the lines between business, philanthropy, and policy advocacy.

While the concept of wealthy individuals supporting their communities is not foreign to the continent—historical figures like the hurudza (rich Shona farmers) and inkinsela (wealthy Zulu men) engaged in similar practices—the scale and organization of today's HNWI philanthropy are far more advanced. Early pioneers like Allan Gray, who established the [Allan Gray Orbis Foundation](#) in 2005 with \$150 million, set new benchmarks for strategic philanthropy focused on systemic change. Today's leading African philanthropists are expanding this model by increasing its sophistication in approach and structure. The Tony Elumelu Foundation's \$100 million entrepreneurship program demonstrates this evolution, combining traditional grant-making with intensive mentorship, training, and network building. This ["Africapitalism"](#) approach seeks to create sustainable impact through both economic and social returns. Strive Masiyiwa's [Higher Life Foundation](#) has transformed educational access across Southern Africa, providing scholarships to over 250,000 students while developing innovative EdTech solutions for remote learning. Additionally, Mo Ibrahim's [Foundation](#) has moved beyond traditional philanthropic models by focusing on governance and leadership, using data-driven approaches and innovative incentive structures like the Ibrahim Prize for Achievement in African Leadership.

These examples demonstrate the potential impact of African HNWI philanthropy to extend beyond direct giving. These philanthropists often serve as catalysts for broader change, leveraging their networks and influence to attract additional resources and shape policy discussions.

## Balancing Private Philanthropy and Public Responsibility

The role of philanthropy in Africa's development narrative is complex and, at times, contentious. Even with philanthropy's expanding role in African development, particularly through HNWI giving, important questions arise about its relationship with government responsibility. There is a growing concern that an [over-reliance](#) on philanthropic interventions may inadvertently absolve governments of their fundamental responsibilities in providing public goods and services. The challenge lies in striking a balance: harnessing the power of private philanthropy without undermining the essential role of the state in driving development.

This tension is particularly evident in sectors like healthcare and education, where philanthropic initiatives often fill critical gaps in public service delivery. The optimal approach appears to be one where philanthropic capital serves as [catalytic](#) funding - piloting innovative solutions, filling temporary gaps, and demonstrating effective models that governments can then scale. This perspective views philanthropy not as a replacement for public services, but as a strategic [partner](#) in development, working alongside governments to accelerate progress while maintaining clear boundaries of responsibility.

# Current State of HNWI Philanthropy in Africa





[Mo Ibrahim Foundation](#)

## Scale and Strategic Focus

African HNWI philanthropy has grown in recent years and its current state reflects both promising developments and persistent challenges. Giving by wealthy individuals is estimated at [\\$2.8 billion](#) annually across various sectors, representing only a fraction of its potential given the continent's growing wealthy class. Philanthropic giving remains constrained by several factors, including limited understanding of strategic philanthropic approaches and underdeveloped [support infrastructure](#). Strategic philanthropic approaches encompass long-term planned giving with clear theories of change, defined impact metrics, and systematic evaluation processes, while support infrastructure includes professional advisory services, donor networks, and specialized philanthropic intermediaries that can help optimize giving strategies and impact measurement.

A key challenge is the [predominance](#) of reactive rather than strategic giving. Many HNWIs engage in philanthropy through direct, immediate response to community needs rather than through structured, long-term programs. This approach, while addressing urgent problems, often results in fragmented impact and missed opportunities for systemic change.

The lack of strategic oversight to ensure philanthropic resources are deployed effectively, is particularly evident in both the [limited](#) use of impact measurement frameworks and the short-term nature of many philanthropic initiatives.

Against this backdrop, there is a notable [trend](#) towards the establishment of institutionalized philanthropic vehicles among new HNWIs, which could enhance structured giving. These institutionalized vehicles, such as private foundations and donor-advised funds, enhance structured giving by providing formal governance frameworks, professional management, and systematic approaches to grant-making that enable more sustainable and scalable impact. This shift is seen as necessary to address more systemic issues rather than merely responding to immediate needs. In addition, some local private foundations are beginning to leverage their philanthropic capital to influence policy through evidence-based advocacy, research funding, and pilot programs that demonstrate innovative solutions to social challenges. This engagement in the policy space indicates a growing recognition of the importance of strategic philanthropy, moving beyond direct service provision to address the root causes of social issues and creating lasting systemic change.

## Regional Dynamics

Our research hypotheses suggested that HNWI philanthropy patterns would vary significantly across Africa's diverse regions, reflecting the continent's varied economic, cultural and political landscapes. Contrary to these initial assumptions, HNWI philanthropy across Africa demonstrates remarkable consistency in its personalized nature, with patterns largely shaped by familial values and generational priorities. Our research reveals that HNWIs across all regions tend to direct their philanthropy toward causes that hold personal or familial significance – whether it's a focus on education inspired by a grandmother's teaching career or nutrition initiatives stemming from personal experiences with food insecurity. This localized focus is a unifying characteristic across the continent, with philanthropists from Cairo to Cape Town predominantly channeling resources to their immediate communities or regions of origin, regardless of where greater needs might exist. This shared tendency toward hyperlocal giving transcends national boundaries and creates a consistent pattern across Africa's diverse philanthropic landscape.

Collaborative initiatives primarily emerge at the Ultra-High Net Worth Individual (UHNWI) level. These collaborations often take the form of structured initiatives that operate across multiple countries. This tendency toward collaboration at the UHNWI level stems from their greater access to sophisticated advisory networks and their ability to absorb the substantial administrative costs and risks associated with cross-border philanthropic initiatives. Additionally, UHNWIs often have more extensive business operations across multiple countries, which naturally leads to broader networks and opportunities for collaborative giving. For instance, the [Africa Healthcare Network](#), backed by several UHNWIs, has expanded its reach across multiple East African countries, while [Co-Impact Africa](#) unites multiple stakeholders to address systemic issues in healthcare and education. Such collaborative efforts are particularly noteworthy as they represent a departure from the typical personalized giving patterns, leveraging shared expertise and resources to achieve scale.

Particularly notable are certain business communities, such as the Indians in Kenya and the Lebanese in Nigeria, whose philanthropy often reflects an insular approach to community development. While these communities maintain significant philanthropic activities, such as the Oshwal Center in Kenya supported by Indian [industrialists](#), their giving tends to prioritize their own ethnic or religious communities.

