



Journalist Fellowship Paper

Safeguarding independent journalism in Latin America

By **Francisca Skoknic**

March 2024

Hillary Term

Sponsor: Thomson Reuters Foundation

Contents

Introduction	3
How it started	5
How it's going	8
What the existing research shows	9
Funding as a source of political pressure	11
Gathering the data	13
Which countries receive more funding?	14
Some methodological notes	15
The origins of philanthropic funding for non-profit news	17
Challenges of the Latin American model	19
Opportunity gaps	20
Shifting strategies	20
Shifting politics	22
Climate change or Nazis?	23
Donor darlings	25
Aggregating donors	27
IFPIM's progress	28
The aggregator firewall	29
Case study: Sierra Leone	29
Case study: Brazil	30
Case study: Colombia	31
Earned income opportunities	33
Audience contributions	33
Universities	35
Conclusion	37

Introduction

I once believed there was no need for a business plan in a non-profit organisation. After all, isn't business solely about pursuing profit? Through experience, I've learnt that journalism today is predicated on innovative business models. Million-dollar aspirations or not, even non-profit newsrooms need a clear and achievable roadmap to sustain operations.

In Latin America – a region marked by poverty, inequality, widespread corruption, and increasingly frequent attacks on press freedom – finding a sustainable business model to support quality journalism is particularly daunting. Nonetheless, the survival of independent journalism is crucial for both protecting fragile democracies across the region, and promoting democracy in countries now led by autocrats.^{1,2}

The decline in traditional media revenue, triggered by the fall of advertising and shrinking readership, impacted Latin America later than it did in the United States. It followed a similar trajectory, but the baseline was different in a region where ownership has been highly concentrated and lacking in pluralism and independence.

While legacy media income steadily declined, a myriad of new digital outlets transformed the news landscape. This shift was driven not by business magnates but by journalists who, frustrated with the restrictive editorial policies of established media, ventured into non-profit journalism to provide reliable information that enriches the democratic debate. A widespread consensus among these journalists was that traditional outlets were failing to cover crucial stories and were not fulfilling their watchdog roles effectively.

To finance their initiatives, Latin American journalists turned to philanthropic organisations in Europe and the U.S. that were eager to bolster the free press as a means to enhance democracy, combat corruption, and uphold human rights – all targets of their institutional agendas.

¹ Michael Schudson, *Why Democracies Need an Unlovable Press* (Polity, 2013).

² Joseph Stiglitz, Anya Schiffrin, and Dylan W. Groves, *Journalism for Development: The Role of Journalism Promoting Democracy and Political Accountability and Sustainable Development* (Unesco, 2024)

Although both donors and new media outlets were aware from the outset of the need to diversify their funding sources, philanthropic contributions remain the primary financial support for independent journalism in the region to this day.

It is not an overstatement to say that if one of those funders decided to change their priorities and invest in other areas or regions, the survival of journalism as a public service would be put at serious risk in Latin America.

Reverting to the days of concentrated ownership is not the goal, which means there is even more urgency to find new models.

The aim of this project is to analyse the impact of key donor stakeholders on journalism and to assess the benefits and risks associated with this funding model for the continuity of independent media in Latin America. To this end, I have compiled seven years' worth of grant data and conducted in-depth interviews with journalists, experts, and funders. Finally, the project explores other strategies and sources of funding that might help decrease reliance on foreign donors.

How it started

Digital pioneer [El Faro](#) boasts of its legacy with the slogan, “The first digital news site of Latin America”. Published out of El Salvador, El Faro could have disappeared from the web like hundreds of digital outlets created during the past decades. On the contrary, it has grown to become a model for quality journalism and may be the most internationally awarded outlet in the region, from the Ortega y Gasset in Spain to the excellence award by the Fundación Gabo, created by the Nobel Prize winner Gabriel García Márquez.

When they started, in 1998, El Faro’s journalists worked for free and had other full-time jobs in print newspapers. “It was more like a school of journalism than a media outlet,” recalled Carlos Dada, director and one of the founders of El Faro. “It was a school where we published stuff that nobody read, a school without teachers where we all learned together.”

It was a good school, so all the other outlets wanted to hire journalists trained there. It took some years for El Faro to be able to hire and pay its journalists and rent a tiny office. It all started with a small grant from the Danish International Development Agency, which was followed by other European countries and then by Open Society Foundations (OSF), which became one of its main funders. “Then we started to walk, step by step,” Dada explained.

El Faro was created as a for-profit company and added some of its journalists as shareholders. But despite its journalistic success, El Faro has never made a profit.

In 2007 the creation of [Ciper](#) in Chile set another milestone for the independent media industry in Latin America. With a clear focus on investigative journalism, its founder Mónica González got most of its financial support from the local media holding Copesa and also received grants from OSF and Ford Foundation.

Ciper was born at almost the same time as ProPublica in the U.S. and, like them, led a wave of independent digital news sites that emerged from Puerto Rico to the Southern Cone of Latin America. [IDL-Reporteros](#) in Peru and [La Silla Vacía](#) in Colombia (2009), [Animal Político](#) in Mexico (2010), [Agência Pública](#) in Brazil and [Plaza Pública](#) in Guatemala (2011) are some of the outlets that were born with a public interest mission during that period, and still have an impact in their

countries with their watchdog journalism. Together with Ciper and El Faro, they were part of a short-life organisation called “Aliados”, that in 2013 aimed to cooperate and join forces to find a sustainable growing path, a challenge that was a common concern.

Regardless of the corporate form they took, the outlets analysed for this project never had profit in mind and, in most of the cases, they didn’t have a clear or realistic idea of how to generate income.

“When we started, we never thought about long-term sustainability or funds in general,” recalled Natalia Viana, co-executive director and co-founder of Agência Pública in Brazil. “We knew that in Latin America other non-profit centres were doing public interest journalism, so we talked to Mónica González from Ciper, to Juanita León from La Silla Vacía, to Gustavo Gorriti from IDL, to understand a little bit. We were introduced by friends to Ford Foundation, our first institutional sponsor, and we evolved from there. We were just doing journalism and then Open Society Foundations approached us.”

The native digital independent media trend didn’t stop with that first wave of new outlets. To name just a few of the projects that emerged during the last decade: in 2014 [Convoca](#) and [Ojo Público](#) started publishing in Peru; in 2015 [Efecto Cocuyo](#) appeared in Venezuela; in 2017 [Quinto Elemento Lab](#) was founded in Mexico and [Contracorriente](#) in Honduras; in 2018 [Cuestión Pública](#) surprised Colombia with its innovation, while in 2019 [El Clip](#) started its regional endeavour from Costa Rica.

This fast-changing ecosystem might seem like the evolution of the digital media landscapes in other regions, but there are some unique characteristics among the group of outlets studied for this project. They do in-depth reporting instead of daily news or clickbait articles; they have a public service mission and have a disproportionate impact in their countries when you look at the size of their teams and budgets.

These are not “alternative” outlets; these are some of the most respected media in the region.³ For example, when the International Consortium of Investigative

³ Sembramedia's 2017 [Inflection Point](#) finds 66% of independent digital outlets in Latin America are syndicated internationally, and 55% have won top awards. See: <https://data.sebramedia.org/wp-content/uploads/2017/09/Inflection-Point-Sembramedia-eng-7-20.pdf> See also:

Journalists (ICIJ) looks for partners for big projects like the Pandora Papers, it doesn't pick mainstream media, as it does in Europe or the U.S., but partners with these small independent digital outlets. And their publications have a great impact.

According to Emilia Díaz-Struck, who was the Latin America coordinator of the Pandora Papers and other ICIJ projects, most of the partners in transnational investigations are small digital outlets because those are the organisations where independent investigative journalism is done in the region.








