

The dominance of Overseas Aid and Development Charities in Ireland

By Caterina Violi

One of the first and clearest results that we came across when the Irish Charity Engagement Monitor¹ was launched at the beginning of 2008 is the prominence of Overseas Aid and Development charities in the mind of the Irish public. With four waves' worth of data confirming and consolidating the finding, one of the questions arising is what exactly is behind this phenomenon and what will the implications of the current economic climate be for the Overseas Aid and Development sector in Ireland.

Top of the Irish public's mind

The dominance of organisations working in the field of Overseas Aid and Development in the mind of the Irish public stands out even more when we compare responses to an unprompted question regarding the first charities that spring to mind among the British and the Irish public.

Five of the top ten charities spontaneously named by the Irish public work in Overseas Aid and Development. Two of the largest charities in the field- Trocaire and Concern- also occupy the top two positions in the spontaneous awareness ranking. By contrast, in the UK, only two organisations in the top ten for spontaneous awareness – Oxfam and the British Red Cross- work in the field of Overseas Aid and Development, with spontaneous awareness scores that fall significantly behind those of Cancer Research UK, the clear leader in the UK market.

When we ask the public to name a charity that specifically works in the field of Overseas Aid and Development, an interesting measure to consider is the proportion of people whose mind goes blank. Here we find further confirmation of the dominance of these charities, with only one in four Irish people unable to name an organisation working in this field compared to one in two in the UK. Perhaps one of the clearest signs of the prominence of these organisations in the Irish public's mind is the fact that, even when asked to name organisations working in other fields such as Homelessness and Housing, Child Welfare or even Health, mentions of some of the large Overseas Aid and Development organisations continue to come up.

The importance of this sector in the Irish charity market is reflected in terms of monetary support too. This is certainly true for Trocaire and Concern, but also for other brands such as Gorta, Sightsavers, GOAL and Oxfam.

¹ nfpSynergy's Irish Charity Engagement Monitor is a tracking study of attitudes, awareness and perceptions of charities among adults in the Republic of Ireland. It surveys a national representative sample of 1,000 adults aged 16+ from the Irish population three times a year.

So what factors can explain the prominence of Overseas Aid and Development in the Irish public's mind?

Growing attention from the public and the government

Although the Overseas Aid and Development sector is relatively young in Ireland, with the majority of organisations being founded in the 80s and only a few – predominantly the large brands- established before the 70s, it has been receiving growing public and political attention. Recession related cuts to the overseas aid budget aside, it is hard to ignore the unprecedented amount of money that has flown into the sector from public sources over the last ten years. Ireland's commitment to achieve the United Nations target of 0.7 per cent of Gross National Income by 2012, meant that aid spending went from €1 million in 1995 to €129 million in 2005². Moreover, in 2007 Ireland was the sixth most generous donor in terms of aid spending per head of population in OECD countries³.

Despite the recent growth in statutory funding to Overseas Aid and Development causes, it is interesting to note that this sector does not hold the largest share of the Irish charity market in terms of income. It has been estimated that in 2006 Overseas aid and Development organisations accounted for 9.2% of the total income to charities, voluntary and community organisations in Ireland, a smaller proportion than the sector of Education & Research (24%) or the Health sector (16%)⁴.

One factor that could potentially help explain the discrepancy between relative dominance in awareness and the dominance in income is the funding mix of the Overseas Aid and Development sector. Overall, the charity sector in Ireland is heavily reliant on the state, more so than many other western countries, including the UK. In 2006, for example, 60% of charities' income in Ireland came from statutory sources and only 12% came from fundraising and donations⁵. By contrast, in the UK only 35% of funding to the charity sector came from statutory sources in 2006⁶.

However, Overseas Aid and Development organisations appear to be relatively less reliant than average on the State for funding, with only one third of total income coming from statutory sources- that is, half of the proportion received by the average charity. Overall, they also hold the highest share (25%) of the total amount of private donations to the whole of the charity sector⁷. The higher reliance on private sources of income means that it is likely

² Dochas, 2007

³ "Ireland DAC Peer Review ", OECD, 2009

⁴ "The Hidden Landscape: First Forays into Mapping Nonprofit Organisations in Ireland" F. Donoghue, G. Prizeman, A. O'Regan, V. Noel, Centre for Non-Profit Management, 2006

⁵ Dochas, 2006

⁶ NCVO, "The UK Civil Society Almanac", 2005/06

⁷ The Hidden Landscape: First Forays into Mapping Nonprofit Organisations in Ireland" F. Donoghue, G. Prizeman, A. O'Regan, V. Noel, Centre for Non-Profit Management, 2006

that Overseas Aid and Development organisations are engaging in more intense and regular fundraising activity among the general public than organisations in other sectors and are more systematically focusing on raising awareness of their brands. From this perspective, it is perhaps unsurprising that these charities have earned top of mind positions among the Irish public.

A tendency to think global?

Although results from nfpSynergy's Irish Charity Engagement Monitor suggest that the propensity to support local or national charities remains strong, it is hard to deny the prominence of the big Overseas Aid and International Development sector both in terms of awareness and in terms of actual support.

One could perhaps argue that a global mindset is unsurprising for Ireland, where the role of the Catholic Church with its outward looking mission and its efforts to reach out for those in need, wherever they are, has traditionally been so strong. It is also likely that this attitude has been shaped by the exposure of the Irish public to Overseas Aid and Development's messages from a very early age through the school system. Trocaire's traditional Lenten Appeal is a prime example of this.

What next?

In recent years, the growth of the Overseas Aid and Development sector in Ireland has been remarkable in income terms and it is clearly reflected by the dominance of the sector in the Irish public's mind. But what may the future have in store for the sector given the recent economic recession? With the overseas aid budget having already been slashed by €195 million – or 22% of the total – since last summer and with further cuts planned for the autumn this year, we need to recognise that, in general, one of the key engines of growth for the sector may be powering down.

The importance of private donations in the funding mix of the sector also means that this stream of income needs to be nurtured in this difficult phase. As economic times get tougher at home, people may still be donating to charity, but they may be donating less. They may also be more likely to focus their concern towards domestic issues rather than international ones. Overall, this means that competition over donors between domestic and international causes may be increasing. As a result, Overseas Aid and Development charities- and indeed all charities- must ensure that communications with both existing and potential donors focus on highlighting where there is greatest need for support, and why need is now stronger than ever.