This inward-focused approach to philanthropy, while effective in supporting community members, has sometimes created [tensions](#) with broader society, as the benefits of their success and charitable giving often remain concentrated within their closed networks rather than extending to the wider population. These tensions occasionally manifest in public criticism and social division, particularly during times of economic hardship when the stark contrast between community-specific prosperity and broader societal challenges is more apparent.

## Sectoral Focus

When asked about their philanthropic priorities, HNWIs across Africa consistently gravitate towards a powerful trinity: education, healthcare, and nutrition. This focus isn't surprising – these fundamental pillars of human development represent both the greatest needs and the most tangible opportunities for impact. Currently, most HNWI investments in these sectors manifest as isolated projects - individual schools, hospital wings, or feeding programs that serve immediate community needs. While these interventions provide vital services, they often operate in silos, limiting their potential for broader systemic impact. However, the consistent focus of HNWIs on these key sectors presents a compelling opportunity for more transformative change. Through collaborative approaches and strategic programming, these individual efforts could evolve into coordinated initiatives that address systemic challenges in service delivery and access with the right direction. The convergence of priorities in these sectors could serve as a foundation for developing shared frameworks and pooled resources that extend impact beyond single facilities or communities.

In addition to these, there's also a fascinating shift occurring in the broader continental philanthropic landscape. Forward-thinking HNWI's are increasingly drawn to areas that speak to Africa's creative and entrepreneurial future. These philanthropists recognize that Africa's development requires more than just basic infrastructure – it needs vibrant creative industries that can tell African stories and create jobs, alongside a powerful entrepreneurial ecosystem that can drive innovation and growth. The arts sector, long considered a luxury in philanthropic circles, is experiencing a renaissance of support. The Museum of African Contemporary Art Al Maaden in Marrakech, [exemplifies](#) this new wave of cultural investment. HNWI philanthropy is creating spaces where African creativity can flourish and generate economic opportunities.

There is also an explosion of innovative approaches to development in the entrepreneurship ecosystem. An exceptional example of this is again the Tony Elumelu Foundation, which partners with a variety of organizations including the African Development Bank and governments, including those of Nigeria, Kenya, and Rwanda, to support entrepreneurship through policy collaboration and resource provision. This evolution in sectoral focus reflects a maturing philanthropic landscape where African HNWI's are increasingly recognizing their role not just as funders, but as architects of sustainable, multifaceted development that can propel the continent forward on its own terms.

## Emerging Trends and Challenges

Three distinct trends emerge that tell a compelling story about both the evolution and current limitations of African philanthropy. **First, the intensely localized nature of giving continues to define philanthropic flows across the continent, as already discussed.** HNWI's consistently direct their resources to their communities of origin, driven by their deep-rooted connections to the areas. While this hyperlocal focus ensures targeted impact, it also creates islands of excellence rather than systematic change. The challenge lies not in the effectiveness of these local interventions, but in their limited ability to address broader systemic challenges that transcend community boundaries.

### The second defining trend – or rather, challenge – is the persistent individualistic approach to giving.

Despite the continent's rich tradition of communal support systems, collaborative philanthropy among HNWI's remains surprisingly rare. This goes beyond mere coordination; it represents a missed opportunity for transformative impact. Traditional systems demonstrate the power of collective action, yet these principles haven't translated to HNWI giving at scale. The Africa Philanthropy Forum's [efforts](#) to engage over 3,500 philanthropists and social investors highlight both the potential and the difficulty of promoting meaningful collaboration. When collaboration does occur the results are impressive, but this remains the exception rather than the rule.

### The third trend points to a complex future; the digital transformation of giving.

While digital platforms are [revolutionizing](#) how resources are mobilized and distributed across Africa's broader philanthropic landscape, our research reveals a striking disconnect at the HNWI level. Despite the success of digital platforms in mobilizing community resources and facilitating smaller-scale giving, HNWI's have shown limited interest in adopting these tools for their philanthropic activities. This resistance stems from HNWI's' strong preference for maintaining direct, personal oversight of their giving and their deep-rooted cultural inclination towards face-to-face interactions in philanthropic decisions. Furthermore, many digital platforms are tools better suited for mass participation rather than the kind of strategic, high-touch philanthropy HNWI's are able to engage in. This resistance suggests that traditional crowdfunding and digital giving platforms may not be the [solution](#) for promoting HNWI collaboration. The challenge ahead lies not in simply implementing existing digital giving solutions, but in developing sophisticated digital [frameworks](#) specifically designed for HNWI collaboration – platforms that can facilitate strategic partnerships, enable impact measurement, and manage complex cross-border initiatives. The current tension between digital innovation and HNWI preferences perfectly encapsulates the broader challenges facing African philanthropy as it strives to maintain personal connection while achieving continental scale.

# Drivers and Motivations of HNWI Philanthropy

African Philanthropy Forum | Kigali, 24 October 2022. [Photo by Paul Kagame](#)

The landscape of African HNWI philanthropy in the continent is shaped by a complex interplay of economic, social, and cultural factors. Understanding these drivers will be needed to unlock the full potential of strategic giving on the continent. This section explores both the social and economic factors that significantly influence philanthropic behavior among African HNWIs.

## Economic Factors

### Tax Incentives and Their Impact on Giving

The role of tax incentives in stimulating philanthropic giving is a subject of growing importance. Tax policies related to charitable donations vary significantly, but few countries offer any incentives to give.

Our analysis has shown a striking imbalance between corporate and individual giving frameworks across Africa. While most countries have established clear mechanisms for corporate charitable deductions – ranging from South Africa's generous 10% of taxable income to more modest allowances like Senegal's 0.5% of turnover – the landscape for individual giving is remarkably barren. Among the examined countries, only South Africa and Morocco have implemented any form of tax incentive for individual philanthropic contributions, with limited variance in the rest of the continent. This disparity represents a significant missed opportunity to stimulate HNWI giving, particularly given that our research indicates tax benefits would greatly incentivize more philanthropic activity among wealthy individuals. The absence of individual tax incentives, even in more economically sophisticated markets, suggests that African tax policies have yet to recognize the potential of HNWI philanthropy as a catalyst for development. More detailed information on the relevant tax policies across the continent can be found in Table 1 on the next page.