“Investigative journalists created ventures as an answer to the situation of journalism in the region, where the traditional outlets stopped investing in investigative journalism, in many cases due to external pressure, media closures or censorship,” explained Díaz-Struck, currently the executive director of the Global Investigative Journalism Network (GIJN).

How it's going

Finding steady funding is a headache for media outlets around the world, but independent outlets in Latin America feel that pressure acutely. The difficulties vary from country to country, but there are some common obstacles. For example, only a few outlets have significant advertising revenue. This is not only due to overall reduced advertising spend in the industry, but also because many choose to run advertising-free outlets or their content is too controversial for the establishment, making public and private entities reluctant to be associated with them.

While all the outlets analysed are paywall-free, many have tried reader revenue models, mostly membership programmes. Although there are a few exceptions, most have struggled to engage a significant number of readers in these initiatives. As a result, independent journalism in Latin America is highly dependent on philanthropic grants. Aid from international government pledges also plays a role, but journalism and Latin America are rarely priorities on the development agenda. One [recent study](#) showed only 0.3% of the official development assistance from OECD countries goes to journalism and the top ten recipient ranking include Africa, Europe and the Middle East, but not Latin America or any Latin American country.⁴

Top 10 recipients of Official Development Assistance (2010–2019)

Recipient	Rank	US\$ (Millions)
 Sri Lanka	1	142.1
 Ukraine	2	110.63
Africa, regional	3	107.78
 Belarus	4	91.19
Europe, regional	5	86.37
 Pakistan	6	80.29
 Indonesia	7	77.46
Middle East, regional	8	76.73
 Burma	9	75.25
 Afghanistan	10	74.7

Source: Data on official development assistance commitments provided to the OECD by DAC members. Statistical analysis by Coral Milburn-Curtis.

⁴ Are Donors Taking the Journalism Crisis Seriously? An Analysis of Official Aid to Media 2010–2019, *Center for International Media Assistance*, February 7, 2024.

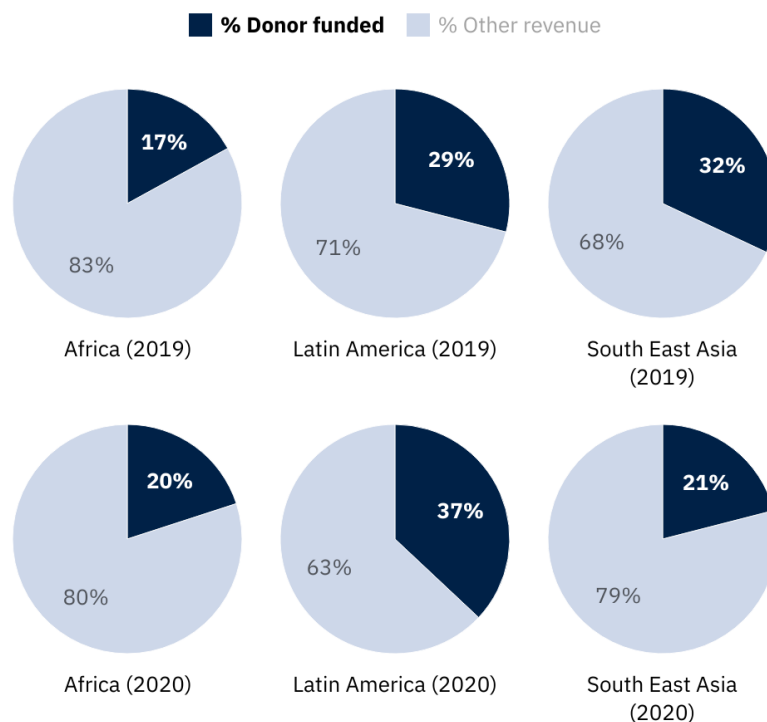
What the existing research shows

Foreign donor funding as a percentage of all revenue is higher in Latin American digital news outlets than it is in other developing regions. Sembramedia, a non-profit supporting digital media entrepreneurs, studied the rates of what they call “[subsidized](#)” income, including funds from foundations, philanthropic investors, and organisations linked to governments.⁵

They found that subsidies accounted for 37% of native Latin American digital outlets’ income in 2020. In Africa, during the same period, subsidies accounted for 20% and 21% in South East Asia.

Latin America’s 37% proportion was an 8-point increase from the year prior, before the pandemic. In Africa, the proportion only increased by 3%, while SEA recorded a 9% decrease.

Percentage of media outlet revenue from grants by region (2019)



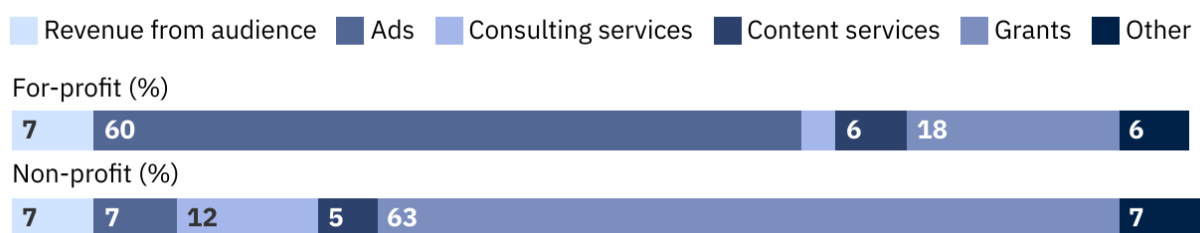
Source: Sembramedia

⁵ Sembramedia, 2021. *Inflection Point International*, <https://data2021.sembramedia.org/wp-content/uploads/2021/11/Inflection-point-ESP-Nov3-2021.pdf>.

The figures gathered by SembraMedia reflect the average across all kinds of digital outlets. Further research shows non-profit outlets have a much higher reliance on donor funding than the average outlet.

The latest [Project Oasis report](#) (2024), for example, also created by SembraMedia, showed that commercial digital outlets in Latin America rely mostly on advertising (60%), while non-profit organisations rely mostly on grants (63%).⁶

Sources of media outlet revenue in Latin America



Source: Project Oasis

The dependency is higher than in the United States. An Index Snapshot published by the [Institute for Nonprofit News](#) (INN) in 2023 found 48% of revenue in the U.S. non-profit sector came from foundations.⁷

Among some Latin American outlets studied for this project, grant funding accounted for as much as 97% in some budgets and almost 0% in others, but in most of the cases grant funding represented well over half of all revenue.

Most of the outlets analysed for this project were non-profits focused on investigative journalism. This is the most expensive and complex type of journalism to produce, with lower publication frequency, and content that is unlikely to endear advertisers, which all contributes to their high reliance on foreign grants.

Project Oasis found that half of all outlets surveyed in Latin America recorded annual revenue of less than US\$20,000, with average annual revenue across all outlets sitting at US\$160,000. This amount is considerably lower than in developed

⁶ Global Project Oasis, 2024. *Global Project Oasis Report 2024*. [online] Available at: <https://globalprojectoasis.org/downloads/report-global-2024.pdf>

⁷ Institute for Nonprofit News, 2023. *The State of Nonprofit News*. [online] Available at: <https://inn.org/research/inn-index/inn-index-2023/revenue-growth-2023/>

regions: in Europe, the average outlet recorded annual revenue of US\$690,000, while outlets in the U.S. averaged US\$600,000.

All of the outlets I spoke to were well aware of their need to find more diversified sources of income, but that is easier said than done. The economic and political situation, local regulations, and lack of professional management are other factors that influence their revenue structure.