This homogeneity in individual tax policies, despite varying stages of maturity in philanthropic ecosystems across the continent is telling. Even countries with well-established nonprofit sectors and sophisticated regulatory frameworks have failed to develop meaningful tax incentives for individual giving. This consistent gap across markets suggests that the issue runs deeper than regulatory development - it points to a fundamental oversight in how African countries approach private philanthropy. While corporate giving mechanisms have evolved to complement public sector efforts, the individual giving landscape remains uniformly underdeveloped, ignoring the potential upside it can bring.

The potential benefits of tax incentives for philanthropy are manifold. Firstly, they can serve as a powerful catalyst to increase the volume and frequency of giving among HNWIs. The HNWIs interviewed for this study unanimously stated that tax benefits would incentivize them to give more. This sentiment underscores the practical considerations that often inform philanthropic decisions, even among the wealthy. Well-designed tax incentives can encourage more strategic giving by offering benefits for donations to priority sectors or underserved regions, governments can align private philanthropy with national development goals.

However, it must be noted that tax incentives alone are not a panacea. They must be part of a broader ecosystem that includes robust regulatory frameworks, transparency mechanisms, and capacity building for nonprofit organizations. The effectiveness of tax incentives also depends on their design and implementation, requiring careful consideration of local business contexts and potential unintended consequences of the new legislation.

**Table 1 - Individual & Corporate Philanthropic Tax Incentives in Select African Countries**

Country	Corporate Charitable Deductions	Individual Charitable Deductions
<b>Algeria</b>	Deductible up to DZD 4 million per year	N/A
<b>Angola</b>	Only Patronage Law-compliant donations deductible; others taxed at 15%	N/A
<b>Botswana</b>	Deductible up to 20% of chargeable income for: approved educational institutions, sports clubs, government health facilities, and other approved beneficiaries	N/A
<b>Côte d'Ivoire</b>	Deductible: Recognized sport/health associations and COVID-19 relief; Not deductible: Individual/non-recognized entities	N/A
<b>Egypt</b>	Government donations: Fully deductible; Charity donations: Up to 10% of taxable income	N/A
<b>Ethiopia</b>	Deductible: Ethiopian charities and government emergency relief	N/A
<b>Kenya</b>	Deductible: Qualifying charities and national disaster relief	N/A
<b>Mauritius</b>	No donations are tax deductible	N/A
<b>Morocco</b>	Only legally specified foundations; Capped at 0.2% of turnover	Donations only deductible to legally specified organizations. The exact <a href="#">percentage</a> or limit is not universally defined.
<b>Nigeria</b>	Deductible subject to law	N/A
<b>Rwanda</b>	Deductible up to 1% of turnover	N/A
<b>Senegal</b>	Chartered organizations only; Up to 0.5% of turnover	N/A
<b>South Africa</b>	Approved organizations up to 10% of taxable income	Donations to approved organizations deductible up to 10% of taxable income
<b>Tanzania</b>	Charitable institutions: Up to 2% of taxable income; Also eligible: Education Fund, local government projects, AIDS Trust Fund, COVID-19 relief	N/A

*This table assesses the top 10 countries in Africa based on GDP, in addition to the countries of Botswana, Mauritius, Rwanda and Senegal who are often economic or political outliers to provide a more balanced assessment. All data sourced from [PricewaterhouseCoopers](#).*

## Economic Conditions and Giving Patterns

The relationship between economic conditions and philanthropic giving is complex and often paradoxical. As one HNWI interviewee astutely observed, "philanthropy is a product of excess." This sentiment encapsulates a fundamental truth: the capacity for significant philanthropic giving is intimately tied to economic prosperity. As another respondent noted, "No one, not even the ultra wealthy, is immune from the economic situation." While the continent's potential philanthropic capacity grows alongside its wealth, economic volatilities uniquely constrain giving patterns. This dynamic manifests in **three key ways:**

Looking ahead, the sustainability of African HNWI philanthropy will depend on balancing these economic and business constraints with strategic opportunity. While economic conditions may limit giving capacity, they also highlight the need for more innovative and efficient philanthropic approaches that can deliver impact even in challenging times.



Photo by Lagos Food Bank Initiative

### 1. Scale and Risk Limitations:

Large-scale, catalytic investments often remain [beyond](#) the reach of many African HNWIs. The relatively small pool of investable capital on the continent, combined with higher political and economic volatilities, often deters individuals from making transformative investments. In addition, many HNWIs opt for smaller, more manageable projects rather than navigating the complex political landscapes associated with larger initiatives. This reluctance, while understandable, leads to a [fragmentation](#) of philanthropic efforts, reducing their overall impact and scale.

### 2. Macroeconomic Considerations:

The economic landscape fundamentally shapes how African HNWIs approach philanthropy. While some view it as a "luxury" distinct from core development work, others see it as essential but constrained by market realities. Global economic uncertainties and local pressures have led to more conservative giving strategies, according to our primary research. It contributes to the previously raised questions about the relationship between private giving and public responsibility in addressing social challenges. On one hand, this view can lead to a focus on immediate, tangible impacts through philanthropic giving, such as funding schools or healthcare facilities. On the other hand, it may limit engagement with systemic issues that require long-term, strategic interventions.

### 3. Strategic Self-Interest:

Philanthropy often reflects an enlightened self-interest, where donors recognize their prosperity's intrinsic connection to broader societal stability. This [perspective](#) drives investments in education, healthcare, and other sectors that strengthen social cohesion while potentially benefiting donors' business interests. This approach, driven by a blend of altruism and pragmatism, can lead to beneficial strategic investments in human capital and social infrastructure.

## Socio-Cultural Factors

While economic conditions create the foundation for philanthropic capacity in Africa, it is the miscellany of socio-cultural factors that shape how this wealth is deployed for social good. The intersection of religious beliefs, community connections, and status considerations creates a unique philanthropic ecosystem where traditional values meet modern giving practices. This complex interplay of cultural forces not only influences where and how African HNWI's give, but also challenges conventional models of strategic philanthropy.

### Religious Motivations and Tradition in African Philanthropy

The intersection of faith and philanthropy in Africa presents a fascinating paradox - while religious giving frameworks like Zakat and tithing provide clear structures for charitable donations, they also create unique tensions in modern philanthropic practice. More than half of our interview respondents mentioned that religious obligations were the key driver of their philanthropic activities.