Funding as a source of political pressure

Many outlets in Latin America experience the budgetary ramifications of political attacks on press freedom. El Faro is one such victim. The Salvadoran outlet has built a name as a watchdog media that denounces political corruption from different parties. Politicians have typically defended themselves by attacking El Faro's reputation, but current president Nayib Bukele has gone even further to respond to the allegations against his government (including human rights violations and failure to respect the rule of law) by trying to undermine the outlet's access to funds.



A 1 Feb. 2024 tweet on the Salvadoran president's verified account inaccurately suggests 'anyone with half a brain can see journalists at OSF-funded outlets are political activists' (paraphrased)

The young president is obsessed with the international funds received by El Faro and other outlets and has used conspiracy theories about George Soros to target the outlet's links to OSF. Furthermore, in 2021 he [sent a bill to Congress](#) to try to force organisations receiving foreign funds to register as foreign agents and pay a 40% tax on foreign payments.⁸ He also accused El Faro of money laundering and initiated several tax audits on its finances. Due to the constant harassment, the outlet moved

⁸ 'Bukele to Control NGOs and Media Funding', Bukele to Control NGOs and Media Funding, accessed 7 June 2024, https://elfaro.net/en/202111/el_salvador/0000025837-bukele-to-control-ngos-and-media-funding.

its legal address to Costa Rica, where it operates as a non-profit foundation, while its newsroom is still based in San Salvador.

This campaign against El Faro had other costs. The outlet couldn't replace any journalists who resigned because it had to pay lawyers and invest in protecting its team. The attacks also reversed a decade of advances in diversifying its sources of income. In 2013, around 80% of its funds came from foreign grants but, with the help of a new professional manager, the outlet was able to reduce that share to around 65% by 2019, while increasing its budget by 35% and receiving more funds from advertising, syndication, events and alliances, among other sources.

“We had a positive trend of income diversification, but this year we had to close the Sales department, because it is more expensive to pay for the personnel than try to sell ads that nobody buys,” said Dada. “It is not profitable to look for commercial funds anymore. The advertisers tell us that they don't want to have twenty government audits due their links with us. It makes sense. So now, we don't have other ways of funding.”

The extreme political situation in some Latin American countries, when parts of the newsrooms are forced into exile, is simply not conducive to thinking about revenue diversification, Dada said. This is when philanthropic organisations become vital to their survival. He averred that in some places, like Brazil, Colombia or Mexico, diversification might still be feasible.

And while Dada may be right, every country faces its own difficulties, often due to local regulations. In Mexico, for example, the law does not permit non-profit organisations to receive more than 10% of their income through commercial activities, so donations must account for at least 90% of their budget.

Sometimes even reaching 10% of self-generated income is hard for publishers. Take the case of Quinto Elemento Lab. They do not call themselves a media outlet, because they were created to train investigative editors, but the truth is they are also one of the leading investigative outlets in Mexico. “If we were able to get that 10% of self-generated income we would be able to replace a donor,” mused editor and co-founder Alejandra Xanic, but added they are still far from that percentage.

When Quinto started, they decided to offer their content for free to outlets around the country to become known, with the idea of charging big publishers later. “The

problem with the media crisis is that I don't even know if this model is possible because they are not paying for any content. We are in a moral dilemma because by providing free material, we are somehow contributing to the impoverishment of journalists," Xanic explained.

Their plan had also been to charge for their MasterLab training course. It is designed for editors, so Quinto assumed attendees could afford the tuition because they earned the best salaries in the newsroom. Instead, they have had to offer scholarships to most students because they were not able to pay.

Undeterred, Quinto is now exploring new ideas: like offering their services to foreign press in Mexico who might need training in the transparency law or navigating the local system.

As Xanic noted, with the increasing number of outlets looking for philanthropic funds, there is a "brutal competition" to get grants in a universe of shrinking resources and changing priorities.

Gathering the data

To establish my own "who's who" of the media funding ecosystem, I consulted a SembraMedia's database to identify an initial sample of 32 independent media outlets from 16 Latin American countries that share a public interest profile, play a significant role in their countries, and receive institutional foreign funding.

After reviewing funding information published by each of these outlets, it was possible to identify 70 different sources of income. These included: philanthropic foundations (OSF, Ford Foundation, Luminate, etc.), private companies (Google, Meta), international organisations (UNESCO, UNDP), and entities linked to governments or political parties (USAID, Konrad Adenauer Foundation, etc.).

Despite the variety of income sources, two organisations stood out: of 32 outlets studied, 26 received grants from OSF and 13 from Ford Foundation. Both foundations have published grants databases, from which it was possible to identify eight more outlets fitting the profile studied for this article.

According to the data gathered, between 2016 and 2022 those 40 outlets received more than US\$27 million from OSF and Ford Foundation. While Ford Foundation granted fewer than half the number of grants as the Soros organisation, their grants

were significantly larger, meaning the total amount donated was almost on par. (See chart below.)

Grants awarded to Latin American independent outlets (2016-2022)

	Amount	Grants
Ford Foundation	\$13,089,750	49
Open Society Foundations	\$14,377,404	105

Source: Author's own extrapolation of data published by Open Society Foundations and Ford Foundation

OSF has been key in giving establishing grants to new outlets and then fostering their growth, while Ford tends to back outlets with a track record. Ana Joaquina Ruiz, Program Associate for Mexico and Central America at Ford Foundation, told me: “OSF has the capacity to fund more innovative projects. Ford is a bit more conservative and works with projects that can be a contribution in the long term.”

A third important player to consider in this ecosystem is Luminate, created by the founder of eBay, Pierre Omidyar. Publicly available data shows it has only distributed 11 grants between 2016 and 2022 among the 40 outlets I analysed. The average size of each grant was US\$360,000 – far more than the average Ford Foundation grants (US\$240,000) or OSF grants (US\$135,000).

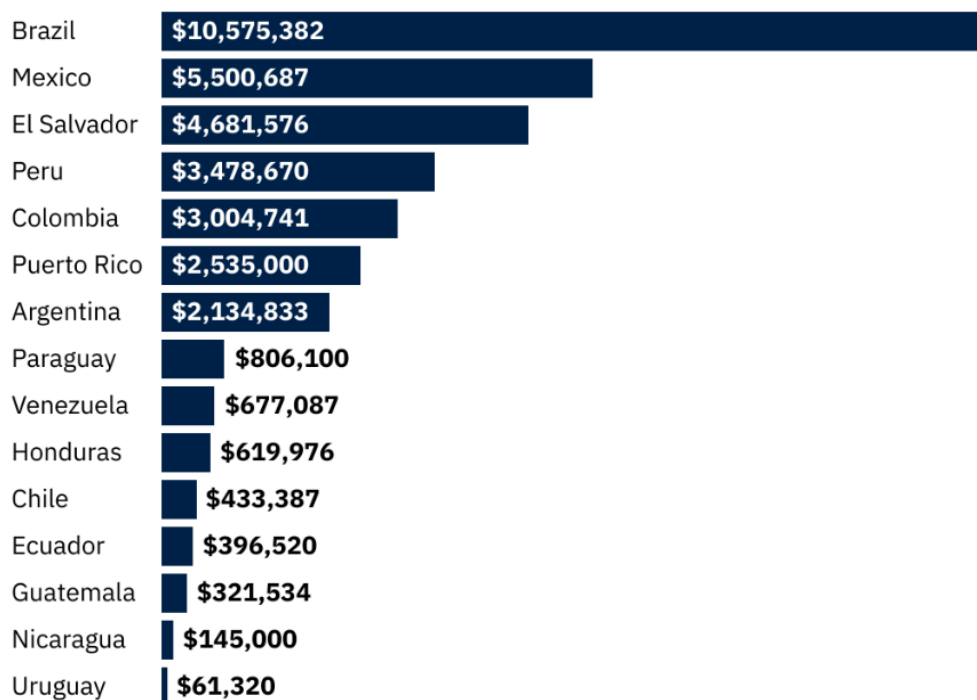
It is worth noting, however, that no consistent data could be found about the length of time each grant was intended to cover. An analysis of average amount granted per year might paint a different picture.