**Islamic Philanthropy:** Zakat is an Islamic finance term referring to the [obligation](#) that an individual donate a certain proportion of their wealth each year, typically 2.5%, to charitable causes. This requirement provides a baseline, but contemporary solutions are revolutionizing its implementation, to the benefit of HNWI's. Innovation in Islamic giving is emerging through technological solutions that bridge traditional practices with contemporary needs. For instance, Nigeria's eTijar platform [exemplifies](#) this evolution, offering a comprehensive Shariah-compliant fintech solution that modernizes traditional Islamic finance mechanisms by digitizing services like Zakat collection and Wassiyat (Islamic will). Such technological innovations are particularly significant for HNWI's, as they provide structured, compliant channels for large-scale religious giving while offering the transparency and efficiency demanded by strategic philanthropists.

**Redefining Tithing:** [Tithing](#), the practice of giving 10% of one's income or resources to support the church or religious community, remains a foundational principle in Christian giving. However, many African Christian HNWI's are adopting an approach that combines this biblical principle with modern impact measurement. Data [reveals](#) that only 14.28% of African Christians give 7% or more of their income to Christian causes, with the majority giving 3% or less.

Even for those who tithe, few give the full 10% towards Christian causes. This gap between theological expectation and practice reflects broader challenges in Christian philanthropy, as corroborated by our HNWI interviews. Anecdotal evidence suggests that philanthropists feel churches often prioritize internal needs over broader humanitarian work, which has led many to take their philanthropic obligations into their own hands and contribute to humanitarian causes outside the formal remit of the church. For Christian HNWI's, this creates both an opportunity and a challenge - to model strategic giving that bridges the gap between traditional tithing and contemporary development needs while catalyzing a broader culture of intentional philanthropy within their faith communities.

**Traditional Africa's Influence:** It is perhaps most intriguing to see how traditional African concepts continue to shape philanthropic mindsets across the continent. Cultural [principles](#) like the Yoruba concept of "alajobi" (collective responsibility) and the Setswana [tradition](#) of "letsema" (sharing what you can with one in need) contribute to a broader societal expectation of wealth redistribution and community support, pejoratively referred to as [Black Tax](#). The cultural expectation that those who "make it" must support extended family and community networks is particularly significant for HNWI's, who often navigate between Western models of philanthropy and the embedded cultural expectations of wealth redistribution. This creates a unique dual burden - balancing formal philanthropic initiatives with extensive informal support networks that serve as de facto social safety nets in contexts where government services fall short. While the Black Tax serves as a modern manifestation of the roots of giving in African societies, it can also strain resources intended for broader philanthropic impact. This underlines why African philanthropy cannot simply adopt Western models but must adapt to contexts where wealth carries with it distinct social and cultural obligations.

### Personal Connections and Local Impact

One of the hallmarks of African philanthropy is the emphasis on personalized connections and localized giving. Unlike global philanthropic models involving large, impersonal donations to international NGOs, African HNWI's frequently channel their wealth into projects that have a direct [impact](#) on their home communities - specifically where their family originates from or where they grew up. In fact, research [indicates](#) that 81% of gifts by African philanthropists are made domestically. This makes giving deeply personal and often reflects a desire to give back to the communities that nurtured them.



This hyperlocal focus creates both unique advantages and significant limitations. The intimate [knowledge](#) of community needs often leads to highly targeted and culturally appropriate interventions. Local philanthropists can leverage existing relationships, understand nuanced community dynamics, and maintain direct oversight of their investments - factors that can significantly enhance project effectiveness. Their intrinsic connections often allow them to identify and address needs that might be overlooked by larger, more distant philanthropic organizations.

However, this localized approach also presents challenges for broader development goals. The concentration of philanthropic resources in donors' home communities can inadvertently create "[philanthropy deserts](#)" - areas without resident HNWI that receive minimal charitable investment despite significant needs. This pattern can reinforce existing geographic inequalities. This preference for local giving fundamentally shapes how African HNWI approach philanthropy, often at the expense of strategic impact. Rather than establishing structured foundations with broad mandates, many opt for direct, personally managed giving that prioritizes immediate community needs over long-term systemic change. While this hands-on approach strengthens accountability and maintains cultural connections, it is a barrier to strategic philanthropy. The focus on addressing immediate local needs often prevents the development of comprehensive theories of change, impact measurement frameworks, or cross-regional collaboration - essential elements for achieving sustained, scalable impact.

### The Culture of Discretion

A defining characteristic of HNWI philanthropy in Africa is the strong cultural emphasis on discrete giving. As one research respondent eloquently stated, "what the right hand does, the left will never know" - capturing a deeply held belief that charitable acts should be conducted without fanfare or public recognition. This cultural [preference](#) for privacy in giving represents a significant departure from Western models of philanthropy, where public declarations of giving are often used to inspire others and build momentum for causes.

This preference manifests in several ways among African HNWI. Many choose to give directly to beneficiaries or through informal channels rather than established foundations or public platforms. Others may establish formal giving structures but deliberately maintain low profiles about their philanthropic activities. This approach reflects cultural norms that view quiet generosity as more genuine and than public displays of charity.

While this discretion speaks to long-held cultural values, it does create challenges for understanding and developing the sector. The private nature of most HNWI giving makes it difficult to track financial flows, measure impact, or identify successful models that could be replicated. One of our survey respondents highlighted how this culture of discretion specifically limits philanthropists' ability to catalyze further giving. Drawing from his own experience, he shared how publicizing his philanthropic efforts and their impact over the years enabled him to inspire other HNWI to follow suit, so successfully that he noted "the corporate world was envious."

His family business's foundation, being a pioneer in East Africa, proved instrumental in catalyzing the rise of other corporate foundations in the region, demonstrating how one leader's visible commitment to philanthropy can pave the way for broader institutional giving. Regardless of this success story, the lack of visible examples more generally continues to limit the potential for peer learning and collaboration among philanthropists, potentially reducing the sector's overall effectiveness.

It should be noted that this is not a universal approach. For some African HNWI, particularly a newer generation of philanthropists, building a visible legacy through public philanthropy remains a key driver of giving. These individuals view public engagement with philanthropy as a way to inspire others and catalyze broader social change. However, they represent the exception rather than the norm in a cultural context that generally favors quiet generosity over public recognition.

The tension between traditional values of discrete giving and the need for greater transparency and knowledge-sharing in modern philanthropy represents one of the key challenges facing the sector. Finding ways to respect cultural preferences for privacy while building more visible and measurable philanthropic practices is a key for the progression of strategic HNWI giving across Africa.