Which countries receive more funding?

Filtering funds received by 40 independent outlets in 16 Latin American countries between 2016 and 2022 from major donors (Ford Foundation, OSF, Luminate, the National Endowment for Democracy, and The Reva and David Logan Foundation), suggests outlets in Brazil and Mexico received the most funding.

This makes sense, because they are the biggest countries in the region. More surprisingly, the third place is occupied by El Salvador, a tiny country by comparison, but where democracy is at risk and independent journalism is flourishing. (See chart below.)

Grants to Latin American independent outlets by country (2016-2021)



Author's own extrapolation of data published by five donors: Open Society Foundations, Ford Foundation, Luminate Group, The Reva & David Logan Foundation and the National Endowment for Democracy.

Some methodological notes

This data set excludes substantive grants related to journalism but which did not go directly to outlets, grants that went to outlets that are part of a media consortium, and grants to outlets not engaged in public service journalism. For example, it does not include Velocidad, a media accelerator that in 2019 received at least US\$500,000 from Luminate and distributed sub-grants.

It should also be noted that research for the project revealed that there are some philanthropic organisations that choose to withhold information about grants made to outlets under attack in their countries, so some information might be missing.

Additionally, Luminate did not reveal the amount of two grants, arguing it was due to “the sensitive nature of the non-profit market”.

Another source of inaccuracy may arise from outlets that operate under one particular brand name but receive funding under a different legal entity name.

The origins of philanthropic funding for non-profit news

The earliest roots of outlets like the ones analysed for this project can be traced back to 1977, and the opening of [The Center for Investigative Reporting](#) non-profit in Berkeley, California. The U.S. centre was devoted to public service journalism, and financed by philanthropic funds.

In the early 21st century, as the massification of the internet and the crisis of the traditional ad revenue journalism model broiled, a new wave of non-profit digital-born public service organisations emerged. Among the most impactful was ProPublica, created in 2008. Chuck Lewis, founder of the Center for Public Integrity, [predicted around the same time](#): “These new and future nonprofit institutions could be ways to rejuvenate and sustain the soul of journalism.”⁹

Philanthropic funding is, by nature, a cornerstone of public interest journalism. As Magda Konieczna explained in her book *Journalism without Profit*, the commercial market cannot adequately provide public service journalism.¹⁰ Those who created non-profit public service outlets, “instead of creating another structure that produces public service journalism as a byproduct of commercial journalism – as many future-of-journalism arguments suggest – they have *separated* public service journalism from commercial journalism, and connected it financially to entities that support it directly, specifically *because of its public service mission*”.

This idea is shared by the Latin American leaders of non-profit newsrooms. Carlos Eduardo Huertas, director of Connectas, a non-profit journalism platform based in Bogotá that promotes collaboration and training in Latin America, said: “The media sustainability model needs someone who understands we produce a public good. That is why I don’t see it as a mistake to receive international cooperation from governments, philanthropic organisations and from the beneficiaries [the audience] as part of the sustainability of media.”

⁹ Lewis, C., 2007. *The Nonprofit Road*. Columbia Journalism Review, [online] 13 September. Available at: https://www.cjr.org/feature/the_nonprofit_road.php

¹⁰ Konieczna, M., 2018. *Journalism Without Profit, Making News When Market Fails*. Oxford University Press.

Not having advertisements as a main source of income has a positive externality for journalism in terms of editorial freedom because media get rid of the constant threat of losing funding if they touch commercial interests. The interests of philanthropic foundations, Konieczna said, are aligned with the goal of the public service journalism ecosystem. “That niche has its own funding structure focused on promoting democracy (the goal of foundations) and producing quality journalism – what reader-donors want.”

However, other scholars stress that the interests of philanthropic foundations are not always aligned with their grantees, and they may exercise the same economic power over them as traditional advertising. A [report](#) prepared by the Committee for the Study of Platform commissioned by the Stigler Center at the University of Chicago warned: “While philanthropy may offer one resource with the potential to fund the production of high-quality journalism, media outlets must resist potential hidden agendas [...] Power resides where the money is. The media have all too often served as toys for billionaires in search of influence. From this point of view, there is no difference between private ownership of for-profit entities and the funding of foundations.”¹¹

¹¹ Rolnik, G., Cagé, J., Gans, J., Goodman, E., Knight, B., Prat, A. and Schiffrin, A., 2019. *Protecting Journalism in the Age of Digital Platforms*. Committee for the Study of Digital Platforms - Media Subcommittee Report. George J. Stigler Center for the Study of the Economy and the State; The University of Chicago Booth School of Business.

Challenges of the Latin American model

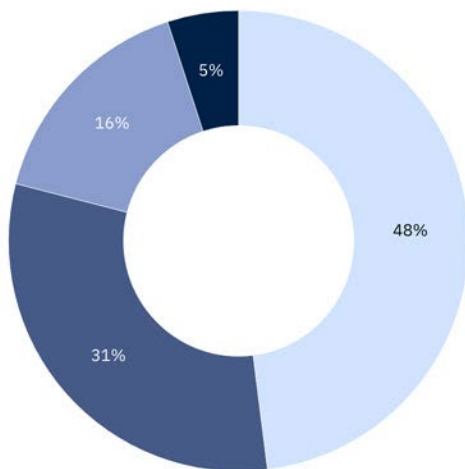
The original philanthropic model for funding journalism might seem similar to its Latin American version, but a closer look shows significant differences in the way they structure their revenue.

The latest [INN survey](#) shows that even though foundations are the main funders of non-profits in the U.S. (48%), a significant share of revenue also comes from individual donors (31%), which can be further divided into three categories of major donors (65%), small donors (27%) and mid-level donors (8%).

A third source of income is earned revenue, which includes advertising, events, training and content syndication, among others.

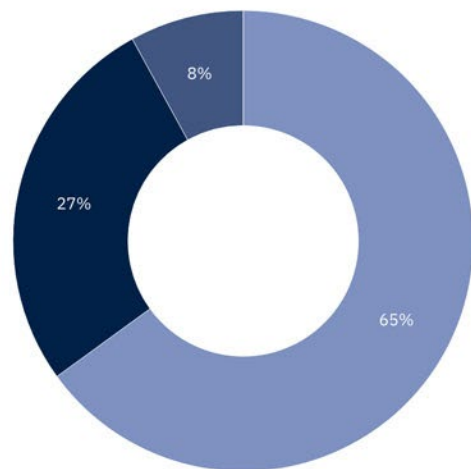
Revenue streams (% of total nonprofit news revenue)

Foundations Individual Giving Earned Revenue Other



Individual giving sources (% of total individual giving revenue)

Major Donors Small-Dollar Donors Mid-Level Donors



Source: INN Index Snapshot 2023

Definitions: Small-dollar donors: Less than \$1,000 per year Mid-level donors: \$1,000 to less than \$5,000 Major donors: \$5,000 or more

According to [Dick Tofel](#), ProPublica’s founding general manager and president until 2021, this structure of donations supports the sustainability of what he calls the philanthropy business model: “The most important factor with respect to sustainability is that both major givers and smaller donors tend to be loyal in their support, at least so long as an organisation (including a newsroom) stays on mission. Unlike institutional foundations, individual donors (large or small) don’t

experience leadership turnover, and don't tend to feel compelled to change strategies every few years.”¹²

Opportunity gaps

In the Latin American model, the stability that should be provided by major givers and smaller donors is often missing and replaced by foreign grants, which explains one of its main weaknesses.

Another difference between philanthropic funding of non-profits in the U.S. and Latin America is the geographic location of the foundations giving grants. For María Teresa Ronderos, director of the [Centro Latinoamericano de Investigación Periodística](#) (CLIP) and director of the OSF Program on Independent Journalism from 2014 to 2018, it's a “miracle” that those organisations continue giving funds to Latin America.

“Rich countries have too many internal problems and now with a war in Europe and Gaza, it is incredible that there is still money from cooperation both from government and private philanthropy. These organisations have made the decision to support journalism in Latin America, Africa, and even in Asia, and I think it is a miracle,” she said.

Shifting strategies

Will the “miracle” last? Surprisingly, even some funders are worried about the risk of possible shifts in priorities. They mention the current situation at OSF as an example. OSF has been a key funder of independent media in the region, but strategy changes over the past decade have shaken Latin American grantees more than once – and is set to do so again.

“There is a very big risk: philanthropic organisations change their opinion and their programmes all the time. Those changes are not made by people like me, an employee, but at higher levels. In our case there is a donor who is alive – Pierre Omydiar – and he has the right to decide what to do with his money,” said Felipe Estefan, vice president for Latin America at Luminare.

¹² Tofel, R.J., 2024. Why Philanthropy IS a Business Model. Substack newsletter, Second Rough Draft (blog), [online] 14 March. Available at: https://dicktofel.substack.com/p/why-philanthropy-is-a-business-model?publication_id=261598

Ana Joaquina Ruiz, Program Associate for Mexico and Central America at Ford Foundation, said they have felt more pressure from organisations looking for grants in recent years because other funders have left the region. “The exit that we have felt the most is that of OSF,” said Ruiz. “We [Ford] have not increased our budget, so the landscape will look more complicated, in the sense that media outlets need to find new sources of revenue. In a personal capacity, I can say that it is true that there are donors that come and go from the region, while others change strategies.”

Internal changes at OSF have worried media outlets in many countries, not only in Latin America. This was acknowledged when Mary Fitzgerald, head of OSF’s journalism programmes, opened her panel during the Perugia Journalism Festival in April this year by saying: “We will name some elephants in the room. I work for Open Society Foundations, which has been going through a long and painful strategy review process, which I know affects many of you in this room...”.

That review in strategy resulted in a freeze on applications for new funds and the distribution of what OSF termed “exit grants” to existing grantees. Internally, the review has led to the layoff of 40% of its staff. The shake-up has been the topic of much conversation among leaders of newsrooms funded by philanthropy, who fear these are all signals that OSF is leaving the region.

One director of a Latin American outlet, whose main funder has been OSF for years, told me he had a 25% funding shortfall in his budget for next year. “They are being irresponsible. Too many people depend on them, they can’t just withdraw from journalism,” he said.

The truth is that OSF is not exactly withdrawing from journalism, but the uncertainty around the future of one of the biggest funders should be seen as a cautionary tale about the risks of a widespread model along the region. It is not clear yet how the changes will affect journalism funding in Latin America, but it’s safe to say that it will be different from what it has been over the past couple of decades and will probably not include general funding across the board. “It remains to be seen,” said Susan Valentine, director of Media and Expression at OSF, when asked if they will continue to give core funding.

Valentine explained that they are moving from a structure with regional and thematic programmes, to one centred on what they term “opportunities” regarding global issues. There will be an “opportunity” related to journalism called “Media and

disinformation”, which is planned to last eight years. OSF is still working on the key issues that will be addressed in this new stage, but Valentine mentioned topics like the role of emerging technology (particularly AI), business models, audience engagement, legal defence, exile media and some policy innovations, like the bargaining codes regarding big tech companies. “We are not specifically thinking of journalism in Latin America or Africa, but to ensure that the Global South is engaged in these debates,” she said, adding that their plan still needs approval and “a lot can still change”.

At the time of my interview with Valentine, in April 2024, it was still unclear how the operational part would work after drastically reducing staff. They may need to outsource grant-making to intermediaries.

Shifting politics

Shifts in geographic interests have also impacted the way funds are allocated. Many feel the war in Ukraine drew attention off Latin America. And Venezuela was mentioned by three of my interviewees as an example of how funders can stop supporting a country when they lose hope for the return to full democracy and the ability of media to have a real impact on the political system.

Each philanthropic organisation has its own decision-making process and priorities. Luminate, for example, originally looked for countries with a certain level of democracy, markets with geostrategic importance, and economies that made the growth of sustainable businesses viable. Then they added other criteria, like countries where they could add value to an existing news ecosystem. That ruled out the extremes like the U.S. (too developed, too many donors) and North Korea (nothing to do). Estefan explained: “It is hard to say where the lines are drawn. There are countries like El Salvador, Guatemala or Honduras where journalism is highly threatened, but we have to balance. And there the need is too high and the opportunity is too low. Another example is Venezuela, where Luminate used to have a portfolio because there was an evident need, but the opportunity became lower each day, because many of our allies had to go to exile.”

The result, one leader of a Venezuelan outlet told me, is that “we are in survival mode”. They complained that international organisations only seemed interested in funding straightforward disinformation projects, like fact-checking agencies, at a time when the country needs trustworthy news.

Climate change or Nazis?

One of the advantages of big philanthropic donors is that they tend to give general grants or core funding, which allow their grantees to fund their operations – salaries, rent, utilities, etc. – and, at least on paper, give freedom regarding content. These are unconditional grants that tend to last more than one year, allowing outlets to plan for a longer period.

Other categories of grants include editorial and spending limitations. The most common are project grants. They vary from funding for proposals generated by the outlet that don't have limits on the kind of spending they are used for, to very restricted project grants, where the donor decides the topic and only allows spending on specific issues that are part of the project, like reporting trips. The latter is a very common kind of grant and the easiest to access because they usually have open calls, but also tend to give smaller amounts of money.

It is hard to assess the impact of earmarked project grants on the Latin American news ecosystem, but they seem to have increased in recent years. It is also evident how the topics have changed over time. Not so long ago, extractive industries, gender, inequality and data journalism were among the favourite topics, while now global warming, artificial intelligence and disinformation are filling the agenda.

All the aforementioned are important subjects, but the danger is that by linking funds to specific issues that fit with the funders' interests, the granting process interferes with the editorial freedom of the outlets. It is true that nobody forces them to apply for those funds, but it is also true that sometimes using them can be seen as the last resort.

“Imagine a climate change project during Hitler's Germany,” said María Teresa Ronderos. “Important, but a distortion of journalism's ethical commitment to society.” For her, journalism is obliged to spotlight what is important in each moment of history. Sometimes the donor's interests might distort that mission.

In a recent session about sustainability at a journalism conference, the director of a South American outlet called on donors to give more general grants. She recalled she had to apply for a technology grant and work on that topic for one and a half years, even though her organisation's interest was not technology. “It had a lot of opportunity cost,” she warned, and “more importantly, it made us hate our jobs”.

Another South American journalist, who requested anonymity, recalled receiving a reporting grant from an organisation funded by big philanthropists, like OSF. They gave her money to investigate beneficial owners and, during her reporting, she discovered an important case of corruption. The organisation subtly suggested not publishing it. “They impose their agenda [on you]. They were not interested in corruption, so they told me it was fine with what I already had. Now I know how they work; they just have to comply with their donors,” said the reporter.