# **Understanding Limitations:** A Framework for African HNWI Philanthropy



[Photo by Muhammad-Taha Ibrahim](#)

Throughout this report, we have highlighted various challenges that constrain the potential of HNWI philanthropy in Africa. From tax policy barriers to the complexities of cross-border giving, these limitations have emerged as recurring themes in our analysis of the philanthropic landscape. However, understanding these challenges in isolation provides only a partial view of the complex ecosystem shaping HNWI giving on the continent. As such, we have developed a framework that not only catalogs these limitations but also reveals their interconnected nature to identify strategic intervention points for meaningful change.

The framework employed is an Ecosystem Layer Analysis that examines limitations across three distinct but interconnected levels: individual, institutional, and systemic. By mapping limitations across these three layers, we can better understand how personal behavioral barriers interact with organizational challenges and broader systemic constraints. This approach is particularly valuable for the African context, where personal relationships and cultural dynamics are as influential as formal structures and regulations. Most importantly, it helps identify where and how interventions might be most effective in unlocking the full potential of HNWI philanthropy on the continent.

**Table 2 - Overview of Major Limitations to the HNWI Philanthropy Ecosystem in Africa (cont.)**

Layer & Category	Specific Limitation	Explanation
<b>Individual Layer</b>  <i>Personal barriers rooted in behavior, culture, and decision-making preferences</i>	Hyperlocal Giving Preference	Strong tendency to focus philanthropic efforts exclusively on home communities or regions of personal connection, limiting broader impact potential. Driven by cultural ties and desire for visible local impact. Often results in overlooking equally or more worthy causes in other regions.
	Reluctance to Engage with Unfamiliar Causes	Hesitation to venture beyond known areas of intervention or trusted networks. Strong preference for direct oversight and personal connections in philanthropic activities. Creates barriers to exploring new or innovative solutions.
	Reactive vs Strategic Giving	Tendency to respond to immediate needs rather than developing long-term strategic approaches. Often results in fragmented, short-term interventions rather than systemic solutions. Limits potential for transformative change.
	Cultural Obligations vs Strategic Giving	Tension between traditional expectations of community support ( <i>i.e.</i> "Black Tax") and structured philanthropic approaches. Creates competing demands on resources and attention. Complicates efforts to develop strategic giving programs.
	Risk Aversion in Capital Commitment	Conservative approach to philanthropic investment, particularly for unproven or innovative solutions. Preference for traditional, tested approaches over potentially transformative innovations. Limits experimentation with new giving models and new areas of focus.
<b>Institutional Layer</b>  <i>Structural challenges within the philanthropic ecosystem that limit effectiveness</i>	Limited Donor Collaboration	Minimal coordination between HNWIs on shared objectives or pooled resources. Reduces potential for scale and collective impact. Results in duplication of efforts and missed opportunities for synergy.
	Underdeveloped Support Infrastructure	Insufficient platforms, networks, and professional services to facilitate strategic philanthropy. Lacks robust mechanisms for donor education, peer learning, and best practice sharing. Hampers efficiency and effectiveness of giving.
	Insufficient Impact Measurement	Inadequate systems for tracking, measuring, and evaluating philanthropic outcomes. Limited ability to demonstrate value and learn from experience. Hinders evidence-based decision making and improvement.
	Absence of Long-term Planning	Focus on immediate project execution rather than sustained programmatic approaches. Limited attention to sustainability and scale considerations. Reduces potential for lasting systemic change.
	Geographic Imbalance	Concentration of HNWIs in certain regions leads to an imbalance in philanthropic activity, creating underserved areas. This leads to higher levels of giving in donor-connected regions rather than areas of greatest need. Perpetuates development disparities.
<b>Systemic Layer</b>  <i>External environmental factors that constrain philanthropic potential</i>	Cross-border Barriers	Regulatory and operational challenges in conducting philanthropy across national boundaries. Limits regional collaboration and scale. Creates unnecessary complexity in pan-African initiatives.
	Limited Tax Incentives	Insufficient fiscal policies to encourage strategic philanthropic giving. Reduces motivation for structured, large-scale giving. Misses opportunity to align private giving with development priorities.
	Varying Legal Frameworks	Inconsistent regulatory environments across different African countries. Creates compliance challenges for cross-border initiatives. Increases complexity and cost of regional programs.
	Corruption Concerns	Perceived risks of misappropriation and mismanagement of philanthropic resources. Creates hesitation in engaging with unfamiliar partners or regions. Limits trust in institutional giving mechanisms.
	Lack of Supporting Frameworks for Policy Advocacy	Insufficient mechanisms for philanthropic voices in policy discussions. Reduces potential for systemic change through policy influence. Misses opportunities for public-private collaboration.

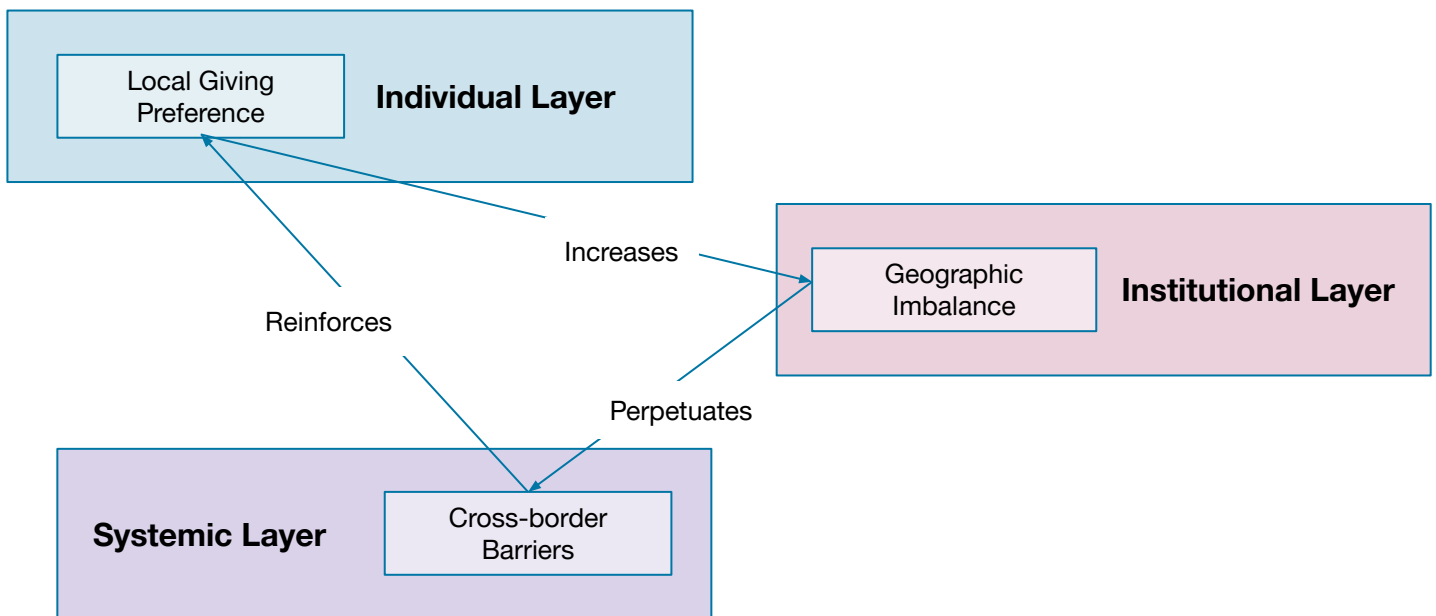
These distinct limitations often challenges don't exist in isolation. Instead, they create complex feedback loops that can either amplify or mitigate each other's effects. Understanding these interconnections can support the development of effective interventions that can create cascading positive impacts across the philanthropic ecosystem.

To illustrate how limitations interact across the ecosystem layers, we examine two illustrative examples that demonstrate these complex interconnections. First, consider how the preference for hyperlocal giving perpetuates itself through a self-reinforcing cycle across all three layers of the philanthropic ecosystem. This cycle, shown in Figure 1, demonstrates how systemic cross-border barriers make regional giving complex and cumbersome, which in turn reinforces individual HNWI preferences for hyperlocal giving. These individual preferences then contribute to the institutional challenge of philanthropy deserts, where giving becomes concentrated in specific areas rather than flowing to areas of greatest need.

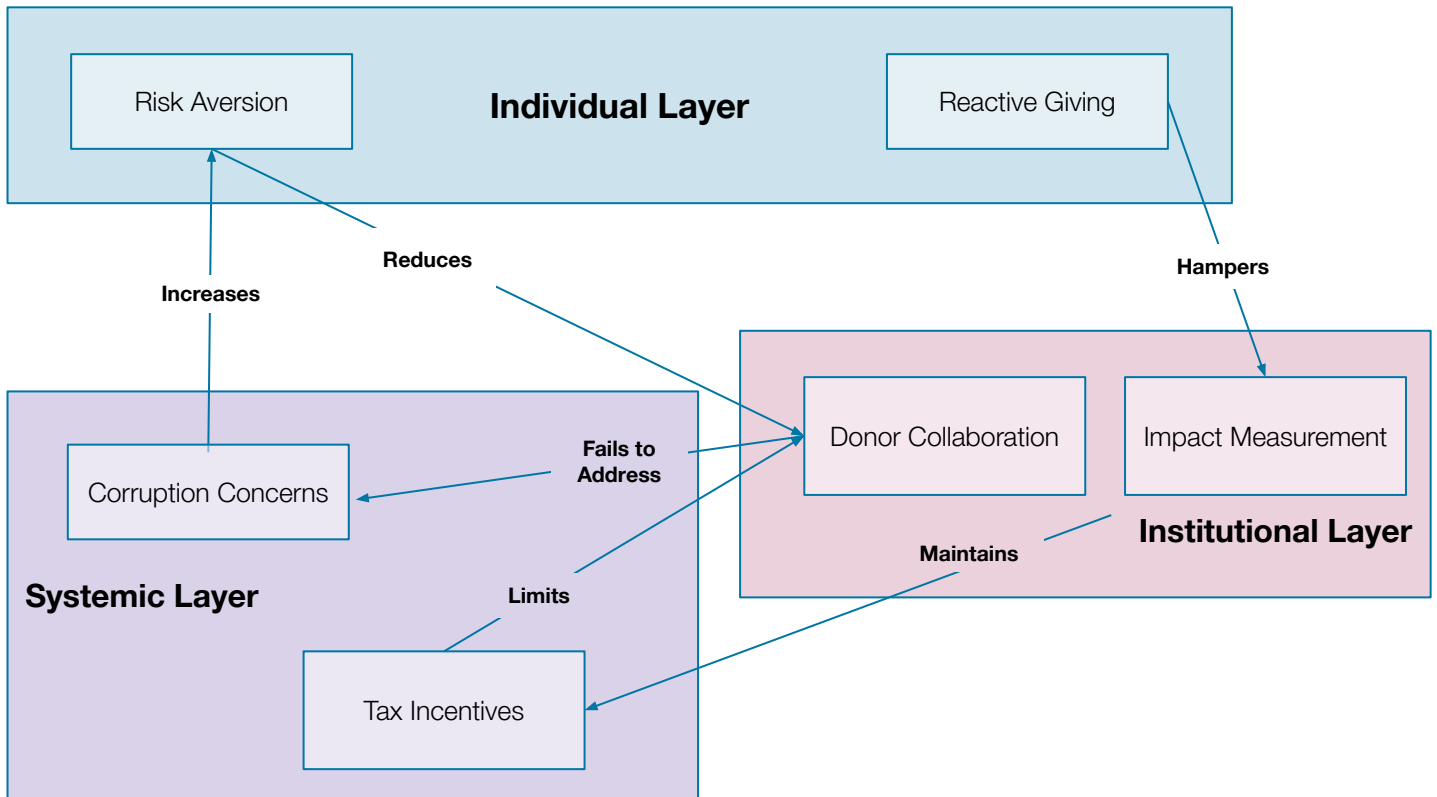
This institutional limitation then creates additional pressure for complex cross-border solutions at the systemic level, completing a cycle that continues to constrain the geographic scope of African philanthropy.

This self-reinforcing dynamic is not limited to single issues but manifests across multiple interconnected challenges. Figure 2 illustrates how concerns about corruption create parallel effects across the ecosystem, connecting multiple limitations at each layer. This broader cycle shows how systemic corruption concerns can increase individual risk aversion and reluctance to engage with unfamiliar causes, which in turn leads to limited donor collaboration and insufficient impact measurement at the institutional level. These institutional gaps then fail to address the underlying systemic concerns about corruption and varying legal frameworks, perpetuating the trust deficit in the philanthropic ecosystem.