In Brazil, Agência Pública had to design a strategy to face this issue: “We could not accept that foundations would come to us and commission projects. It still happens: foundations come to us and say, ‘We have some money, why don’t you investigate this company or this project, we can pay you.’ It creeps me out. We realised that we needed to educate foundations about editorial independence,” Viana explained.

Agência created a microgrants project, so if the foundations are still interested, they can suggest a broad topic and journalists from all over the country can pitch their story to receive a small reporting grant and mentoring by Agência Pública. The funder doesn’t have any say. “Some of these funders have been Greenpeace, Oxfam, WWF who invite journalists to look at issues they are interested in,” she added.

Most people interviewed for this project said they avoid grants based on specific topics because they diminish editorial freedom. “It is very difficult to have access to general grants, so at the beginning, we had project grants. We saw that other organisations had thematic grants and we decided not to spend our energy on that but apply to organisations interested in broad issues, like democracy or human rights. It allowed us to work on a wide range of issues without changing topics following the donor’s agenda,” said Alejandra Xanic from [Quinto Elemento](#).

In Argentina, [Chequeado](#) has a policy of only applying to thematic grants when they have a competitive advantage and the topic fits with the outlet’s strategy. “The topics are always changing. At one point they were funding a lot of mining and Chequeado did not have a comparative advantage there nor was it an important topic in Argentina at that moment, so we did not apply, but now one of the topics is AI, an issue we have been working on since 2017, so it is a topic in which we think we can be competitive,” said Laura Zommer, former general director at Chequeado and chief executive of [FactChequeado](#).

Donor darlings

The reason general grants are hard to access is not only due to their scarcity, but also the lack of openness in the application process. There are no open calls; outlets need the donor to notice them and invite them to apply or, if they are lucky enough, just offer them a grant. Sometimes the donors find potential grantees by tracking their work or through other donors who don't want the outlets to depend too much on their funding, but media leaders need to be permanently looking for donors, so networking ability becomes a key skill.

After building that relationship of trust, it is very usual that the donors stick around for a long period of time. This dynamic tends to create the so-called “donor darlings”. As described by [Jakub Parusinski](#), co-founder of [The Fix](#): “Donor darlings are media projects that get all the attention, love, and most importantly cash in a world where philanthropic donations are key to survival.” Parusinski added that, “A small number of publications capture an outsized share of resources. Knowing where to show up so you can talk to donors matters. So do properly written grant applications with the latest buzzwords.”¹³

Dr. Anya Schiffrin, director of the Technology, Media, and Communications at Columbia University's School of International and Public Affairs, [sees it as a problem](#), because donor darlings who “attend the same conferences and receive funding from the same donors” might be very proficient in English and know how to surf the complex application processes, “but may not be the most respected or have the largest audience in their community”.¹⁴

As Clip's Ronderos explained, the aggregate effect of this bias is a “serious problem of access,” because most of the funding goes to an educated elite, concentrated in the big cities.

In Argentina, a new investigative outlet called [Ruido](#) (Noise in Spanish) seems to be suffering the consequences of this problem. Founded in Córdoba, the second most populated city in the country, by two well-known and respected journalists, Ruido

¹³ Parusinski, J., 2020. Non-profit media and the donor darling paradox. *The Fix*, [online] 21 September. Available at: <https://thefix.media/2020/09/21/non-profit-media-and-the-donor-darling-paradox/>

¹⁴ Schiffrin, A. and Alfter, B., 2023. *Creating National Funds to Support Journalism and Public-Interest Media*. Global Forum for Media Development.

aims to counteract the centralism of the “national” press based in Buenos Aires and address the decline of local investigative journalism. To achieve this, it has a network of journalists in all the country’s provinces. It was founded three years ago and has already won the most important journalism award in Argentina twice.

Despite its success, Ruido has not been able to generate enough income to fund its operation. “We still can’t dream about that. We are in a symbolic stage, in which we are introduced at journalism conferences as the new star, but we haven’t seen the prestige translated into money,” said Sergio Carreras, editor of Ruido. They haven’t found philanthropic organisations that fund general expenses and have only received a couple of small grants for projects.

“People warned us that it was very difficult to apply for funding, and we made mistakes anyway. Once we lost because we filled out something wrong,” Carreras lamented. He also complained that the press freedom situation in Argentina (before Milei) seemed better from abroad than it was in reality, so the country stopped being a priority for donors.

Aggregating donors

To face the problems and the risks posed by high dependency on a few philanthropic donors, independent outlets in Latin America need to diversify their sources of revenue by broadening the type of donors. There is no magic formula for doing this. It is a field where innovation does not happen too often, which is why it is important to pay attention to the emergence of new ideas.

One such idea is a structure we will call a “funding aggregator”. This does not refer to existing funds for journalism, like state funds or emergency funds.¹⁵ Instead, aggregators are pooled funds that have the potential to receive contributions from public institutions, private companies or philanthropic organisations, and can work at a national, regional or global level.

French economist Julia Cagé explained the approach in 2021: “The key is reducing the power of donors and protecting the media from their agenda. One interesting solution would be to remove direct links between philanthropists and the media they fund, such as by setting up a media fund to which all philanthropists may contribute if they wish and that then allocates the funds to different media outlets. The allocation decision could be made by a group of [international] experts [...] to avoid any direct conflicts of interest. In other words, the main issue with today’s philanthropic funding of the media is that this funding mechanism is direct. We need to establish indirect funding mechanisms to preserve independence.”¹⁶

The [International Fund for Public Interest Media](#) (IFPIM) is an example of this approach. Incubated by Luminare as an “effective, legitimate and efficient way of increasing institutional support to independent media”, a [feasibility study](#) conducted by BBC Media Action in 2021 concluded the fund could be an “effective vehicle for bolstering public interest media, especially in low and middle-income regions in the next decade or two, until new business models can be developed”.¹⁷

¹⁵ A complete taxonomy of funds by Marius Dragomir can be found in the appendix of the paper written by Schiffrin and Alfter in 2023. See: <https://gfmd.info/h-content/uploads/2023/10/Creating-National-Funds-Policy-Brief-gfmd.pdf?x31797>

¹⁶ Cagé, J. (2021). From Philanthropy to Democracy: Rethinking Governance and Funding of High-Quality News in the Digital Age. In L. Bernholz, H. Landemore, & R. Reich (Eds.), *Digital Technology and Democratic Theory* (pp. 241-273). University of Chicago Press.

¹⁷ IFPIM, 2021. *Enabling Media Markets to Work for Democracy: An International Fund for Public Interest Media*. [online] Available at: <https://ifpim.org/resources/feasibility-study/>

IFPIM's progress

So far, IFPIM has raised US\$52 million from governments, companies and non-profits. The amount might sound big, but the feasibility study stated the fund would be unlikely be cost-effective below US\$ 60 million per year.

The French government has been key in the implementation of the fund, first by donating US\$15 million and then by granting the headquarters in France the immunity and privileges of international organisations. The U.S. also committed US\$20 million through USAID and other countries, like Estonia and Denmark, have supported the organisation. MacArthur Foundation and Ford Foundation are among the big philanthropies working with IFPIM while the big techs participating are Google and Microsoft.

During its first year of operation, IFPIM invested US\$8 million in journalism and planned to spend US\$20 million more in 2024. The recipients of its grants are not only media outlets, but also other organisations working in journalism, like those fostering national aggregators.

It is too soon to assess the impact of these early-stage aggregators, but it is worth following their steps because, at least on paper, they might help change the funding landscape. On the one hand, they could attract new local donors who recognise the value of independent journalism but do not want to be linked to specific outlets. This is especially true in very polarised countries or those with authoritarian governments. For example, two of the interviewees for this project mentioned having been asked to receive donations without naming the donors.