**Figure 1 - The Self-Reinforcing Cycle of Hyperlocal Giving**



**Figure 2 - The Trust-Impact Cycle in African Philanthropy**



Understanding these interconnected limitations through an ecosystem lens reveals why singular interventions or isolated reforms often fail to catalyze change in African HNWI philanthropy. The self-reinforcing nature of these challenges, as illustrated in our analysis, suggests that meaningful progress requires coordinated interventions across all three layers of the ecosystem.

When personal behaviors reinforce institutional gaps, which in turn perpetuate systemic barriers, the cycle can only be broken through deliberate, multi-layered intervention strategies. This understanding sets the stage for our recommendations, which focus not just on addressing individual limitations, but on creating positive feedback loops that can transform the entire philanthropic ecosystem.

# Future Directions & Recommendations

Transformative change requires coordinated interventions across the individual, institutional, and systemic layers. Our recommendations focus on three key areas where targeted initiatives could create positive cascading effects throughout the philanthropic ecosystem. While not exhaustive, these recommendations represent strategic entry points for catalyzing more effective and impactful giving across the continent.

## African Philanthropy Impact Measurement Framework

The absence of formal [impact measurement](#) in many African philanthropic contexts hampers its effectiveness and scalability across the continent. We propose developing a comprehensive measurement framework that combines quantitative metrics with qualitative indicators that can capture the cultural impacts unique to African giving. This framework would move beyond traditional Western metrics to incorporate African perspectives on impact and success, while maintaining rigorous standards for evidence and accountability.

Such a framework would be developed through a collaborative process, alongside both African evaluation experts and the experienced philanthropists themselves. This would include core metrics applicable across sectors (e.g., community engagement, sustainability, local capacity building) as well as sector-specific indicators. Importantly, the framework would be supported by a digital platform providing tools, templates, and training resources to help philanthropists implement effective measurement practices.

For example, an education-focused measurement framework might combine traditional metrics like enrollment and completion rates with indicators measuring community ownership, cultural relevance, and long-term economic impact on families. The framework would provide standardized tools for data collection and analysis while remaining flexible enough to adapt to local contexts and specific program needs.

## Baseline Tax Incentive Guidelines for Strategic Philanthropy

While continental tax harmonization may be a long-term goal, there is an immediate opportunity to provide governments with evidence-based [guidelines](#) for tax policies that can effectively catalyze strategic philanthropy.

These guidelines would offer a menu of policy options that countries can adapt to their specific contexts, supported by evidence of impact and implementation guidance. Rather than prescribing specific tax rates or structures, these guidelines would outline principles and practices for effective philanthropic tax policy, along with case studies and implementation roadmaps. The following key elements outline how countries can build tax incentive systems that both catalyze strategic giving and strengthen domestic resource mobilization.

### Key elements would include:

- Analysis of different tax incentive structures and their impacts
- Strategies to integrate philanthropic incentives with existing tax collection systems, compliance frameworks and administrative processes
- Guidelines for qualifying criteria that encourage strategic giving
- Frameworks for measuring policy effectiveness
- Implementation toolkits for tax authorities
- Monitoring and evaluation frameworks
- Case studies of successful policies from across Africa and globally

### The guidelines would help governments:

- Understand how tax policy can leverage private philanthropy for development goals
- Design incentives that encourage long-term, strategic giving
- Implement effective oversight and accountability mechanisms
- Measure the impact of tax incentives on philanthropic giving and development outcomes

An example of a successfully implemented tax incentive system for philanthropic giving comes from South Africa, whose system has successfully encouraged structured giving while maintaining fiscal responsibility. The South African case is particularly instructive as it demonstrates how thoughtful integration of giving mechanisms into existing tax frameworks can create multiple pathways for HNWI participation while fostering broader philanthropic engagement across society.



## Case Study:

### Tax Incentives as Catalysts for Strategic Philanthropy in South Africa

South Africa stands out among African nations for its sophisticated approach to incentivizing philanthropic giving through tax policy. The Income Tax Act allows for [deductions](#) of up to 10% of taxable income for donations to approved Public Benefit Organizations, provided donors maintain valid documentation.

A distinctive feature of South Africa's approach is how it has innovatively leveraged its Pay-As-You-Earn (PAYE) system for charitable giving through what is known as ["Payroll Giving."](#) Launched in 2009, this system enables systematic charitable giving through salary deductions. While PAYE exists in many African countries as a tax collection mechanism, South Africa has uniquely transformed it into a platform for strategic philanthropy. Under this system, employees, including HNWI in leadership positions, can commit to regular charitable donations directly through their payroll.

The system's success lies in its seamless integration with existing payroll processes and its ability to nurture a giving culture within organizations. HNWI, particularly those leading companies, have leveraged this mechanism not only for their personal giving but also to champion philanthropic initiatives within their organizations, creating a multiplier effect. This is particularly impactful as it provides a structured way for wealth holders to engage in sustained charitable giving while encouraging broader participation across their organizations.

Beyond PAYE, South Africa has developed two other significant mechanisms that encourage strategic philanthropy.

First, the integration of charitable giving into corporate governance frameworks where companies can claim socio-Economic Development points for charitable contributions. This has created additional incentives for HNWI business owners to engage in structured philanthropy. Second, the Johannesburg Stock Exchange's Social Responsibility Investment Index provides market recognition for companies demonstrating commitment to social responsibility, including philanthropic activities.

The system is further strengthened by the collaboration of well-established charitable organizations. Ten reputable charities, including Education Africa, HOPE Worldwide South Africa, and the South African Red Cross Society, have joined forces to form ["The Giving Organisation."](#) By joining forces, these organizations aim to secure ongoing and sustainable sources of income through Payroll Giving, while providing donors with confidence in the effective use of their contributions across a wide range of social causes.

South Africa's tax incentive framework demonstrates how thoughtful policy design can encourage more sustained philanthropic engagement and collaboration while maintaining appropriate fiscal oversight. The success of this model, particularly in facilitating giving through structured mechanisms, offers valuable lessons for other African nations looking to develop their own frameworks for incentivizing philanthropy. It shows how traditional tax collection systems can be reimaged to support charitable giving while maintaining fiscal responsibility and creating multiple pathways for strategic philanthropic engagement.

## Regional Giving Circles: Creating Structured Collaboration for Impact

[Giving circles](#), a model where donors pool their resources and collectively decide on philanthropic investments, represent a tool which can transform individual giving into coordinated impact. In the African context, these circles would formalize and scale up traditional collective giving practices, creating structured vehicles for HNWI collaboration while maintaining cultural resonance. Under this model, members commit both financial resources and time, engaging in collective learning, due diligence, and decision-making about philanthropic investments in specific focus areas.

It would be prudent to establish sector-focused regional giving circles, each led by a rotating committee of HNWI members and supported by professional staff with relevant sector expertise. These circles would be hosted by established philanthropic organizations who could provide administrative support, legal frameworks, and connection to broader philanthropic networks. Each circle would typically comprise 15-25 HNWI members who commit to multi-year participation and minimum annual contributions.

This model offers several key advantages:

- Reduces individual risk while increasing potential impact through pooled resources
- Creates structured learning opportunities through peer exchange and expert input
- Builds trust and collaboration habits among HNWIs
- Enables testing of innovative approaches through shared risk-taking
- Provides natural mentorship opportunities between experienced and newer philanthropists

While these recommendations address distinct aspects of the philanthropic ecosystem, their implementation would create mutually reinforcing positive effects. Impact measurement frameworks would support both tax policy development and giving circle effectiveness, while improved tax incentives could encourage greater participation in collaborative giving mechanisms. By focusing on these strategic interventions, we can begin to unlock the full potential of African HNWI philanthropy.

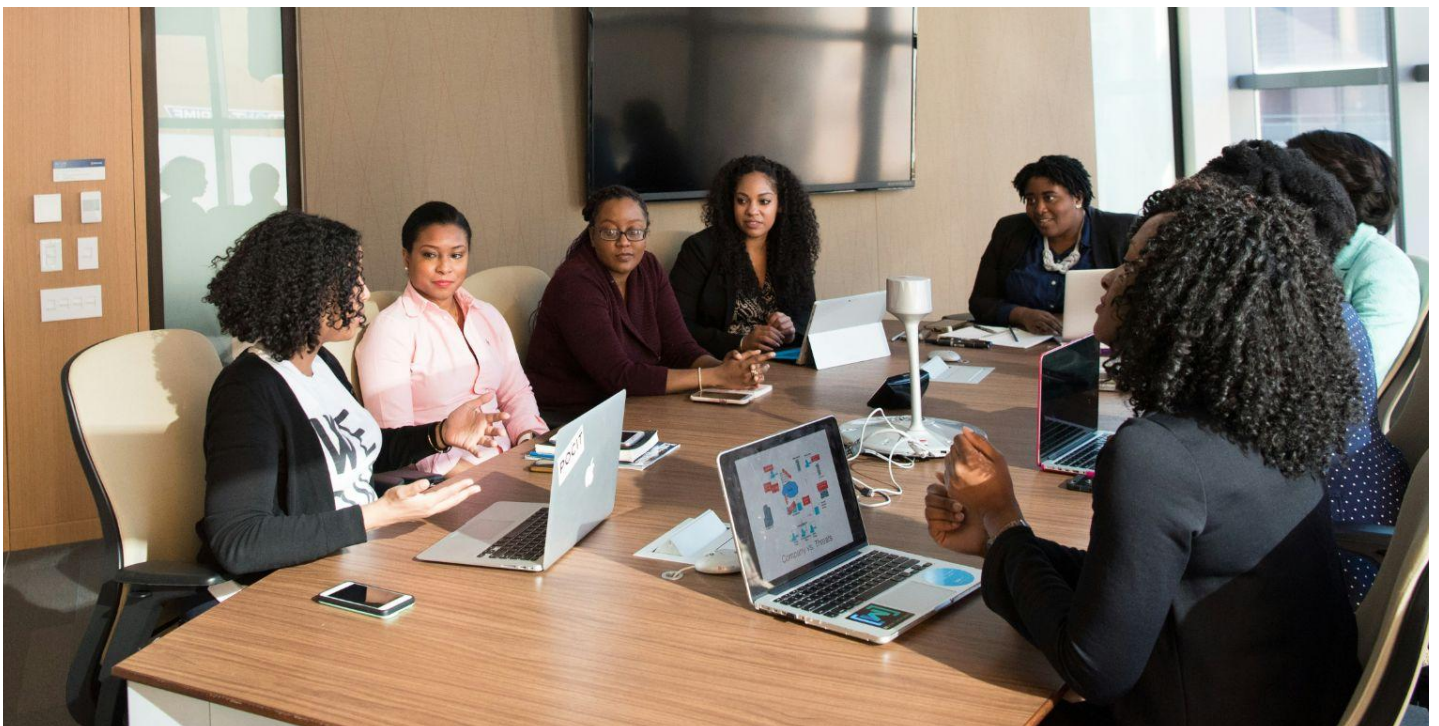


Photo by Christina @ wocintechchat.com

# Conclusion

African HNWI philanthropy stands at a potential moment of transformation. The continent's growing wealth, combined with traditions of giving, creates unique opportunities to move towards more strategic philanthropic approaches that can support continental development. Yet, as our analysis reveals, the full potential of HNWI giving remains constrained by a complex web of individual, institutional, and systemic limitations.

The landscape we've examined reveals untapped potential. While the continent's HNWI population continues to grow, with their collective wealth reaching significant levels, annual philanthropic giving remains relatively modest. This gap between potential and actual giving reflects not just economic constraints, but deeper structural challenges in how philanthropy is conceived and practiced across the continent.

Our research highlights how traditional values and modern philanthropic approaches often create tension rather than synergy. The preference for hyperlocal giving, while ensuring real community impact, can limit broader systemic change. Similarly, the culture of discretion in giving, though culturally significant, hampers knowledge sharing and collaborative opportunities that could amplify impact.

Yet, within these challenges lie opportunities for transformation. The evolution of religious giving frameworks through digital innovation demonstrates how traditional practices can be modernized without losing their cultural essence. The growing interest in impact measurement suggests a sector ready for strategic evolution. The path forward requires a delicate balance: maintaining the personal connections and cultural values that give African philanthropy its strength while building the infrastructure and frameworks needed for greater impact. Our recommended interventions provide practical steps toward this balance.

As Africa continues its economic growth trajectory, there are increasing opportunities for HNWI philanthropy to be impactful. The success of this will depend not just on increasing the volume of giving, but on transforming how that giving is structured, measured, and deployed for maximum impact. By addressing the interconnected challenges identified in this report while building on existing strengths, African HNWI philanthropy can evolve into a powerful force for sustainable development across the continent.