“The big void of the Latin American philanthropy is that there are no Latin American philanthropists. There are many very rich and decent people in the region,” said Ronderos. “Maybe the problem is that we do not have vehicles trusted by independent outlets, who do not want to depend on a specific business person, or that people do not want to have problems. Perhaps what we need is a fund to attract Latin American philanthropy.”

This problem extends to would-be enterprise donors: “In our region, there are many companies, national or multinational, that want to support journalism and don't know how, or don't want to be involved in controversies about whom they are supporting,” said Vanina Berghella, IFPIM's director for LatAm and the Caribbean.

The aggregator firewall

Another advantage of aggregators is that they can help to avoid editorial capture by funders, because they work like a firewall between donors and grantees. Governance design is key to making this feasible, by avoiding any influence from the donors in the grant-making process.

A third benefit of aggregators is the possibility of receiving funds from the state. In regions that are highly politicised and institutionally weak, like Latin America, any intention by governments to subsidise the media is seen as an attempt to capture the press. The rejection of those attempts is justified, because it is very common for governments to try to manipulate the news, for example through public advertising. If the money is managed by an external fund – as it is in some European countries – and mixed with private money, there is a real chance of finding public support for this kind of policy.

For Berghella, these national funds “can really make a structural or systemic change in a country”. A [recent study](#) by the Global Forum for Media Development defines a National Fund for Journalism as “a dedicated structure that is designed with a strategic sectoral purpose to provide long-term funding and financing to an independent journalism ecosystem in a particular country, region or place. It can take different forms, but in essence is designed to redress shortcomings, barriers or imbalances in a particular media market, or to incentivize, catalyze or accelerate new entrants or transformative processes in that market”.¹⁸

Case study: Sierra Leone

The first project supported by IFPIM is based in Sierra Leone. The grantee is the [Media Reform Coordinating Group](#) (MRCG), a non-profit organisation that launched the National Fund for Public Interest Media. One of its particularities is that the government backed its creation, committing to fund it and to look for support from international actors. Unfortunately, so far the government of Sierra Leone has not given the [promised money](#).¹⁹

With the grant from IFPIM, the fund started working, created its governance body and is looking for support among international organisations. Francis Sowa, director

¹⁸ Padania, S. and Silvani, F., 2023. *National Fund for Journalism*. Global Forum for Media Development.

¹⁹ BBC Media Action, 2024. Primed: Public Subsidies Learning Brief. [online] Available at: <https://www.bbc.co.uk/mediaaction/documents/primed-public-subsidies-learning-brief.pdf>

of MRCG, said in IFPIM’s annual report: “This broader involvement of key stakeholders will bring together a set of diverse supporters to the fund, critical for the fund’s sustainability and independence.”²⁰

The lesson from this difficult start may be that funds should not be so dependent on governments, especially in countries with weak institutionalality.

Case study: Brazil

The second fund supported by IFPIM will be located in Brazil, a country where media funding has been at the centre of the political debate in recent years. Here, the government has been pushing for a bargaining code for big tech companies to fuel a fund to finance journalism. This is an independent project, led by the [Associação de Jornalismo Digital](#) (Ajour), a digital media association with 140 partners that is an important actor in the debate about media sustainability. Unlike Sierra Leone, the Brazilian fund does not intend to attract public subsidies and only aims to aggregate funds from philanthropies and private companies.

Ajour’s project looks to bring balance to the current granting situation, in which most of the funding from philanthropic organisations goes to outlets based in the southeast of the country, where cities like São Paulo and Rio de Janeiro are located. “We want to distribute more equitably the funds that are brought by philanthropies to Brazil,” explained Maia Gonçalves, Ajour’s executive director.

Ajour is working on the governance of the new fund and has already managed to commit more than US\$2 million to launch its first round of grants. Besides IFPIM, it has [raised money from](#) the Ford Foundation, the Oak Foundation, Luminate and the Open Society Foundations.²¹

“It needs to be a fund for institutional support to outlets, because we see that many projects are focused on themed coverage [instead of funding operation],” said Gonçalves. One of the goals is to attract local philanthropies, which in Brazil invest in topics like education, health or human rights, but not in media.

²⁰ International Fund For Public Interest Media, 2023. *Annual Report*.

²¹ Assis, C. de, 2024. New Fund Launches with \$2 Million to Support Public Interest Journalism in Brazil. *LatAm Journalism Review*, [online] 18 June. Available at: <https://latamjournalismreview.org/articles/new-fund-launches-with-2-million-to-support-public-interest-journalism-in-brazil/>

Felipe Estefan, from Luminate, thinks the Brazilian fund is interesting because it targets the media at an early stage in marginalised regions. “It allows philanthropy to think about communities that have been excluded from their funding and prioritise them in a coordinated manner. This way, we can channel a bigger amount of funds while minimizing the risk taken by each organisation,” he added.

Despite its work on creating this funding aggregator, Ajor’s main focus is on long-term solutions, which include influencing public policies. Gonçalves says that they know that philanthropies are improving the journalism situation; however, it is important to keep in mind that “journalism must not depend on philanthropies to exist, because these organisations can change their strategies and priorities any time, so journalism cannot depend on private interests”.

Case study: Colombia

A fund with a different design is being “conceptualised” in Colombia, in the words of Jonathan Bock, executive director of the [Fundación para la Libertad de Prensa](#) (Flip). Flip is a local NGO that defends the freedom of the press and is applying for an IFPIM grant to run a pilot of their own aggregator.

They have already conceptualised the pillars of the project. First, it will be open to receive funding from different sectors, including international aid, public funding and private donations. “It will have an independent governance. If a state-owned oil company gives money, it will not be able to impose an agenda. The outlet will have the peace of mind that there is an intermediary who is shielding it,” said Bock.

The second pillar involves building legitimacy by avoiding funding any specific agenda, and the third is a focus on public interest journalism. “It means journalism that serves the community in a local context, a real public utility, like water,” Bock added. Covering news deserts, which 15 million people are affected by in Colombia, is one of the concerns of the project.

If Flip gets the grant, in 2025 there will be aggregator pilots running in the two most populated countries of South America. It will take a bit longer to assess their results though. These are promising projects that could help to improve sustainability in the region, but they require alignment of many factors to work well.

The design of their governance must secure independence; their grant-making needs to be seen as fair within the news ecosystem and be able not only to maintain

a stable fundraising influx to keep the aggregator working, but also ensure new funds, avoiding aggregating the ones that were already given directly to outlets.

It is important to note that aggregators have significant drawbacks: they may add more steps to the funding chain, which means more bureaucracy and more opportunities for wasted expenditure. They also require operational funding, which takes money away from journalism in the short term.

Each methodology has its own costs, but Luminate's Estefan thinks there are also gains in adding these intermediaries: "It is true that these funds have an overhead, but they allow to make broader calls and map the ecosystem, generating information to understand, analyse and coordinate solutions. You can also support several organisations at the same time in a more economically efficient way."

Earned income opportunities

Besides philanthropy, there are other approaches Latin American non-profit outlets can use to help fund their operations. In this section, I will focus on two opportunities for earned income that I think have high potential and do not distract the outlets from the main activity of journalism (as some earned income opportunities, like consultancy, do).

Audience contributions

There is consensus around the idea that media should look for ways to make their audiences pay for news, after giving away their information for free since the beginning of the internet. In the last decade, many legacy outlets have introduced digital subscription models, an adaptation of old newspaper subscriptions, this time with the content hidden behind a more or less porous paywall.

Most outlets studied for this project – all digital natives – have sought economic support from their audiences without limiting access to their content. The models implemented vary from membership programmes to occasional crowdfunding campaigns, in general with very limited success.

Outlets are rarely able to raise more than 10% of their income from the audience. This may be due to lower income levels in the region, or because credit/debit cards are less widely used online than in developed countries. A lack of philanthropic culture and the absence of tax benefits for donations might play a role too.

Data from the Reuters Institute's [Digital News Report 2023](#) suggests an average of 17% of people in the 20 richest countries pay for news, while in Latin America the numbers vary from 20% in Brazil to 11% in Chile – above countries like the UK and Japan (9%).²² A [region-specific study](#) conducted by Luminate in 2020 reported that audiences said high-quality content, credibility, and independence were among the most important factors when deciding to pay for news.²³

All these characteristics are shared by Ciper in Chile, perhaps the most successful example of a membership programme in Latin America. Today, 80% of its revenue

²² Reuters Institute for the Study of Journalism, 2023. Digital News Report 2023. [online] Available at: <https://reutersinstitute.politics.ox.ac.uk/digital-news-report/2023>, pp. 11, 114-116.

²³ Luminate, 2020. *Reading and Paying for Digital News: Opportunities and Challenges of the Subscription Model in Latin America*.

comes from its readers. It is hard to say whether it's a replicable model, because so much depends on political and economic factors, but it is worth looking at Ciper's history to draw some lessons.

The Chilean Centro de Investigación Periodística (Ciper) was born as a digital outlet in 2007, funded almost entirely by a local philanthropist, who owns a media consortium called Copesa. From the beginning, the outlet shook the country with its scoops and in-depth investigative stories. It is small, but highly influential. After a decade, the loss of its main funder was almost fatal. After having 14 reporters it kept only two in its investigative unit, including the then-new director, Pedro Ramírez.

“A journalist, Claudia Urquieta, came and suggested to me a membership programme. It was the last bullet in the pistol, if it hadn't worked, it was a goodbye,” Ramírez said. It was the kind of endeavour that takes a village, with a network of “friends of Ciper” looking for new donors at the beginning.

With the pro bono support of an advertising agency, they created viral calls to save Ciper. Next, they took part in the [Velocidad](#) media accelerator and the whole membership programme was professionalised. “We learned a lot, we realised that we were not doing the administrative work well and that our platform to manage payments was too complex,” Ramírez explained.

During this process Ciper hired people to work exclusively on recruiting and maintaining members, fundraising and engaging their audience. Today seven people work on the journalism side, while five fill new positions: a community editor, a sustainability manager, a sustainability assistant, a community manager and a graphic designer.

It is fair to say that it was necessary to spend money on dedicated professionals to be able to earn money, a strategy that has proven to work, according to SembraMedia. “We have consistently found that those who employ sales and business development staff earn more than four to six times more annual revenue than those who rely only on the founders for fundraising,” the latest [Project Oasis](#) report found. “Many complain they don't have the money to hire sales staff, a classic chicken-and-egg challenge, but diversifying these mostly journalist-led teams to include business and sales people clearly improves the bottom line.”

Ciper's experience also shows that a business model based on membership is very sensitive to journalism performance. Scoops can attract a wave of new members. At one point during the protests of 2019, Ciper doubled its members because people felt that they could not find trustworthy information in other outlets, one of the strengths of Ciper. Today the centre has 6,000 monthly donors, with an average donation as small as US\$7.

The biggest threat to the model is economic crises, but sometimes people lose their jobs and, as soon as they find a new one, they reengage with Ciper. "You have a permanent leak, like a door ajar where people leave, so you need to have a very big open door receiving new members that at least compensates for the leak," said Ramírez. The challenge requires very attentive membership management, with permanent contact with the donors. They have to feel part of a community, which in the case of Ciper includes invitations to have virtual coffee with the journalists to listen to the secrets of an investigation or have free tickets to the annual festival.

Universities

Ciper did have grants from big foundations in the past. The main one was from OSF, but after the latest one they let the outlet know they were no longer funding projects in Chile, unless they were about specific topics.

"I do not remember exactly the topics, but something like climate change or fossil fuel," Ramírez said. "They were very worried about those issues and in Chile they are important too, but they are not the first stage of our worries right now."

They do have another steady source of income through a partnership with a private university called Diego Portales (UDP), which represents almost 10% of the budget. It is a mutually beneficial agreement, where Ciper teaches a diploma in investigative reporting, Ramírez is part of the undergraduate faculty and the university pays part of his salary, Ciper receives interns, publishes students' pieces and works on investigative projects with the journalism school, among other things.

"This agreement with UDP gives us a lot of peace of mind, because we know that even in the worst-case scenario, in a total crisis, we have a small mattress that would allow Ciper to work in low-intensity mode," said Ramírez.

For Clip's Ronderos, Ciper's example shows that universities can be good allies in the search for sustainability. "Universities have a great potential. They can give

core funding, which is a base that is hard to find, because most of the donors fund projects. In Colombia, [Cerosetenta](#) is one of the best investigative outlets and it lives inside the Los Andes University,” she said.

In Argentina, [Revista Anfibia](#) receives part of its funding from the public university Nacional de San Martín and another successful case is [Plaza Pública](#), which is part of the Rafael Landívar catholic university in Guatemala. “We are an anomaly in the system,” Francisco Rodríguez, the director of Plaza Pública, joked. His team is part of the university staff. It covers around 70% of the outlet expenses, and the rest is funded by grants from organisations like the Ford Foundation or USAID.

Rodríguez thinks the main advantage of this model is that they do not have to be accountable regarding the profitability of the operation, which allows them to spend long periods researching each story. “We can work with complete editorial freedom without meeting goals agreed with a donor or a project. We have strategic lines that are discussed within our editorial committee, which is part of the university, but it allows us a lot of freedom,” he added. Rodríguez said the university’s religious seal does not restrict them, but influences their priorities regarding some topics, like inequality, justice or politics.

Plaza Pública’s journalists do not teach at the university – though they are working on creating a master’s programme – but they do have a Ford Foundation grant that funds a project that “translates” the academic work into journalistic pieces to spread the knowledge produced by the university.

Conclusion

The evolution and challenges faced by independent journalism in Latin America underscore the essential need for sustainable business models, even for non-profit media outlets. Initially underestimated, the need for a clear and executable financial roadmap has become evident as media revenues decline and new platforms rise.

Independent journalism plays a crucial role in fostering democratic values, holding power accountable, and informing the public. In a region marked by economic disparities, corruption, and attacks on press freedom, the survival of these outlets is vital. However, their dependence on foreign philanthropic funding presents both opportunities and significant risks. The heavy reliance on a few key donors like OSF and Ford Foundation exposes outlets to vulnerabilities if funding priorities shift.

Philanthropic funding, while essential, can influence editorial independence and operational priorities. Project-specific grants, often tied to donor agendas, can divert focus from critical local issues. Hence, the call for more general, unrestricted funding to ensure editorial freedom and sustainability is more secure than ever.

This project did not aim to find the silver bullet or perfect business model for public interest journalism in Latin America, but to show the risks of the current funding structures and highlight formulas that might inform a more sustainable ecosystem.

In that sense, the emergence of funds that aggregate different sources of funding looks like the most innovative approach currently being developed. Furthermore, at least in theory, these funds might mitigate some of the most recurring problems faced by Latin American outlets, like a lack of local donors. They might even attract public funding. It is important to acknowledge that this model needs to overcome a series of barriers before proving it is successful or even feasible.

What is clear from my time spent on this project is that Latin American media and multiple supporting organisations are permanently looking for new paths to maintain the independence and sustainability of the press. That gives me hope that, at some point, the funding crisis may be resolved.